

July 20, 2008

Good Afternoon:

I am writing in response to your news article which was posted on the Internet yesterday and run on the evening news titled "Calculating Your Bank's Health" along with the video - 'Texas Ratio' Bank Formula. I was alarmed when I received a call that "our bank" was mentioned on the nightly news. Your article lists Stockgrowers State Bank - KS, as the bank with the third highest ratio.

With that said, I am the President of Stockgrowers State Bank of Ashland, Kansas - NO affiliate relationship with Stockgrowers State Bank in Maple Hill Kansas. Your article refers to Stockgrowers State Bank in Maple Hill based upon asset size and condition. Our bank is \$112.0 Million in assets as of 3/31/08 vs. the Stockgrowers State Bank that you refer to in your article of \$65.3 Million.

The article definitely caused concern for me as our bank is very strong with 11.24 percent capital and a "Texas Ratio" of .002711, which is very good.

However, when confirming that your article did NOT refer to our bank (as I was told), I pulled the data on Stockgrowers State Bank in Maple Hill to verify the facts. Yes, I agree that they had total assets of \$65.3 million, and yes I agree that their tangible equity + loan loss reserves was \$6.4 million, BUT I do NOT agree with the NPA's and loans 90+ days past due number of \$23.5 million. Based upon information obtained from the FDIC's website as of March 31st, the number that I come up with is \$528,000 NOT \$23.5 million. They only have \$32.3 million in TOTAL Loans. Using the \$528,000 in NPA's, I calculate the "Texas Ratio" for Stockgrowers State Bank in Maple Hill to be .0829 or 8.29% - significantly lower than 369.5 which was reported as the THIRD highest.

Am I correct? Please let me know at your earliest convenience as I am just trying to "set the record straight".

I know that "our" bank is quite strong, and I do not need our customers thinking that we (or Stockgrowers State Bank in Maple Hill) are in the same condition as IndyMac Bank, based upon YOUR news story. I am just trying to protect us AND another bank in our state that just happens to have the same name as us.

Please let me know if I am NOT looking at the facts correctly and that Stockgrowers State Bank in Maple Hill does indeed have \$23.5 Million in Non-Performing Assets.

Most community banks are quite strong with higher capital levels than required. Please do NOT sound the alarm and make sure that the FACTS are correct prior to reporting.

If I have looked at the facts incorrectly, please advise. You can check out the facts at www.fdic.gov

Thank you for your time and consideration.

Sincerely,

Kendal Kay
President

Stockgrowers State Bank of Ashland, Kansas.