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Citizens Alliance Bank to acquire 2 insurance agencies



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Clara City, Minn.-based Citizens Alliance Bank agreed to acquire 100% of the outstanding stock of Citizens State Insurance Agency.

Citizens State Insurance Agency — most recently owned by the Forstrom brothers, Philip, Perry and John — will become a wholly owned subsidiary of the bank effective July 1. Its legal name will also be changed to Citizens Alliance Agency Inc. effective with the change in ownership.

Additionally, Citizens Alliance Bank entered into a letter of intent agreement to acquire full-line, independent insurance agency Goeman Insurance Agency LLC of Clara City and Montevideo, Minn., from father and son William and Kyle Goeman.

Goeman Insurance Agency and its employees will be merged into Citizens Alliance Agency and become part of the Citizens Alliance Bank franchise. Upon completion of due diligence and negotiation of final terms and conditions of the transaction, the Goeman Insurance Agency deal is expected to close Aug. 1.

William Goeman will continue his employment with the combined agency through at least 2024, while Kyle Goeman will become president of Citizens Alliance Agency, the operations of which will largely be out of the existing Goeman Insurance Agency buildings in Clara City and Montevideo. Human resources, information technology, regulatory compliance and other support services required by Citizens Alliance Agency will be housed and facilitated by existing Citizens Alliance Bank personnel already charged with these duties.

Citizens Alliance Agency will continue to offer P&C, life and health, and crop insurance coverage.

Citizens Alliance Bank is a wholly owned subsidiary of Forstrom Bancorp. Inc., which in turn is owned by the Forstrom brothers. Forstrom Bancorp. has consolidated assets of about \$925 million, according to a press release posted on Citizens Alliance Bank's website.