



in your Interest

FINANCIAL RECORDS

What to Keep? What to Toss?

Everybody has a paper trail – everything from utility bills and financial statements to tax records and receipts. With so many records it may be difficult to determine which you should keep (and for how long).

Filing and organizing records is critical to maintaining healthy finances. Not only will tax time be easier, but your spouse and other family members will be able to locate important information should the unexpected happen to you.

Following these guidelines may help you organize your records.

- Bank statements: Okay to destroy after one year, unless you need them for tax purposes. Signing up for free Online Banking is easy, and reduces paper. You can view account history, see when checks have cleared, and pay your bills from anywhere, 24/7.
- Utility bills: Throw out (unless you need them for tax purposes).
- Tax records: Most experts recommend destroying these after six years.
- Insurance records: Keep for the life of your policy.
- Life documents (birth certificate, marriage certificate, diplomas, divorce decrees and military records): Store in a safe deposit box indefinitely.

- Homeowner records (deed and title to your house): Do not throw away.
- Life- and estate-planning documents: Keep the most current copy.
- Receipts for major purchases, such as furniture and electronics: Keep as long as you own the item.

Any papers you're throwing away with personal information, like a Social Security number, should be shredded to avoid identity theft.

Stay Organized

It's also important to keep a list detailing where your records are and how to access them. Store this in a safe place or with a trusted family member or friend (be sure to keep a copy). List each type of account, where it's located and the contact information of the appropriate agent. Update your list periodically.

We Can Help

Safe deposit boxes at Illinois State Bank are a secure way to keep original copies of your most important documents. We offer a variety of sizes to fit your unique needs. ■



Learn More About Estate Planning

It's never too early – or too late – to develop an estate plan. Contact a representative at Illinois State Bank for information on how to organize your assets and develop a secure plan for your heirs.

Don't forget, Illinois State Bank's Community Shredding Day is April 21 at all Illinois State Bank locations from 9 a.m.-noon! Visit ShredIt.illinoisstatebank.com for complete details.



Surviving a Negative Event Near Retirement



*Claire, age 60, was about to enjoy an early retirement when her husband was diagnosed with Alzheimer's disease. **Claire's financial reality:** She needed to keep working to retain insurance coverage and pay for out-of-pocket medical expenses.*

*Joe's management position was eliminated due to company downsizing. At age 55, he was having difficulty finding a comparable job. **Joe's financial reality:** His ability to put aside money for retirement was curtailed and he was even considering tapping into his retirement savings for living expenses.*



Life's Uncertainties

Life can throw a wrench into the best-laid retirement plans. Health issues add financial and physical challenges. According to one study, medical costs were a contributing factor in at least 17% of individual bankruptcies.* Marriages often end in divorce or widowhood. People who become widowed experience a 13% decline in household wealth, while those who divorce face a 44% decline, on average.*

Many people in their 50s and 60s experience life-changing events that carry a high price tag and threaten their retirement security. Here are steps you can take to help secure your retirement nest egg before the unexpected happens.

Maximize contributions to your retirement nest egg. Whether your spouse has retirement savings or not, make sure you contribute as much as you can to an individual retirement

account (IRA) and/or your employer-sponsored retirement plan. If you're age 50 or older, you can increase your savings through catch-up contributions.

Reassess your risk tolerance. If you have a substantial nest egg saved already, you may want to gradually reduce your portfolio's risk exposure as you near the time when you'll start using the money. On the other hand, if you haven't accumulated much, you may want to accept more risk for greater potential growth.

Review insurance coverage. Disability and life insurance coverage provide extra security in the event of a major injury, illness or death in your family. If you are covered under your spouse's medical insurance, consider what options you may have should something happen to your spouse.

Pay down debt. Carrying too much high-interest-rate debt may keep you from saving enough for retirement. Focus on reducing debt by paying

off credit card balances each month if possible. Also consider canceling credit cards and keeping just one card for emergencies.

Resist borrowing from your retirement savings. If you're considering taking out a loan from your retirement plan – if allowed – be aware that you'll lose the earnings that you would have received if the money was still in your account, plus all future compounding on those earnings. You'll pay back the loan with after-tax dollars, plus be taxed again when you withdraw it during retirement. Lastly, if you fail to repay the loan, it will be considered a distribution. Taxes will be due and you may be subject to a 10% penalty.**

Keep It Growing

Rather than tapping your nest egg early, keep it growing as long as you can. Contact an investment professional at Illinois State Bank to review your portfolio or change the way your money is invested. ■

* Source: "How Secure Are Retirement Nest Eggs?" Center for Retirement Research, Boston College.

** Withdrawals prior to age 59½ (age 55 from an employer's plan, when separating from service) may be subject to a 10% IRS penalty.

Securities and investment products offered by PrimeVest are:

- Not a deposit
- Not FDIC insured
- Not guaranteed by the bank
- Not insured by any federal government agency
- May lose value

Thanks for Your Business

Over the past year, Illinois State Bank has expanded its lending and Internet-based services and added investment services. We are committed to serving the residents and businesses of McHenry County and are actively scouting out locations in the area to serve you more conveniently and looking for ways to expand our community involvement. At the heart of our business

is a dedicated team of professionals, your friends and neighbors, who look forward to providing you with the highest level of personalized service now and in the future – the type of service you've come to expect and deserve.

Let us know how we can be of assistance. We're here for you!



Collect *Your Rewards*, your way with Illinois State Bank's Platinum Debit Card

With summer a few months away, you may be daydreaming about lying out on a white, sandy beach or envisioning sailing off on a cruise to Mexico. With Illinois State Bank's new Your Rewards program, getting there can be as easy as swiping your debit card and selecting credit.

Just use your Platinum Debit Card the next time you make a purchase and select "credit" instead of "debit." You will automatically earn one point for every \$3 you spend. You can even collect points when you make purchases online. Each time you use your Illinois State Bank Platinum Debit Card, you collect points that can be used for merchandise, gift cards to your favorite shops and restaurants or travel destinations.

And now, Illinois State Bank is offering an additional bonus to its customers. Starting April 9, new and current Platinum Debit cardholders will receive 500 reward points with their first qualifying, non PIN-based transaction.

Earning rewards is easy; the hard part is deciding how to use all your points. With hundreds of reward options to choose from and rewards starting at only 4,000 points, they're *Your Rewards*, your way.

Will you use your points for airfare to travel to a fun location? For example, you can swim in the ocean in Florida, go skiing in Colorado or



You can swim in the ocean in Florida, go skiing in Colorado or enjoy the breathtaking views in Hawaii.

enjoy the breathtaking views in Hawaii. And with the *Your Rewards* program, there are no blackout dates and no complicated frequent-flyer programs to join.

Maybe you want to use your points at your favorite restaurant or retail store instead? No problem. Gift cards, redeemable for either \$50 or \$100, can be used at businesses around town or on the road. You can even redeem your points for brand name merchandise like cookware and electronics.

Redeeming your points or tracking what you have available is easy. To redeem points, order merchandise

and gift cards, or read terms and conditions, just visit our Web site at www.illinoisstatebank.com. Click on the *Your Rewards* icon and log into the *Your Rewards* Web site. *Your Rewards* points are updated monthly, so you know you are getting accurate information. You can also call our *Your Rewards* customer service line 24 hours a day, seven days a week, toll-free at **866-678-5187**. ■

Transactions that require you to use your Personal Identification Number (PIN) are not eligible to earn *Your Rewards* points. There are no additional fees for the *Your Rewards* program with the use of a valid Illinois State Bank Platinum Debit Card.

Deposit Checks Electronically with Remote Deposit Capture

The banking industry continues to change and evolve to keep up-to-date with the latest technology, and now banks have taken another step forward by making it even easier for busy business owners to deposit their funds without running to the bank. In the past, a business owner had to take the time to go to the bank every few days to deposit customers' checks. Today, with the advent of new technology, business owners can simply scan in the checks and send the image to the bank for deposit.

This new technology is making it easier for businesses of all sizes to spend less time on administration and more time on getting the job done. This new technology is called Remote Deposit Capture (RDC), and Illinois State Bank now offers this service to its business clients.

With RDC, businesses use a desktop device to electronically scan checks and securely transmit the scanned images to their bank for deposit. This saves time and money, and it also narrows the gap between when a business

receives a check and when it has access to the funds. RDC allows businesses to deposit their funds outside the traditional banking hours and offers several security, money-saving and convenience benefits, as well.

Illinois State Bank is one of the first banks in the area to offer the service to its business customers. A business banker at Illinois State Bank would be happy to talk with you about RDC and the benefits this new technology offers to local businesses. For more information, call **800-236-4672**.

in your Best Interest

Free Online Mortgage Rate eAlerts



Interested in knowing when one of our loans fits your financing needs? Sign up for Rate Watch on our Web site and receive free online mortgage rate eAlerts. We'll send you a complete quote for all loan types that fit your criteria. Simply visit www.illinoisstatebank.com. You'll find our Rate Alert signup under eAlerts in the 24x7 banking section of personal services.

Free Online Bill Pay with ePay

Illinois State Bank can help you pay bills easier with our convenient ePay bill payment service. ePay is an easy-to-use, free online bill payment service for Illinois State Bank customers with checking accounts. To sign up, log on to your Online Banking account and click "ePay Enrollment" at the top of the page. If you do not have an Online Banking or checking account with Illinois State Bank, call us at **877-672-2265** or stop in at the Illinois State Bank branch nearest you.

Deposit Checks with GoDirect



The GoDirect campaign encourages people who receive Social Security or Supplemental Security Income (SSI) checks to use direct deposit. With direct deposit, you don't have to go to the bank every month to deposit your checks. Deposits go straight into your account automatically and you have access to your money from virtually anywhere. Plus, direct deposit eliminates the chances of stolen checks. To sign up, call the GoDirect helpline at **800-333-1795**, go to www.godirect.org or stop in any of our Illinois State Bank locations.

A SOFT SELLER'S MARKET?

Maybe It's Time to Remodel

Being a seller in today's housing market is tough. There are many more homes on the market than last year, and all are competing for the attention of a smaller number of buyers. Now just might not be the right time to sell your home.

However, maybe you need more space for a growing family. Or perhaps your outdated kitchen is so inefficient that you've found yourself eating out every night. Buying your dream house with more bedrooms and a gourmet kitchen might solve your problems – or you could stay out of the difficult housing market altogether and remodel instead.

Benefits of Remodeling

Remodeling can be a good way to get the space you need without the hassle of selling your home. If you enjoy the location of your home, it's an even bigger incentive to stay put and turn the house you already own into the house of your dreams.

Another bonus to remodeling is that by bringing your home up-to-date or expanding the square footage, you can expect to recoup some of the costs if you do decide to sell.

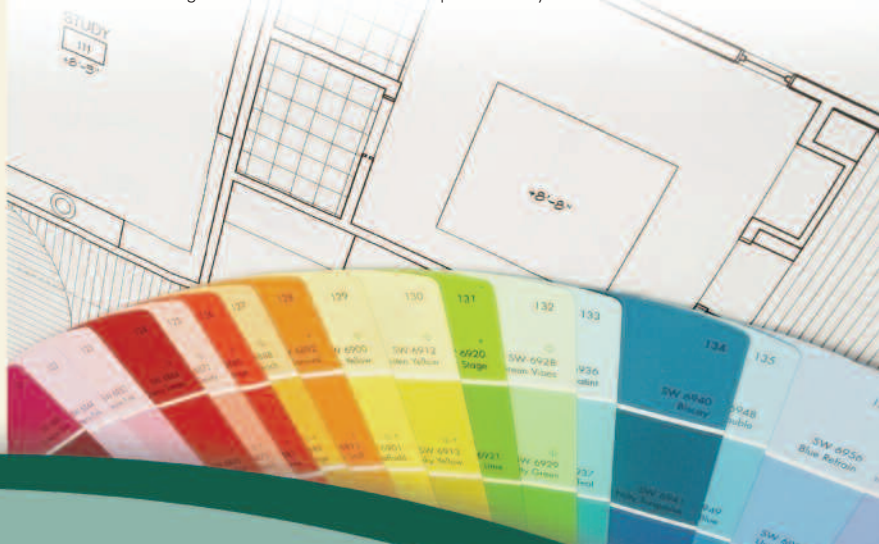
Make Changes without Losing Money

According to *Remodeling* magazine, the best remodeling investments are:*

- Siding replacement (cost recovered: 87%)
- Minor bathroom remodel (cost recovered: 85%)
- Minor kitchen remodel (cost recovered: 85%)
- Window replacement (wood) (cost recovered: 85%)
- Two-story addition (cost recovered: 83%)
- Adding an attic bedroom (cost recovered: 80%)

By making these or other valuable improvements, you can get more mileage out of the place you already call home. Call us at **800-236-4672** or visit us at www.illinoisstatebank.com to learn more about how a home equity loan or home equity line of credit could help finance your remodel. ■

* National averages. Your costs and cost recouped will vary.



Illinois State Bank Web Site
www.illinoisstatebank.com

E-mail Us at
contactus@illinoisstatebank.com

New Account/General Information

847-658-4848 (*Lake in the Hills*)
815-385-8300 (*McHenry*)

Consumer Loans

Apply 24 hours a day, seven days a week
800-292-9370

Mortgage Lending

New loan inquiry information
877-672-4663



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