

MISSION

WE WILL PROACTIVELY PROVIDE FINANCIAL SOLUTIONS.
WE WILL CREATE PERSONAL GROWTH OPPORTUNITIES.
WE WILL WILLINGLY SHARE TO BETTER THE PLACE WE LIVE.
WE WILL ENHANCE SHAREHOLDER VALUE.

VISION: YOUR PREMIER CHOICE FOR FINANCIAL SOLUTIONS.



CORE VALUES

RESPECT IS FOREMOST. WE WILL BE PROFESSIONAL, CONFIDENTIAL AND DIRECT AT ALL TIMES.
CHANGE IS A CONTINUOUS SERIES OF OPPORTUNITIES FOR IMPROVEMENT.
TEAMWORK IS KNOWING WHEN TO ASK FOR HELP AND KNOWING WHEN TO OFFER HELP.



April 2007

It's estimated about 40 million Americans relocate each year. A change of address forms annually. On or about

April 2007

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In an effort to keep our mailing list updated, if you know of someone who would like to be added to our mailing list or if you wish to be removed, please call (701) 352-0242.

After living south of Grafton on 5.75 acres for 17 years, my wife, Linda, and I decided to accept an offer to sell our rural residence and move into Grafton. Given that we will be empty nesters next year, we recognized that living in the large house we have now was simply too much space for two people and downsizing was in order. I've always tried to be fairly pragmatic in these types of matters and have had the philosophy of not falling in love with something that can't love me back. I'm finding oftentimes it's easier to give advice to others than it is to follow my own.

Of the past 50 years, only four have not been spent living in the country -- the years I was in college and lived in Fargo. Otherwise, I've always lived on a farm or in the country. I'm a farm boy at heart. I always have been and, I suspect, always will be. You can take the man off the farm, but you can't take the farm out of the man. I still love getting my hands dirty, the added freedom rural living affords, having the additional space, and the moderate real estate taxes! I never had viewed rural water and outside septic tanks as an inconvenience.

With this move, we've experienced a wide range of emotions from excitement, joy and happiness, to emotions that cause a person to pause and reflect. This is the place we raised our three children, including our youngest, Luke, who's currently a junior in high school.

This is the place that my wife and I have put in a ton of work and sweat equity and loved every minute of it. It's been a great counterweight to the fast-paced and sometimes stressful jobs both Linda and I have. There have been countless busy work days that have been put into perspective when I got home and mowed my lawn, blew snow, had a heart-to-heart talk with my black Lab, cut trees, split wood, or just tinkered in my garages. My wife finds her flowers and plants to be her escape and relaxation.

My family will tell you that one of my not so endearing qualities is that I do relatively few things in moderation. I believe if you're going to do something, you ought to give it your best effort to do it well. I have a huge lawn - it's mine, and in my mind, how it's kept up is a direct reflection on me. While I have a riding lawn mower, it's rarely used. I prefer using a 22 inch non-self propelled push mower (I have more than one of them) to properly manicure the lawn. It is mowed in four different directions and I rarely let anyone else do the mowing. I kept track one year of the times I mowed the lawn - I quit counting at 52 times. I'll admit that the lawn probably didn't need mowing that many times, but I suspect I needed it.

During the winter, my wife will tell you that when it's snowing, I'll often fire up my mint condition IHC Hydro 84 diesel tractor with a 2250 IHC quicktach

BRSWEET: MOVING DAY

*ocate each year, and the U.S. Postal Service processes about 38 million
ut April 16, my family will be included in these statistics for 2007.*

loader and snowblower (regrettably, it too, is for sale) and blow snow up to three times a day - again, it probably didn't need blowing three times, but that's beside the point. All these things and much more, I will truly miss.

During the past few weeks, we've been doing a lot of packing (thank goodness for Rubbermaid totes and storage containers), a lot of separating, and a lot of discarding. In the 25 plus years we've been married, this is the first time we've downsized in terms of living space. Since we were first married and lived in a small mouse-infested 12x60 trailer house on the farm, each time we moved, we moved to a larger place, and were always able to take everything we had accumulated with us. As such, we never had to really go through all of the things we'd saved and collected to decide what we could keep and what we would have to either sell or throw.

Not this time. We're going from living in a large house with abundant living and storage space, having two, two-stall garages, a moderate size quonset type building, to moving to a place with about half the square footage and one two-stall garage This is proving to be a logistical challenge.

It's almost been embarrassing when sorting through things. I don't have one of anything - I have two, three, or sometimes more of most things. Why? I'm not sure. Clearly, it's excess at its best - or worst.

We've got family who are taking some of the items. I'm lucky that I have a brother that farms and "appreciates" some of the neat things I have accumulated over the years! We'll be having one huge rummage sale in May for much of what we don't have room for and what we don't throw. In selling a lot of these items, I sometimes feel I may very well be selling my way into poverty!

All that said, for me, the hardest part of this move has been going through the things I've accumulated. I see countless missed opportunities. I have a large closet in the house where I kept a lot of my items - hunting and fishing gear, tools, and other items. It's a good thing I was alone last Sunday when I packed those items. It was a closet full of good intentions and missed opportunities. For example, I found items that I had bought to take the boys on hunting and fishing trips - most of those trips were never taken because there was something "more important" that came up. I had to ask myself, if it was so important at the time, why is it now I can't remember what one of those important things was? What makes it even more disappointing is that the window of opportunity to go back and do many of those "good intention" items is likely closed. You can't turn back the clock.

I believe the pluses in all of this will outweigh the negatives. As mentioned earlier, we're certainly not doing

anything unique, given 40 million Americans move every year. I fully expect once we get through the moving part of this transition, the change will be a good one.

In the end, I imagine the wide ranges of emotions are more about the memories that have been created and formed than about the place itself. Moreover, I often remind myself that a house is just a house unless you have someone to share it with you. A house becomes a home when you have good friends and family to share it with. To that end, I am extremely fortunate in both categories.



Until next time,

A handwritten signature in black ink, appearing to read "Lynn Paulson". The signature is fluid and cursive, written over a light blue background.

Lynn Paulson
CEO/Editor



The Choice Voice

Choice Financial CUSTO

Dan's Service Center West Fargo, N.D.

Eddie Sheeley, Business Banking Officer, recently sat down with Jeff Reveling and Noah Spiekermeier, owners of J & N Industries DBA Dan's Service Center, and great clients of Choice Financial. Dan's



Service Center operates a full service automotive shop and a three bay express lube on Main Avenue in West Fargo, N.D.

In the fall of 2005, Jeff and Noah started working with Eddie on purchasing the full service automotive and express lube from Dan's Oil. Dan's Oil would continue to run the gas station and oil service, and Jeff and Noah would take over the automotive side of the business occupying the rest of the building and keeping the business at the same location it has operated for

the past 25 years. Their dream became a reality as Dan's Service Center start-

ed its first month of operation in March 2006.

Both Jeff and Noah bring their own expertise and experience in the automotive industry to the table to make Dan's Service Center successful. Jeff previously worked as the Lead Mechanic/Service Manager for 10 years at Dan's Oil. Noah previously was the manager at Tires Plus for the past five years. Now Dan's Service Center offers the same great service on vehicles as Dan's Oil has, as well as a full line of major brand tires.

Dan's Service Center continues to offer traditional automotive services and is adding new services with technologically advanced equipment. The following is a list of services Dan's Service Center offers: Full service automotive, electric diagnostics, Express Lube with three bays, major brand tire selection, air conditioning, alignment, brakes, fleet manager services, steering, suspension, tune-ups, batteries, and service contracts.

When asked why he enjoys banking with Choice Financial, Jeff states, "For being a first-time business owner, Eddie and Choice Financial made the process hassle-free, fast and easy. They assisted with all the legwork of making my dream of owning a business come true."

If you have any vehicle service needs, please see Jeff or Noah at Dan's Service Center at 413 West Main Avenue in West Fargo, N.D. or by calling 701-282-7800.

MER PROFILES:

Longtin Farms Walhalla, N.D.

Longtin Farms has been a prominent business in the Walhalla area for many years.

Phil, Corliss, Rod, and Nicole Longtin form the Longtin Farms partnership with the main farm located three miles south of Leroy, N.D. They produce a variety of crops, including sugar beets, dry beans, small grains, soybeans and corn.

This is a third generation farm with the fourth generation starting over the past couple of years. Phil and Rod each have sons that are now involved in the farm operation. Darrin and Luke have formed D and L partnership and have expanded acreage. This has worked well for both operations with efficient use of equipment and a solid work force. "There are a lot of things to think about for someone getting started in farming," says Darrin, "and Choice Financial has been instrumental in implementing programs and assisting us not only with financial matters but with our crop insurance needs as well."

When asked what some of the biggest issues facing the ag industry in the next few years are, Rod states that, "energy is the big one now. Bio Diesel may be of equal importance to the ethanol industry for our immediate area with the canola, sunflowers and soybeans grown in this area. Controlling input costs is key more now than ever and it will be crucial for the commodity markets to keep pace with the rising cost of production. There have been a lot of changes in farming practices, technol-

ogy and financing over the years, states Phil. I think it will become more challenging as time goes on to keep up with new technology in equipment and farming techniques."

Rod and Phil both agree that farming is challenging but rewarding, and is essential to have a lending institution that understands their operation.

"Choice Financial takes care of our operation like it was their own. The entire staff in Walhalla is extremely friendly and they never hesitate to go out of their way to do little things to make us feel appreciated.

Choice delivers on what they represent to their customers, and they do it so timely and in a professional manner. Not everyone in the marketplace does that, which is why it is a valued relationship for us, and we feel they value us as customers."



The Choice Voice



Choice Financial is excited to announce its new location at 4501 23rd Avenue South in Fargo. To help celebrate our third location in the Fargo market, we have a week-long grand opening celebration planned for our customers and friends to enjoy!

Tuesday, April 24:

Prize Wheel – Win gift certificates, movie tickets or popcorn. Take advantage of our product specials.

Wednesday, April 25:

Kids Day - 6:00 pm Pizza Party, followed by Penny & Pals show at 6:30 pm!

Thursday, April 26:

Chow for Charity Day - 11:00 am – 2:00 pm - Complimentary lunch will be served! Free-will donations will be accepted with proceeds going toward Cully's Kids, the Cullen Children's Foundation. We will also hold our Chamber ribbon cutting ceremony. Plus, **three** lucky winners may get the chance to grab some cash in a Cash Cube!

Friday, April 27:

Millionaire for a Day Drawing – Win the interest rate on \$1 million for one day and a limo ride to dinner and a movie.

All events held at our South Fargo location.

On the Grow:

28 NEW EMPLOYEES JOIN CHOICE FINANCIAL

Please welcome the 28 new employees of Choice in the last year who are here to help serve your financial needs.

LANGDON

Bonnie Hell
Customer Service
Rep/Insurance
Caitlin Scheffer
Customer Service Rep

GRAND FORKS

Kaila Marcotte
Customer Service Rep
Evan Mikkelson
Customer Service Rep
Linsey Stadstad
Customer Service Rep

WEST FARGO

Morgan Anderson
Customer Service Rep
Ross Balstad
IT Specialist
Kelsey Bakko
Customer Service Rep
Titus Brue
Customer Service Rep
Spencer Endrud
Customer Service Rep/Loans
Jeremy Johannes
Customer Service Rep
Becky Smedshammer
Customer Service Rep/Proof

SOUTH FARGO

Gerald Brossart
President
Katy Gilderhus
Customer Service Rep
Sara Granger
Personal Banker
Randy Hermanson
Customer Service Rep
Brandon Johnson
Customer Service Rep
Emily Nelson
Customer Service Rep
Denise Olsberg
Customer Service Rep/Loans

COMFREY

Tammy Kelly
Customer Service Rep
Michael Pruett
President
Amber Thom
Customer Service Rep

GRAFTON

Rachel Lessard
Customer Service Rep
Lark Oihus
Customer Service
Rep/Insurance
Jennifer Sundby
Customer Service Rep
Stacey Van Bruggen
Customer Service Rep

WAL-MART

Maggie Kvaale
Customer Service Rep

PETERSBURG

Aletha Orwick
Customer Service Rep



Business Outlook

The key component of a successful business in 2007 was no different than in previous years. It all starts with having great employees. That said, it's encouraging to know that 85 percent of workers feel their career options are promising for 2007. Ninety percent of those in professional/managerial positions rate their prospects as promising.

Men, interestingly enough, are happier than women in terms of how they feel about their career options - 88 percent to 81 percent.

The majority of Americans (64 percent) also believe that their financial situation will be better next year than this year. Only about half (48 percent) are confident they will have enough money for retirement. That's not surprising given that 65 percent of Americans need their next paycheck to meet expenses.

Social Security reform is still important to the American public. Almost 90 percent of U.S. adults would support reform to ensure the S.S. fund will have enough money to pay out benefits for the next 50 years. That said, the devil is likely to be in the details. There is no easy or pain-free fix to this problem, and the longer we wait, the more painful it will be.

The stock market continues to be volatile, but overall, is still doing well. CNBC Mad Money host, Jim Cramer, had an interesting comment on the 2007 securities market. Cramer thinks the markets will be good with low interest rates. His big story for 2007 is that we just don't have enough stock. Twenty-nine of the 30 stocks in the Dow Jones average have buybacks.

It's estimated that the average increase in base pay for 2007 was 3.8 percent. Most progressive companies have objective performance based bonus or incentive plans that provide additional upside in the total compensation area depending on individual and team performance. Many companies still do not realize that what gets measured gets managed. In most workplaces, there are four basic things that can be measured - quality, quantity, cost,

In January, Bert Johnson was awarded a lifetime appointment as Director Emeritus of the Choice Financial Board of Directors. This honor followed his retirement from the regular Board of Directors. Bert had served as a board member since the start of Choice Financial.

"I have seen a lot of changes in the banking industry in the past several years. Everything from debit cards to Internet banking. But Choice has remained a leader and aggressive in the industry, due to our ability to make sound business decisions," says Johnson. Bert adds that he has learned a lot while serving on the board, stating "banking isn't always an easy business, but it's been rewarding to be able to be part of the suc-

cess of our customers and our communities."

Lynn Paulson states, "Bert was an integral part of the formation of Choice Financial. I'm honored to have worked along side him during his tenure as board member, and look forward to his continued interest and input into our growing organization. I appreciate Bert's unique ability to keep things uncomplicated and simple. Most of all, I've valued Bert's sincerity in terms of treating people with respect, consideration and genuine interest."

Bert lives in Walhalla with his wife and remains active in the family businesses. They spend time in Mesa, Ariz. area during the winter months.

◀: 2007 AND BEYOND

and speed. Find a way to benchmark, measure, track, and reward these areas and your business will have a great chance to do well.

Also, it helps if you hire BLTs. Employees that are Believable, Likeable, and Trusted.

Interest rates will probably hold stable. We're still in a flat (sometimes inverted) yield curve. This happens when short-term rates are the same or even higher than longer terms rates.

How does this happen? In my opinion, the Federal Reserve really only controls or influences short-term rates (discount and prime rates). The rest of the rates are determined globally. The rest of the world is buying our debt - and they prefer our longer term debt instruments such as 10 year obligations. It's a good news/bad news type of situation. It's good that they're buying our debt and investing in the U.S. It provides our economy the liquidity it needs and helps offset our minimal or even nega-

tive savings rate. The bad news is if they ever called in their obligations or found other alternative places in the world to invest, it would make for a very serious liquidity situation in our monetary markets. We need to get this country's fiscal house in better order. Balancing the budget and reducing the deficit spending would be a great place to start.

Overall, 2007 is poised to be a pretty good year. In many of our markets, the impact of ethanol and \$4 corn in the farm sector changes a lot of things with respect to the trickle down effect in all of the commodities. A rising tide often raises all ships. I hope that farmers use some fiscal restraint and moderation in assessing the long-term impact and consequences of aggressive, short-term business decisions. We're seeing the impact of the short-term optimism already in rising land rents and land prices.

Try not to get greedy. Remember, pigs get fed, hogs get slaughtered.

David Kohl, probably the most renowned agricultural economist in the U.S., came up with list of "The Seven Dreaded D's of Ag Credit." They're pretty interesting. I'll simply list them without lengthy explanations.

- Divorce
- Derailment
- Drugs
- Disease
- Death
- Disability
- Disillusionment

Business owners often forget one of the most basic business fundamentals - people spend money for two reasons only - solutions to problems and good feelings. Those are also the two reasons most of us have a job.



Diversity: FUTURE U.S. POPULATION

The U.S. is adding one person every 11 seconds. By 2030, there will be 60 million more people living on U.S. soil for a total of 360 million. Steady birthrates, longer life spans, and immigrants are fueling this growth.

Demographics in the U.S. will continue to change and evolve. In 25 years, it's estimated that Hispanics or Asians will account for more than a third of the population in a dozen or more states. By 2050, it's estimated there will no longer be an ethnic majority in the U.S. By 2030, half the population under 18 will be minorities, but they won't be easy to define. Ethnic categories are getting more blurry with the diversity of the melting pot in the U.S.

North Dakota is not expected to join the increasing population. There are only four states projected to have negative population growth in the next 25 years. N.D. is one of them.

It's not difficult to figure out the Sun Belt and the South will be the big gainers of population.

Other changes predicted in the next 25 years?

- Median age of first marriages to rise to 27 and 28 for women and men respectively.
- Average size household will keep shrinking - from 3.1 in 1970 to 2.5 in 2030.



Attitude: THE DIFFERENCE MAKER

Positive attitude comes from within. Positive attitude has nothing to do with what happens to you. Instead, it's how you react and what you do with what happens to you. Positive attitude comes from your ability to process thoughts in a positive way, regardless of circumstances.

How do you start your day? What type of mood and attitude do you bring to work? Obviously, positive and negative attitudes and moods affect employee productivity, but it's interesting that positive moods are more potent. Research has shown that the mood you bring with you to work has a stronger effect on the day's mood - and on work performance - than mood changes caused by events in the workplace. The fact that start-of-the-day mood and attitude have such a strong and consistent effect is pretty powerful. So, if you're having a bad day, it may not

have as much to do with what's going on at work as it is with the attitude and mood you came to work with. For your sake, for your customers and employers sake, take a moment before you walk into your workplace to reflect on the attitude you're bringing with you to your job.

Recent research found that 93 percent of our insights are reached because of non-verbal communication. The human body can make more than 700,000 different physical movements. If each one communicates a different message, what is your body saying about you? How are your clothes, facial expressions, gestures, posture, voice inflections, and all the other non-verbal factors contributing to your success?

The attitude of employees can often be influenced by their supervisor. Ninety-two percent of managers say they're

doing an excellent or good job managing employees, while only 67 percent of workers agree. That's a pretty substantial disconnect.

Managing staff can be a time consuming job. According to *Entrepreneur Magazine*, executives say their managers spend more than seven hours a week sorting out personality conflicts among staff members. Given that 46 percent of new hires leave their jobs in the first year would seem to indicate that the process often isn't always working.

It's a competitive business world. For some, it's all about winning. There is no second place. There are only winners and losers. In a real dogfight, only one pilot goes home. This sounds rather like a Donald Trump style of managing - where second place is the first loser.

I'm not sure it has to be quite so "dog eat dog" to be a winner. Having a successful company starts with having the right people within the organization that are fully committed, engaged, and embrace the culture and core values your company not only writes and talks about, but practices and uses on a daily basis. A successful company has employees with great attitudes that do more than just trade their time for the company's money.

We live in a fast-paced world. It would appear sometimes that if everything seems under control, you're just not going fast enough, and even if you're on the right track, you'll get run over if you just sit there.

Body Language: WHAT IS YOURS SAYING?

The following gestures can be perceived as threatening. Do you recognize any of them as any you've used?

- point your fingers
- tilt your chin
- move suddenly
- cross your arms (a big one)
- tap your toes
- cross your wrists and legs

- swing your feet
- drum your fingers

Take a moment to ask someone you trust and respect to have him/her give you honest feedback in these non-verbal communication areas. Often times, we're not intentionally making these gestures, but the perception to those around you may be different. Like it or not, perception is reality.

Find out what's working for you and what's working against you.

ODDS AND ENDS:

A ccording to a recent Harris Poll, what do adults see as the biggest threats to the U.S. in the next five years?

- 55 percent think that a large number of illegal immigrants coming into the country would be an extreme threat
- 52 percent believe that significant loss of jobs to foreign countries would be a very likely or extreme threat
- 43 percent feel that a significant natural disaster destroying areas of a major city is a very likely threat
- 40 percent think energy needs exceeding supplies is a very likely threat
- 35 percent feel that a trade imbalance leading to foreign ownership of the nation's debt and property is an extreme or very likely threat (See previous comments on interest rates)

Interestingly enough, relatively few people think the following constitute much of a threat:

- Major stock market crash
- Avian flu epidemic
- Banking system collapsing
- A world war
- Major riots within the U.S.

T he cost of a one-ounce first-class stamp will rise to 41 cents starting May 14, along with other U.S. Postal Service rate adjustments. The Postal Service also approved "shape-based" pricing based on the shape of a mailed package. Also approved was the so-called "Forever" stamp—which will be available to use May 14 at the new 41 cent rate—that will cover the full cost of a first-class letter, even if postage rates increase after the stamp is purchased.

W hile many feel the global influence of the U.S. has diminished in the past couple of decades, we still remain the powerful nation in the world. Here's a few of the areas we're still number one:

- Billionaires - 371 of them worth a reported \$1.1 trillion
- 102 Olympic medals in the 2004 summer games
- Internet users - more than 205 million of us
- 296 Nobel prize winners
- 3.98 million miles of roads
- 14,858 airports
- \$157.88 billion in gold reserves

Where do we lag compared to the rest of the world?

- Doctors - 43 countries have more physicians per capita than we do
- Infant deaths - 33 countries have lower rates
- Male life expectancy - residents of 27 countries live longer
- Murders - 15th highest murder rate
- Prisoners - highest per capita rate of people in prison
- Voting - of eligible citizens who vote, U.S. is a woeful 139th out of 172 nations. And we consider ourselves to be the cornerstone of democracy? Apathy maybe, but certainly not democracy.

S eventy-six percent of Americans don't know their credit score within 200 points. Do you know your credit score?

T here were close to 4,000 motor vehicle accidents in N.D. last year that involved hitting deer.

T he average city dweller is exposed to between 3,000 and 5,000 ad messages per day!

F ifty-two percent of people have made late payments on bills and/or credit cards, while 33 percent only make the minimum payment due and 17 percent have at least one credit card maxed-out.

W ords that linger in our memory. *USA Today* recently had the Top 25 Memorable Quotes in the last 25 years. Here are the top five:

- 1) "Let's roll." Todd Beamer, 9/11 just before he and other passengers attacked the terrorists on United Flight 93.
- 2) "Mr. Gorbachev, tear down this wall!" President Reagan, June 12, 1987, appealing to the Soviet leader to remove the Berlin Wall. It fell in 1989.
- 3) "If it doesn't fit, you must acquit." Who can forget this one? Defense attorney Johnnie Cochran, September 27, 1995, arguing that a glove used as murder evidence in the O. J. Simpson trial was too small.
- 4) "I did not have sexual relations with that woman, Miss Lewinsky." President Clinton, January 26, 1998 at a White House news conference.
- 5) "You've got mail!" America Online, 1989. The voice, which still greets users, is El Edwards.





CHOICE FINANCIAL

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Grafton, N.D 58237

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SOUTH FARGO TEAM



Gerald Brossart
President



Kent Anderson
VP Business Banking



Sara Granger
Personal Banker



Lori Dole
Business Development
Officer



Denise Olsberg
CSR - Loans



Brandon Johnson
Customer Service Rep



Randy Hermanson
Customer Service Rep



Katy Gilderhus
Customer Service Rep



Jennifer Roy
HSA Advisor



Nicole Benson
HSA Advisor

Not Pictured: Emily Nelson, Customer Service Rep