



BankChampaign
N.A.

SPRING 2010

In the true spirit of community

The investment expertise of BankChampaign's team of professionals is making it possible for the Charles W. Christie Foundation to invest in the education of area students who are pursuing health careers.

The Rapp Health Profession Scholarship program is just one of many ways the Christie Foundation is enhancing medical knowledge and education, as well as health care services for residents and medical practitioners in east central Illinois. Rapp Scholarships are awarded to students who are pursuing the educational training to become health care professionals.

"The scholarship program is made possible thanks to a large gift the Christie Foundation received in the 1990s," said Gary Wackerlin, the Foundation's executive director. "Especially in today's economic times, these scholarships often make the difference of whether a student can attend college or not," he added.

"Since we use only the interest and dividend income from the original gift to fund our scholarship program each year, we rely on the capability of BankChampaign's investment professionals to maximize that income," Gary explained. "Obviously, we're looking for an investment strategy that is conservative yet offers robust growth."



Charles W. Christie Foundation executive director Gary Wackerlin (center) with Foundation board chair Linda Bauer (far left) and treasurer R. Alan Gleghorn (second from left), along with BankChampaign's Mark Ballard (far right) and John Clausen (second from right).

Upon joining the Charles W. Christie Foundation in 2007, Gary was pleased to find the organization had entered into an investment services relationship with BankChampaign two years earlier.

"As a former banker, I was familiar with BankChampaign's management team and board of directors," Gary commented. "I knew the bank was a rare commodity — a solid, locally-owned institution with high-caliber people, such as Executive Vice President Mark Ballard and Vice President John Clausen in the investment services area."

Particularly in light of the economic downturn, Gary applauds the efforts of both Mark and John in diversifying the Christie Foundation's investment portfolio to focus on current income while avoiding risk as much as possible. He also appreciates their responsiveness, along with that of Trust and Retail Banking Officer Shir-

ley Thornton and Trust Officer Andy Thorman, who take care of a number of operational details.

The bank's investment results speak for themselves as the Christie Foundation prepares to present its 2010 scholarships in May. After awarding 125 scholarships with a value of \$98,000 in 2009, Gary anticipates having at least \$115,000 to distribute this year. That amount includes funds for a new scholarship, to be administered by the University of Illinois Foundation, which will be given to a student pursuing graduate-level study in the U of I College of Medicine.

"Last year, we recognized a Christie Clinic pediatrician, Dr. Myisha Porter, who had been a Rapp Scholarship recipient 10 years ago," Gary said. "It's rewarding to see the difference these awards make, not only for the individuals, but for our community as a whole."



Letter from the President

Many financial institutions use the term “community banking” to describe their organizations, but it’s often an inaccurate description. At its core, a true community bank is one that is locally owned and operated with decisions made by local management, but it goes well beyond that.

A community bank also focuses attention on the needs of local families and businesses, including — in our specific area — farmers. These banks channel their loans into the neighborhoods where their depositors live and work. And they ask their officers and employees to do their part to help keep our communities vibrant and growing, while always being available on site to assist customers.

Community banks are willing to consider character, family history and discretionary spending in making loans and loan decisions. They are often nimble decision makers with fast response times to customers’ requests. Because community banks are small businesses, they have a unique understanding of the needs of small business owners.

BankChampaign is a locally owned and managed community bank in the fullest sense. We are proud to be associated with other community-enriching organizations such as the Charles W. Christie Foundation. Like us, the Christie Foundation understands the need to re-invest in the community and its people. When our area’s philanthropic organizations join with true community banks like ours, it creates a partnership that helps the Champaign-Urbana area continue to grow while remaining a wonderful place to call home.

L. Dean Clausen
President

Seminars offer practical business advice

We know small businesses could always use more resources, so check out the new podcasts from our partnership with Big Success, a business education and consulting company based in Champaign, at www.bankchampaign.com/Seminars.htm



If you like what you see from our previous seminars, don’t miss the next in the series — **How to Grow Your Business in Tough Times**, which will be presented **Friday, May 7 from 11:30 am-1 pm** at our **South Neil Street** location. This free event will help you discover:

- Three inexpensive ways to grow sales now
- Two questions to ask every customer
- How to design a process to maximize sales
- How to refine your offerings to get more business

We’re even providing lunch! **Deadline for reservations is Wednesday, May 5**, so please call Melodie at 351-2870 to reserve your spot.

BankChampaign

ILLINI 55

More great events from Illini 55



Roth IRA Conversion: 2010 and Beyond

Thursday, May 13 – 5:30 pm RSVP by May 5

Are you wondering if converting your Traditional IRA to a Roth is right for you? Join us for a free discussion of the pros and cons to see if a conversion is right for you.

Identity Theft: Solutions & Big Check in the Mail

Thursday, June 10 – 5:30 pm RSVP by May 28

It’s a scene you hope never happens: your wallet is missing, large sums of money are gone from your checking account and creditors are calling you about loans you never took out. It sounds like a classic case of identity theft, but you can learn how to protect yourself at this free seminar.

Call Melodie at 351-2870 to make your reservation for these events.

Yes, we're making home mortgages!

Are you looking to buy a house? Or are you ready to tap into your home's equity to fund home improvements or to finance a major purchase? Maybe you would like to lower your interest rate or change your adjustable rate mortgage to a fixed rate mortgage.

Whatever your situation, BankChampaign's residential mortgage lending department is here to help with your needs.

We offer free pre-qualifications so your ideas and plans can proceed with confidence. Everything necessary for pre-qualification can be done in person, by phone or even by email. We just need your current pay statement(s), the past two years of your W-2 form(s) and your most recent bank and/or investment account statement(s).

Fortunately, home values in Champaign County have remained relatively stable in the past two to three years, which helps customers qualify for new mortgage loans. Our team of veteran mortgage lenders can guide you through the qualifying and processing of your loan. In addition, we conduct all of our mortgage closings at the bank to make it as convenient as possible.

Besides traditional mortgage loan programs such as conventional, FHA, VA and Rural Development, BankChampaign is pleased to offer the Illinois Housing Development Authority's (IHDA) special First Time Homebuyer program, HomeStart. This special program allows a qualified first-time borrower to finance nearly all of a home's purchase price.

Remember, our current interest rates are updated daily on our website — www.bankchampaign.com — so you can access this information at your convenience. For more information about the IHDA HomeStart program or any of our other mortgage loan programs, please call 351-7630 or email any of our mortgage lending professionals: Teri Selin (selin@bankchampaign.com); Zachary McNabney (mcnabney@bankchampaign.com) or Meg Pittman (pittman@bankchampaign.com).



Be smart about using your debit card

Everyone loves the convenience of using debit cards at ATMs, for online purchases and in stores and restaurants. But with the increased use of these cards comes increased exposure to fraud and scams, so keep the following tips in mind.

ATMs

- Be wary of anything about the ATM that looks out of the ordinary, such as attached wires or other new equipment.
- Avoid jammed ATMs that force you to use another which may have been rigged with a “skimmer” device.
- Be aware of your surroundings and exercise caution when withdrawing funds.
- Have a healthy suspicion about other customers who try to help you, especially if an ATM retains your card. These “helpers” ask for your card number and PIN in order to steal the information.
- Ensure that no one sees your PIN when you enter it.
- Refrain from displaying cash and put it away as soon as your transaction is completed.

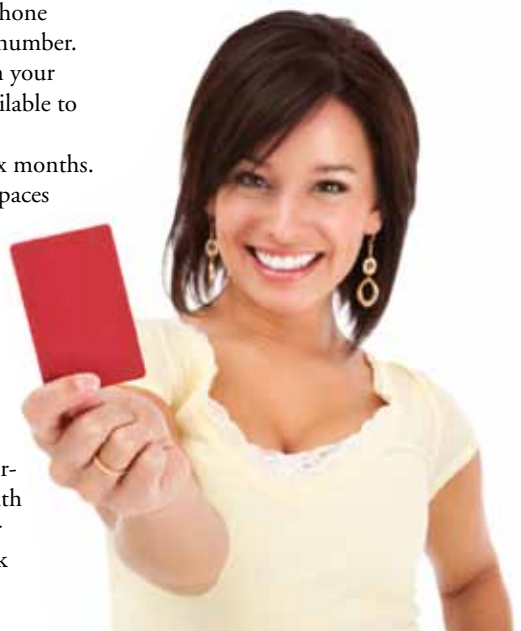
- Safely keep or securely dispose of your ATM receipts.

Elsewhere

- Check your bank accounts regularly to make sure there are no unusual or unauthorized transactions.
- Contact the bank immediately if your card is lost, stolen or subject to fraudulent use.
- Memorize your PIN. Do not use your birth date, address, phone number or social security number. Never store your PIN with your card and don't make it available to others.
- Change your PIN every six months.
- Mark through any blank spaces on debit slips, including the tip line at restaurants, so the total cannot be changed.
- Do not send your card number through email, as it is typically not a secure connection.
- Make sure any internet purchase activity is secured with encryption to protect your account information. Look

for <https://> in the address bar of the website; the “s” indicates a secure connection and means the web page uses encryption.

- Always log off any website after a purchase transaction made with your credit or debit card. If you cannot log off, shut down your browser to prevent unauthorized access to your account information.



Misconceptions can cause problems with living trusts



*By John Clausen,
Vice President of
Wealth Management*

Before or after setting up a living trust, it's important to stay well

informed about the capabilities and limitations of the trust. To help, we've outlined some of the most common misconceptions below.

- **Income taxes** – Settlers of living trusts often think that the trust will affect their income tax filings and/or liabilities. Actually, the trust has no effect whatsoever on income taxes.
- **Medicaid** – People often incorrectly believe that setting up a living trust may help them qualify for Medicaid. In fact, it is quite the opposite. Anything titled in the name of the living trust is an available asset, even if it was exempt outside the living trust. For instance, your home is exempt for Medicaid purposes (up to \$500,000), but if you deed it into your living trust, it loses that exemption.
- **Litigation protection** – Another common misconception is that a

living trust will shelter assets from losses in litigation. This is not the case. Assets of a living trust can be subject to loss from litigation. An irrevocable trust will provide shelter for the principal of the trust, but in that case, you will have given up control of the asset.

- **Changes to trust document** – This common problem develops when an individual wants to make changes to their living trust. Changes can be made, so long as the trust is revocable, but certain rules must be followed. Since the revocable living trust is considered a contract between grantor and trustee, it is not appropriate to make changes to the face of the document. Doing so opens the changes up to charges of forgery. Instead, it is best to make a formal amendment, referencing the original trust document and rewriting the paragraphs that are to be changed or deleted. The change should be typed, signed and notarized.

As you're considering or entering into a living trust, be sure to arm yourself with a full understanding of its capabilities and limitations. That's the best way to avoid difficulties in the future.

Pelafos joins Board



Currently Chief Operating Officer of Worden Martin Inc., Mark Pelafos is a native of Champaign who brings his in-depth

knowledge of small business to BankChampaign's Board of Directors. "I have enjoyed watching this locally-owned bank grow and prosper," Mark said. A 26-year employee of Worden Martin, Mark was named to his current position in 2005 after serving as the organization's General Manager prior to that. "I am fortunate to have a career that encompasses my lifelong passion for cars," he added.

Stafford promoted



Heather Stafford, a BankChampaign employee since 2002, has been named Operations Officer with responsibility for

the day-to-day deposit processing operations of the bank. A native of the Peoria-area community of Elmwood, Heather holds a bachelors of arts degree from Knox College in Galesburg, and a certificate in accounting from Parkland College.

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