



# from the Vault

VOLUME 2, ISSUE 3  
SEPTEMBER 2006

CLEAR LAKE BANK & TRUST COMPANY



Members of Clear Sailing "55", Clear Lake Bank and Trust Company's exclusive club for customers age 55 and over, have a lot of fun. Monthly travel opportunities include Mystery Trips, Chanhassen Dinner Theater, South Dakota, Washington, D. C. and even a Hawaii cruise! The "Movie Day" at the Lake Theater the third Wednesday of every month offers a fun time with fellowship, coffee, door prizes and the free movie.

Contact Joy Olson at Clear Lake Bank and Trust Company's Clear Lake office to find out how you, too, can join in on all the Clear Sailing "55" fun.

## New DEPOSIT PRODUCTS

Clear Bank and Trust Company has a new 30 Month Add-on Savings Certificate of Deposit available with a minimum opening balance of \$250.00. You can add funds in any amount, anytime during the 30 month term of the CD. The interest accrues daily and is paid annually. This is a great opportunity for parents or grandparents to start saving for their children or grandchildren.

Clear Lake Bank and Trust Company is also proud to offer Health Savings Accounts (HSA). Health Savings Accounts allow qualified individuals to make tax deductible contributions to the account, and use the funds tax-free when paying qualified medical expenses. Health Savings Accounts are available to individuals with a high-deductible health insurance policy. For more information, please contact Diane Ostendorf at 641-355-2219 or 800-374-0664.

Another new product being offered by Clear Lake Bank and Trust Company is the Pinnacle Money Market Account. The Pinnacle Money Market Account pays competitive interest rates and rewards customers as balances grow.

## CHAMBER BUCKS

Clear Lake Chamber Bucks are a great way to support local business and keep dollars circulating within our community!

Chamber Bucks are easy to purchase, easy to redeem, and can be used at a wide variety of businesses.

A few points to remember:

- Clear Lake Chamber Bucks are redeemable at any of the 300 businesses that are members of the Clear Lake Area Chamber of Commerce.
- Clear Lake Chamber Bucks are redeemable for merchandise only and are only valid for 90 days after issuance.
- Clear Lake Chamber Bucks can be purchased at Clear Lake Bank & Trust in denominations of \$5.00, \$10.00 or \$20.00.

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### BANK HOLIDAYS

Labor Day	- September 4, 2006
Veteran's Day	- November 11, 2006
Thanksgiving Day	- November 23, 2006
Christmas Day	- December 25, 2006
New Year's Day	- January 1, 2007
Martin Luther King Jr. Day	- January 15, 2007
Presidents Day	- February 19, 2007



**CLEAR LAKE  
BANK & TRUST CO.**  
A FULL SERVICE BANK MEMBER FDIC

# Trust Department

At Clear Lake Bank & Trust Company, the TRUST part of our name is the work of our Trust Department, through trust officers Paula Petersburg and Lynne Berding. For decades, the bank has exercised the trust powers granted to it by the Iowa Division of Banking, acting as a corporate fiduciary for hundreds of customers. Here is a dictionary definition of that term:

fi-du-ci-ar-y (fĭ-dū'shē-ēr'ē, -shə-rē, -dyū'-, fĭ-) noun  
*One that stands in a special relation of trust, confidence, or responsibility in certain obligations to others.*

Families often choose a bank to serve as their trustee because the corporate fiduciary can be that outside impartial third party to serve the interests of all beneficiaries equally. We send everyone timely and complete statements on the investments in the trust and all income and disbursements. We work with the attorney for the estate or trust and we provide income tax information to the return preparer.

Many people have appointed the bank (not the individual officers) as the trustee of a trust in their Will, or have named the bank as executor of their estate. We can also step in to act as successor trustee of living trusts when the grantor is no longer able to act.

We offer investment agency services where we work with the customer to establish what their investment objectives are, and then manage the portfolio. Then we have the responsibility to select the securities, plan for income tax

consequences and report to the owner. We even pay bills for some people, giving them a well-rounded, consolidated picture of all their finances.

Our trust officers have long and broad experience:



Paula Petersburg is an Iowa lawyer and has worked in bank trust departments for over 20 years. She is responsible for trust department policy, administration and investments. She helps the customers of Clear Lake Bank & Trust Company with their estate planning issues in collaboration with their attorneys and accountants.



Lynne Berding is responsible for department operations, all securities transactions and producing statements for customers on our specialized computer system. Lynne has worked in the banking and brokerage industries for 10 years.

If you and your family have been searching for a corporate fiduciary, please consider Clear Lake Bank & Trust Company. Feel free to call or stop in to see Paula or Lynne to discuss how the Trust Department can serve you.

**Were you a lucky winner?** While reading the June "From The Vault" newsletter, did you find a red kite? If so, bring in your newsletter to claim your prize.

Doug Southwick was one of those lucky winners! Doug won a Clear Lake Bank and Trust gift bag filled with Clear Lake Bank and Trust goodies!!



## Want to give the perfect Christmas present?

Give them a Gift Card from Clear Lake Bank and Trust!

Some of the benefits of the gift card:

- *The Card can be loaded from \$25.00 to \$500.00*
- *Signature protected*
- *Accepted at million of Visa© merchants worldwide*
- *Can be used for online and mail order purchases*
- *Activated on initial load therefore no need for the recipient to activate their card*
- *Funds will be replaced if the card is lost or stolen*



[www.clearlakebank.com](http://www.clearlakebank.com)

# CLB&T *In Action*

In North Iowa there are events and activities almost every day throughout the summer months. Our employees look forward to the opportunity to be a part of these events, helping our communities to showcase their beauty, friendliness and community spirit.

On June 16th, the Garner Chamber held their annual Garner Chamber Appreciation Day. Garner Office – CLB&T enjoyed visiting with friends and neighbors, providing ice cold water and potato chips and sharing special mini-beach balls with visitors.



Adults and children were asked to register for prizes, with Bonnie Cataldo of Garner winning a 2007 Family Aquatic Center membership pass and Stuart Blank of Garner winning the Kid's Pool Pack.



July 4th in Clear Lake was a perfect day! The sun was shining, the weather was beautiful and the parade was ready to roll! CLB&T built a float for the parade to celebrate our Community Spirit, featuring our dedication to local organizations such as the United Way Day of Caring, Meals on Wheels, Madson Park, Boy Scouts, Girl Scouts, Rotary, Senior Citizens Center, Chamber of Commerce, Opportunity Village, Clear Lake-Ventura Community Foundation, Men's Garden Club and Lion's Club. CLB&T employees and family members participated in the parade, sharing candy, patriotic necklaces and red/white/blue pom poms.

Duesey Days was held in Garner on Saturday, July 8th with the parade theme of Making Waves to celebrate the new pool coming to town in 2007. Despite the rain, the parade was fun and well attended. CLB&T built a float to celebrate the new pool with employees and family members sharing candy and special Making Waves 12-inch beach balls. Congratulations to Garner Office – CLB&T for earning the title of Best Overall Float in this year's parade. The prize of \$50.00 in Garner Chamber bucks was donated by the Garner Office staff to God's Pantry.



The American Cancer Society's Relay for Life events are very special to our CLB&T family. These events provide us an opportunity to raise funds to help in the fight against disease. On June 2nd and 3rd, Cerro Gordo County's Relay for Life was held. CLB&T participated as a Corporate Sponsor of the event and many of our employees were involved with teams in the event. On June 23rd and 24th, the Hancock County Relay for Life was held at the Garner-Hayfield High School Track. CLB&T's Relay for Life Team had been hard at work all year raising funds for the event and helping to plan the event. With 18 teams in 2006, Hancock County surpassed the seven previous year's fundraising by raising a total of \$88,492.04. Way to go Hancock County! Congratulations to CLB&T for being named Best Campsite and ranking #7 in team fundraising totals! Working together we can find a cure.



Francis Lauer Youth Services Benefit Auction Extravaganza was held on Saturday, July 15th in Mason City. Members of the CLB&T staff donated their time and talents by decorating sets of children's chair to be auctioned off to raise funds for Francis Lauer Youth Services. Staff members also volunteered on the planning committee and assisted with set-up duties.

The North Iowa Fair and Hancock County Fair were also in July. CLB&T staff enjoyed participating in the fun events and activities at both fair locations.

If you have a community project that is in need of volunteers, please contact us. We enjoy banking but we also love to "lend" a helping hand wherever we can. North Iowa is home and we are proud to be a part local events and activities.

# INVESTMENT INSIGHT

## *Can the Market Continue to go up in 2006?*



This is a question I hear all the time, and you may be asking it yourself. Unfortunately, I don't have a crystal ball, but I can look into the rearview mirror of history and what I see gives me cause for both optimism and concern.

The last two years have seen great returns in the stock market. While this feels good, it is also scary because people don't want to see their gains evaporate overnight in a market correction. I can't tell you with certainty what lies ahead in 2006, but I can tell you that now is a good time to review the past and look forward to the future. We all need to ask ourselves some basic questions. What are your primary financial goals and are you making adequate progress? Have you sat out the big gains of the last couple years in CDs so you are now thinking of jumping into your share of the action? What would happen to your investments and your lifestyle should the market take a sharp dive?

Let's take a moment and look at what I see as possible concerns for the market.

Did you know that early this year we had an inverted yield curve? This means that short term rates were yielding more than long

terms rates. Historically when this happens the economy may go into a recession.

Inflation is the cost of goods that we buy. Oil prices are about \$70 a barrel. At some point businesses are going to pass the higher prices they are paying down to us, the consumer. CPI was up 4.2% over the last 12 months, almost double the 2.3% average of the last four years (source DOL).

Why should we be concerned about inflation? Because the Federal Reserve has increased rates 16 straight times and by the time this letter is out will probably raise rates again at the end of June. The risk is: if the Federal Reserve raises the rates too far, the economy could slow down and into a recession. Please note that I have used the "R" word twice in this article. Historically recessions are not good for the market.

We now have a new phrase that affects the markets in between the Federal Reserve meetings, "Fed Speak". Chairman Bernanke and his governors give speeches on a regular basis. The markets have been quite volatile before and after these speeches as investors attempt to understand (guess)

what the Federal Reserve's next move is going to be.

What should we do now with all the challenges we face? Review your portfolio on a timely basis. Now more than ever we need to have our portfolios properly diversified. Did you know that having 10% to 15% of your assets invested in Real Estate can reduce the volatility of your portfolio and increase its yield (from a 2005 study by Ibbotson & Associates)?

So, please feel free to stop into the Investment Center located at Clear Lake Bank and Trust. We can discuss these issues in more detail and review your existing portfolio to make sure you are properly diversified.

Remember, a market correction is historically inevitable. It should not be cause for fear or alarm. In fact, when signs of a correction do begin to appear, the last thing you should do is panic and begin selling investments in your portfolio.

*Thomas Alexander, Investment Representative located at Clear Lake Bank & Trust Company Securities offered through Eagle One Investments L.L.C. Member NASD & SIPC*

# understanding

## Your Debit Card Limits

### Why does my debit card have a limit? Can't I just use my card until I don't have any money left in my account?

Debit card limits are an added safeguard against fraud. In the event your card is lost/stolen, debit card limits are one way to ensure criminals steal a limited amount of money.

### Are there different types of limits?

**Cash Withdrawal Limit** – maximum amount of cash you are allowed to withdraw from an ATM during a 24-hour period.

**Daily Withdrawal Limit** – maximum amount of all cash withdrawals and purchases allowed within a 24-hour period.

**Three Day Withdrawal Limit** – maximum amount of all cash withdrawals and purchases allowed during a three day period. This allows added protection for Friday-Sunday each week.

### What are my actual limits?

While limits vary on a customer-by-customer basis, our standard limits are:

Cash Withdrawal Limit: \$375  
Daily Withdrawal Limit: \$1,000  
Three Day Withdrawal Limit: \$1,500

ATM owners may assess a “surcharge fee” for cash withdrawals. Please note that surcharge fees are included when calculating your remaining available funds.

If you are unsure of your debit card limits, please feel free to contact Customer Service at (641) 355-2217 or (800) 374-0664. You may also logon to Internet banking and use the option to “Send Us a Secure Message”.

### Can I request a change to my debit card limit?

Most definitely. You may request a permanent change or a temporary change for a one-time large purchase. However, for our protection and yours, we may decline requests for excessive limits.

### If I need to withdraw cash or make a purchase and I don't have enough funds in my account, do I have any options?

Yes. Most checking accounts have an assigned Bounce Protection<sup>®</sup> limit. This means that you may access additional funds beyond your account balance with your debit card. However, **YOU WILL BE CHARGED A BOUNCE PROTECTION FEE OF \$20 PER DEBIT.**

If you have questions about Bounce Protection<sup>®</sup> or your Bounce Protection<sup>®</sup> limit, please feel free to contact Customer Service at (641) 355-2217 or (800) 374-0664. You may also logon to Internet banking and use the option to “Send Us a Secure Message”.

## Office Locations

322 Main Avenue  
Clear Lake, IA 50428  
(641) 357-7121

325 State Street  
Garner, IA 50438  
(641) 923-3621

## ATM Locations

CLB&T Drive Up +\*  
322 Main Avenue  
Clear Lake

CLB&T Garner Office Drive Up +\*  
325 State Street  
Garner

Wendy's/Shell Oil+\*  
Fieldstone Plaza  
Clear Lake

Fareway+  
910 Highway 18 West  
Clear Lake

Casey's General Store  
6 Plaza Drive  
Clear Lake

Pronto Market  
111 Highway 9  
Fertile

+ Available 24 Hours  
\* Accepts Deposits

## Telephone Banking

Clear Lake/Ventura  
357-3777

Toll Free  
(888) 351-3777



**CLEAR LAKE**  
**BANK & TRUST** CO.  
 A FULL SERVICE BANK MEMBER FDIC

BULK RATE  
 U.S. POSTAGE  
 PAID  
 CLEAR LAKE, IA  
 PERMIT #8

**Clear Lake Office**

322 Main Avenue - P.O. Box 8  
 Clear Lake, IA 50428  
 (641) 357-7121 or (800) 374-0664

**Business Hours**

	<u>Lobby</u>	<u>Drive Up</u>
Monday-Thursday	9:00 - 4:00	8:00 - 5:00
Friday	9:00 - 4:00	8:00 - 5:30
Saturday	9:00 - 12:00	8:00 - 12:00

**Direct Dial Numbers in Clear Lake ( area code 641)**

Customer Service	355-2217
Drive Up	355-2220
Insurance	355-2223
Investments	355-2221
Loans	
Agriculture	355-2244
Business/Commercial	355-2234
Consumer	355-2205
Real Estate	355-2218
New Accounts	355-2219
Trust	355-2207

**Garner Office**

325 State Street - P.O. Box 98  
 Garner, IA 50438  
 (641) 923-3621

**Business Hours**

	<u>Lobby</u>	<u>Drive Up</u>
Monday-Thursday	9:00 - 4:00	8:00 - 5:00
Friday	9:00 - 4:00	8:00 - 5:30
Saturday	9:00 - 12:00	8:00 - 12:00

**For 24-Hour Account Information**

**Internet Banking**

[www.clearlakebank.com](http://www.clearlakebank.com)

**Telephone Banking**

From Clear Lake/Ventura, call 357-3777

Toll Free, call (888) 351-3777

**CLB&T ATM locations can be found on page 5 of this newsletter.**