



BankChampaign
N.A.

SPRING 2009

Promoting agriculture locally and globally

Ken Dalenberg would be hard pressed to be more committed to agriculture. It was his major for both bachelor's and master's degrees from the University of Illinois, and he has focused exclusively on the industry ever since.

But his devotion goes far beyond the Champaign and Piatt County soil of his family farm operation near Mansfield. For the last eight years, he's shared his expertise as a director of the United Soybean Board (USB), serving as chair of the Production Committee which funds soybean research projects at universities. In 2005, when USB selected soybean checkoff farmer-leaders to join its 19-member U.S. Soybean Export Council board, Ken was one of just seven new appointees. Much more than a title, these individuals can claim credit for establishing the international marketing arm of the soybean checkoff program to help ensure that our nation continues to export roughly 50% of its soybean production. He also serves on the Qualisoys board, made up of industry representatives and farmers, to forward the soybean traits – such as low linolenic – that enhance value.

Closer to home, Ken serves on the Illinois Soybean Board, and has been involved with research activities at all of the state universities. He has also been active in the Illinois Corn Grower's Association and the Champaign County Farm Bureau.



Customer Ken Dalenberg (right) gives Dan Rock (far left) and Mark Ballard a new perspective on his farm operation.

So it's no surprise that Ken was looking for a bank that is similarly dedicated to its customers. He knows he found one in BankChampaign.

"Years ago, when I first had the opportunity to rent farmland, I worked with Lew Clausen and Dan Rock at Champaign National Bank," Ken explained. "Today, I'm still working with the Clausen family and Dan, now at BankChampaign," Ken said.

"It's important for a bank to have an understanding of agriculture, especially during economic downturns," he added. "As senior vice president, Dan has that thorough knowledge and is always ready to respond."

Ken feels that he's in partnership with the bank and considers it his job to demonstrate – with business plans and balance sheets – why investing in agriculture is a wise decision on the part of the bank. "Because BankChampaign is a closely-held bank, decisions are

made with you as a person, not a number," he said. "I like the bank's responsive service. They've provided me the opportunity to purchase land and make capital investments, in addition to the lines of credit needed for day-to-day operations."

In fact, Ken was so pleased with his banking relationship, he expanded it to include working with Executive Vice President Mark Ballard in the trust and investment services area. "Mark has an excellent understanding of which market sectors can provide the best returns, particularly in this volatile investment environment," Ken said.

Just like his love of agriculture, Ken's commitment to BankChampaign runs deep. "The bank's willingness to serve customers with quick, but responsible, decisions is a key factor for success – both theirs and mine," he said.



Letter from the President

When you can reach a field of corn or soybeans within a 15-minute drive in any direction, you're in an area with an agriculture-based economy. That certainly describes our region, and at BankChampaign we understand the vitality the agriculture sector brings to all of Champaign County.

Our feature on Ken Dalenberg in this issue of *The Neil Street Journal* underscores our focus on a diverse range of customers, with particular specialization in assisting smaller businesses. Ken's successful farming operation speaks to the value of wise business planning and the importance of key partnerships.

We consider it a privilege to create with each of our customers the kind of full-circle relationship we have with Ken. In fact, that philosophy is at the core of the way we conduct business, day in and day out. The process starts with our readiness to respond with lending when our customers have opportunities to enhance their financial success. It continues with our wealth management personnel using their disciplined investment strategy to achieve superior investment performance.

Along the way, each member of our BankChampaign team is here to go the extra mile for you. That's a commitment we honor with every transaction.

L. Dean Claussen
President

A look at our strength

With many banks across the country on a watch list of troubled financial institutions, bank customers are understandably concerned. We want you to know that BankChampaign is strong because it is financially healthy.

So what are the vital signs that make up a bank's condition?

Consistent and growing earnings, capital and reserves that far exceed standard industry guidelines, as well as extremely low loan delinquencies are the factors that demonstrate the health of a community bank.

These specific characteristics describe BankChampaign. We're managed by stable and experienced financial executives who have a proven track record of using good and conservative judgment in our business practices. Our bank also operates with the oversight of a well-informed Board of Directors.

The combination of our financial strength and diligent managerial supervision have earned BankChampaign the highest of ratings from published rating sources. We understand our responsibility to be good stewards of the deposits entrusted to our care and use that as a guiding principle for keeping our bank safe and strong.

If you have questions, please contact any member of our staff.

BankChampaign

ILLINI 55

We built this program for you.

Before we launched our new Illini 55 program in late 2008, we asked for your input on ways to make it special for you.

After reviewing the information you gave us, we got busy setting up the travel and special event opportunities you said were of the greatest interest to you as part of Illini 55. Daylong bus trips were your most requested type of activity, followed by educational events. One- to two-night trips ranked third and local outings were your fourth most-requested item.

Unlike similar programs that impose numerous requirements for membership, you automatically qualify for Illini 55 if you are age 55 and over and maintain any type of account relationship with BankChampaign.

Your membership includes free educational seminars, discounts on escorted travel and other social events, as well as a quarterly newsletter. Plus, there is no membership fee!

Plan now to join us in 2009. To learn more about Illini 55 and our upcoming events, contact Karen Sharp at 351-2870.



Start right: Tips for launching a business



Because he often works with entrepreneurs, BankChampaign's Chris Cheely can offer unique insights that help business start-ups get underway with

greatly increased chances of success. Here are his answers to the questions he hears most frequently.

Q. I've got what I think is a great business idea. How can I verify my hunch?

A. Step one is to do research on your proposed business. Not only will this information be useful as you develop a business plan, it will help you understand your industry, competition, products and services from an ownership perspective. Common topics for exploration include determining whether the market segment is stable, growing or shrinking; assessing the industry outlook on sales, profit margin and labor; evaluating the expertise you bring to the venture; and thinking through how you will differentiate your business from existing competitors.

Q. Do I need to write a business plan?

A. Yes, a detailed business plan gives structure to your ideas. The plan will change over time as your business develops, but at the outset it's the best way to test the feasibility of your concepts and strategies on paper. It's also a great way to attract investors or to secure operating and start-up loans. Having a plan shows your lender that you've given serious thought to all facets of the business, such as how you'll produce your product or service, how you'll market and distribute it and how you'll price, collect and account for your business financially.

Many entrepreneurs I meet with haven't completed a business plan, and I direct them to the Small Business Administration (SBA) website as a preliminary resource. The site has great information and checklists, as well as fillable forms and other financial documents.

Q. What are my options for business financing?

A. One of the most frequent subjects I discuss with entrepreneurs is how they plan to provide owner's equity to the business. We often start with a review of personal financial statements, which provides an opportunity for me to ask questions that may not be answered by the financials alone.



This analysis is a great first step in determining how to best capitalize your new business. Ask yourself if you're ready to invest personal assets in your start-up and whether you're willing to sacrifice the time and money that a new venture often requires.

Q. How much capital will I need?

A. Since one of the largest factors in business failure is undercapitalization, it's critical to work with a financial institution like BankChampaign that can offer both experienced guidance and innovative solutions. Capital can come from a variety of sources, including an owner's personal assets, such as home equity; a partner's investments; the sale of company stock; venture capital and loans, including bank financing. Many businesses find a combination of sources works best. Generally, owner's equity must represent a minimum of 20% of total capital in a start-up.

The SBA offers loan programs to assist in structuring new business financing, and BankChampaign can utilize the SBA, among other government sources, in providing these loans. We put our expertise to work for you in finding innovative financing solutions.

Q. What's your best piece of advice for entrepreneurs?

A. Creating your team is important. Just because you own the business, you don't have to be an expert on everything. You'll be well served by surrounding yourself with trusted professionals for legal, accounting and insurance services. Along with your banker, these trusted partners will assist in their areas of specialization, allowing you to focus on your core business.

Remember to include BankChampaign as a member of your team. We're the local financial institution that combines proven experience with creative entrepreneurial spirit to help businesses start, expand and succeed.

To see how we can help your start-up venture, contact Chris Cheely at 351-2870.

Resources for business start-ups

- U.S. Small Business Administration (SBA)
- Small Business Development Centers (SBDC) www.sba.gov
- Service Corps of Retired Executives (SCORE) www.score.org



We're joining M2 on Neil

We're gearing up for a late summer opening of our new branch on the first floor of the M2 development at the corner of Neil and Main Streets in downtown Champaign. Watch construction progress from the web camera at www.m2onneil.com/construction_updates.php and stay tuned for details of our grand opening celebration!



Wyatt and Armstrong receive promotions

Vicki Wyatt, a BankChampaign employee since August 1996, has been named Vice President with responsibility for all deposit operations, as well as core system processing and maintenance. In addition, Vicki serves as our Bank Secrecy Act Officer and Security Officer, monitoring suspicious or fraudulent activity.



Sharon Armstrong, a member of our staff since August 2006, has been promoted to Assistant Vice President. In this role, she is responsible for teller operations at both our North and South Neil Street locations, and will be the new branch manager for our M2 facility.



Zach is back!

We're pleased that Zach McNabney has rejoined BankChampaign as a mortgage loan originator. He originally came to work for our bank in May 2000 and now has more than 10 years' experience in residential lending. He holds a degree in economics from Illinois State University. A Champaign native, Zach is a Community Team member for Crisis Nursery and coaches men's golf at Parkland College.

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