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“Community is Our Currency”

The Platinum Standard

Serving Both the Vision and the Visionary

A Newsletter For Our Clients, Friends & Community
 :: Volume 1, Issue 3 :: Winter 2009 ::



New CD Rates: Improve Your Peace of Mind



If you need some good news, Platinum has recently announced new competitive CD rates, effective November 1, 2009. Offering low-risk diversification for your portfolio, our CD options come in three terms with corresponding APY:

- 2.07% APY for 15 months**
- 3.09% APY for 48 months**
- 4.13% APY for 60 months**

Following the 5Cs of traditional banking (Cash Flow, Collateral, Capital, Character, Conditions), Platinum Bank supports its products with healthy capitalization, a solid lending history and longtime client relationships. Perhaps it's time to switch your cash reserves to a safe alternative — the Platinum Standard. Call Krista Kook at 651-332-5200 for more information.

Annual Percentage Yield (“APY”) is accurate as of November 1, 2009. Minimum balance to open account and earn the APY is \$10,000.00. Existing balances at Platinum Bank are not eligible to receive this offer. Early withdrawal penalty may be imposed. Platinum Bank reserves the right to cancel this offer at any time.



Reflections on 2009

by David Rom
 CEO, President and Director



In this final issue of 2009, I thought I would look back on the year with some reflections. When we received approval to open Platinum Bank in 2006, I never could have predicted what lay ahead in the economy and marketplace. We founded Platinum Bank with the vision of providing high quality banking solutions delivered in an old-fashioned style. Local ownership with local decision making was the cornerstone in gaining the trust from our customer base. In fact, it was important that all of our business bankers become shareholders in Platinum.

Having ‘skin in the game’ was the difference maker in that old style banking. Over the past 20 years banking has become a commodity where bankers are seen as a means to an end in the lowest-cost transaction style of business. But we believed strongly that money and banking are very personal to people and that if we were true to our vision, people would recognize Platinum Bank as their best banking solution. In many ways, 2009 has been the most volatile and most rewarding of my career. I don't know of anyone who has enjoyed the ever changing economic landscape or marketplace volatility. However, the old adage that you never know what you're made of until you are tested was

clearly proven correct this year. The characteristics of fortitude, perseverance and even compassion were on display. We continued to work with customers and non-customers to find banking solutions to meet their specific credit and deposit needs. Each customer has a truly unique financial picture and it required us to respond with a tailor made solution.

Credit availability was tight in the broad economy, but we continued to lend in this difficult market. Our overall loan production grew by approximately 45% in 2009. It certainly wasn't easy to find solutions for each customer, but we feel fortunate for the significant business growth. The other surprising change was the numerous bank failures in Minnesota. This uncertainty brought many more deposit customers to Platinum in an effort to work with a bank on strong footing. Often customers expressed their deepest financial concerns and the possible outcomes if the recession lasted too long. We worked with clients to calm nerves and plan for various scenarios.

Looking back at our original vision, it has been a pure pleasure to work and serve our customer base. As we look forward to 2010 and beyond, I value what we have been through together. We conclude 2009 with a ‘clean’ bank on strong financial footing. Our original vision of banking hasn't changed; if anything, it is stronger today than ever.

I wish you a happy holiday season and a prosperous new year. Our entire team looks forward to working with you in 2010.

Internal Controls Support Banking Relationship



by Bryan Bornhoft, CPA
 Shareholder, HG&K, Ltd.

One of the first thresholds of business growth is an awareness that your internal bookkeeping processes are not keeping up with daily

operations. The time it takes to do your billing and financial reporting starts to lag. You as the owner can't obtain the data you need for timely business decisions or regulatory reporting.

If you are aware of your financial growing pains, it's time to alert your advisors and start working on solutions. Business owners who consult regularly with their CPA, banker and other advisors

Internal Controls

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can keep up with transitions and focus on the core needs of their business. Here are some suggestions to work with your CPA to improve some controls and your banking relationship:

Perform a “proof of cash” analysis. For business owners who need to get more comfortable with their cash controls, a CPA can look at the bank activity and compare that to what’s recorded on the general ledger. When bankers perform their review of statements, loans or lines, they know that there has been some professional oversight on these activities.

Timely bookkeeping. If your financial information is not available on a current basis, then you may have outgrown your accounting needs. To catch up, you may need more personnel or outside consulting. Your banker would agree that timely reporting is one of the key characteristics of a business that they want to keep doing business with.

Financial statement services. Invite your CPA to your meeting to deliver financial statements to the bank. Your banker wants to know your CPA; a meeting with these professionals together can help establish and maintain strong ties with your primary source of business financing.

Seek solutions to challenges. Your CPA, banker and other advisors can support you best if they know what’s going on. Keep them informed. A couple hours a month with your CPA can help you plan for opportunities and be prepared for unexpected activities.

Take the long view. Sloppy accounting prevents you from creating a sustainable strategy for your business. When your accounting environment is established with proper policies and procedures, you will have more time to focus on operating your business.

Start leveraging the knowledge of your CPA and banker to establish proper controls, protect your hard-earned assets and focus on what you do best – running your business.

Bryan Bornhofs, CPA, is a shareholder with HGS&K, Ltd., a public accounting and business advisory services firm in Minneapolis. (952) 979-1153 or bbornhofs@hgkcpa.com; www.hgkcpa.com

Meet Our Leaders



Tony Cavallaro
Senior Vice President,
Commercial Banking

Tony Cavallaro has served the banking industry for almost a decade. A Saint Paul native steeped in Italian family traditions, he calls the whole East Side his home turf.

Here, he answers a few questions about what it takes to build trust and connect authentically with people.

When did the idea of authenticity really hit home for you?

There was a prospect early in my banking career who my bosses really wanted to land. They wined and dined him, took him golfing. He appreciated it, but never gave them his business. I decided to give it a shot. I invited him and his wife out to dinner and now he has been a client for seven years. What made the difference to him was that I included his wife.

What is your primary role at Platinum Bank?

Hospitality. I want to make people feel welcome and comfortable. I listen to what they have to say, and I prove it by presenting options that they hadn't heard about before coming to me.

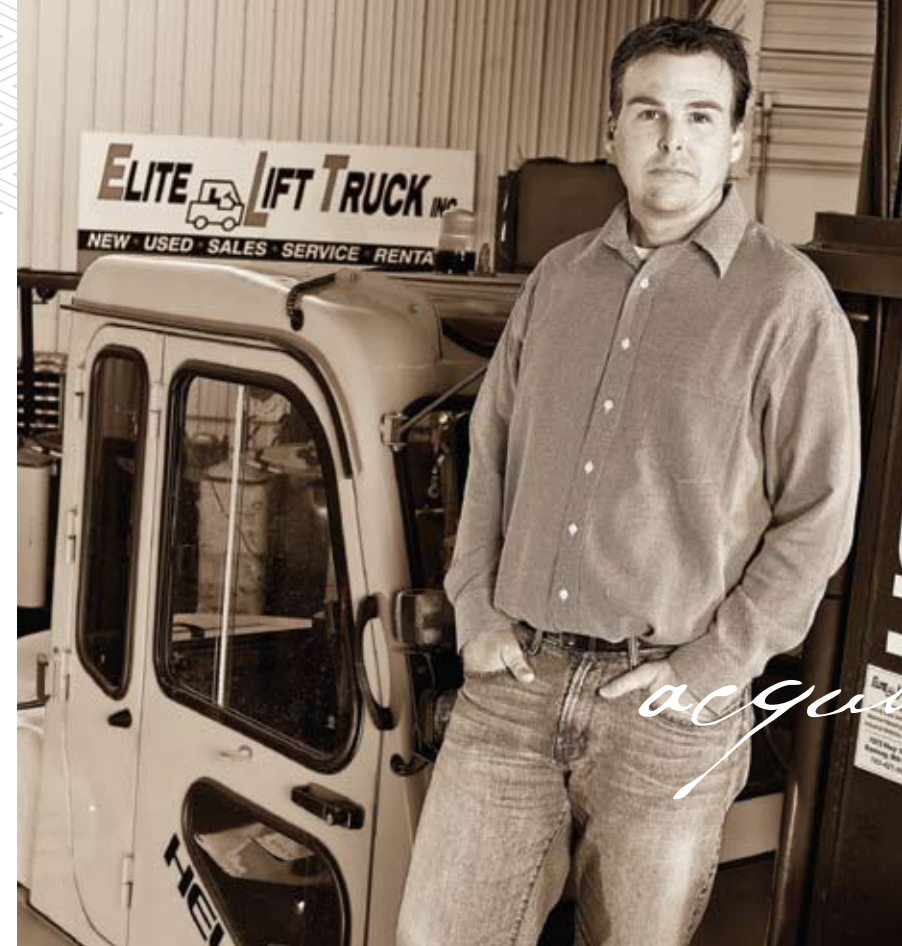
How does the structure at Platinum support authenticity?

We make lending decisions right at our bank. I like being able to get my clients an answer immediately or almost immediately.

Where did you learn about the importance of relationships?

I like to build relationships through service clubs — getting out of the bank and being involved. You get to know a person better when you're working side by side toward a common goal.

Also, being married to my wife, Kim, for 28 years and raising our son and daughter together have provided me with many examples of how important relationships are to a good and balanced life.



acquiring leverage

Photo: Jim Rassier, in one of the working garages

“You really feel like you’re doing business on a handshake. The truth is that they know my business so well that they can make a decision for me within a day. It took more work up front, but their knowledge helps me take advantage of business opportunities I could never accomplish with another bank. I wish I had switched sooner.”

—Jim Rassier, owner of heavy equipment and outdoor power equipment sales, rental and service businesses; proud new dad

Case Study: Elite Lift Truck

By industry comparison, Jim Rassier is the little guy. His \$2 million forklift and heavy moving equipment sales and service business is the smallest among 12 competitors in the state. But he has big plans. A true entrepreneur, he has expanded the 10-year-old, Ramsey-based company into warehouse layouts, rentals, repo, and outdoor power equipment sales and service. His bottom line is a moving target. When he spots a deal, he needs to move fast. Platinum moves at his speed.

Whether he’s capitalizing on a rare used rollback semi or ramping up sales before his competitors, Mr. Rassier chooses opportunities by scrutinizing his financials daily. Because his line of credit at Platinum is organized by each major category of his business, Mr.

Rassier gets an immediate snapshot of cash flow, debt to income and where to invest revenue. Results? His business grew when others didn’t.

With his marketing-savvy wife, Carolyn, Mr. Rassier is growing a business and a family. Time is precious. Platinum’s remote deposit, online banking and proactive collaboration with the couple’s accountant help them sleep at night. “Everybody told me to develop a good relationship with my banker. The people at Platinum don’t look at me as a liability. It’s exactly the relationship I envisioned.”

Platinum Supports Holiday Helping Hands

As part of our mission to stay involved in the local community and to honor our clients during the holidays, Platinum Bank staff and owners recently contributed funds to the Holiday Helping Hands Program in Oakdale.

Sponsored by the Oakdale Business & Professional Association (OBPA), the Holiday Helping Hands Program collects several thousand dollars in gifts and food to help

families during the holidays. Applicant names are supplied by school social workers. Santa and his elves deliver gifts from the proceeds during early December.

Thank you for helping us to create a new standard for community banking. We look forward to future opportunities like this in the coming year.

For more information about the Holiday Helping Hands program, contact John Larson, Hope Church, at (651) 738-9652 ext. 207 or email john.larson@hopechurchoakdale.com.