

SBC UPDATE

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“The Family Owned Bank for Families and Their Businesses”

Tom's Thoughts... By Thomas P. Boyle, President

EFFECTIVE LEADERSHIP

Recently I attended a banking conference where the topic ‘Effective Leadership’ was the main focus of the presenters. With graduation season soon to be upon us, I thought I could share some of those ideas with you and your graduates.

One presenter who held my interest was Anthony Mayo; a Harvard professor who spoke of entrepreneurs, managers and leaders and their distinctive traits within the leadership model. Mr. Mayo has researched past leaders in these three categories, both successful and unsuccessful, and concludes from his research that we would be better off learning from the past to more ably assess our future. He compared his findings to that of an art student who has studied the works of famous artists, such as Renoir or Picasso, and uses what is learned to develop a personal style.

Mayo describes the first category, Entrepreneurs, as people who desire to create something new. Nothing will stand in the way of such a desire. Entrepreneurs take risks which are labeled ‘impossible’, and they themselves are often categorized as ‘insane’. These people tend to be more self-centered and always experience failure before achieving their vision. More notable names of the entrepreneurial ilk (kind) are: Walton, Disney, Kroc, and Ford, all of whom have changed American business and lives.

The second category, Managers, show common traits of expansion from within the organization. Successful managers tend to see or seek opportunities in the market place within their current structure. They develop a product pipeline. Proctor and Gamble is most admired for this type of vertical brand management: a variety of products that are built on or are closely related to one another. Caterpillar is a similar

success story, with its products in use from pre World War II, becoming a supplier of heavy machinery during the war and then transitioning to a postwar construction boom as major suppliers of equipment in the United States and abroad.

The final category in Mr. Mayo's presentation is Leaders. Leaders are people who see possibilities and opportunities where there is little to be found due to industry stagnation, passé product, or decline. They are responsible for what we call ‘turnarounds’, referring to a return to prosperity for a business. Lee Iacocca is one such leader. Lee worked with government, unions and the public to save Chrysler and to reinvent ‘a new Chrysler’. Another person with similar vision is Jack Welch of General Electric, who has been credited with changing the corporation around with his aggressive marketing and business strategies. These two men saw possibilities which were invisible to others.



What does all this leadership talk have to do with graduates? Could the usual goals of success via money and titles, supposedly begetting happiness, be put aside to attain success and happiness through different routes: entrepreneur, manager or leader as Mayo describes them? Certainly they can, not as fast as graduates or any of us want, but with a satisfaction of doing what we see as great work and then doing it with great love.

My final advice to you is this quote from another leader, Steve Jobs, CEO of Apple: “You’ve got to find what you love. And that is as true for your work as it is for your lovers. Your work is going to fill a large part of your life, and the only way to be truly satisfied is to do what you believe is great work. And the only way to do great work is to love what you do.”

IS YOUR COMPANY KEEPING INFORMATION SECURE?

Most companies keep customer and employee information in their files and on their computers. This information, which includes names, Social Security numbers and account data, is necessary to perform business functions such as filling orders or completing payroll. However, if this personal data falls into the wrong hands, it can lead to fraud, identity theft, lawsuits and the loss of your customers' trust. That is why it is very important for your company to safeguard sensitive data. Here are five steps you and your business can take to protect personal information.

The first step is to take stock of what personal information you have in your files and identify who has access to it. Inventory computers, disks, file cabinets and other equipment to find out where your company stores sensitive data. Talk to your information technology staff, sales department and human resources office to track who is sending sensitive information to your business, how your business receives the information and what kind of information is collected.

The second step is to keep only the personal information you need for your business, as long as it is necessary. Only use Social Security numbers for required, lawful purposes such as reporting employee taxes. Don't use Social Security numbers as an employee or customer identification number. Also, don't keep customer credit card numbers and expiration dates unless you have an essential business need to do so.

The third step is to protect the information that you keep. Store paper documents, files and tapes in a locked room or locked file cabinet. Remind employees

not to leave sensitive papers out on their desk when they are away from their workstations. At the end of each day, make sure that employees put files away, log off their computers and lock their file cabinets and office doors. For electronic data security, require employees to use passwords (the longer, the better) with a mix of letters, numbers and characters. Use password-activated screen savers to lock employee computers after a period of inactivity. If your company uses the Internet, install a firewall on your computer to protect it from hacker attacks when you are online.

The fourth step in safeguarding sensitive data is to properly dispose of it when you no longer need it. Paper records should be shredded or pulverized before discarding so they cannot be read or reconstructed. Make shredders available throughout the workplace, including next to the photocopier. When disposing old computers, use wipe utility programs. These programs overwrite the entire hard drive so that the files are no longer recoverable.

The final step is to create a plan to respond to security incidents. Investigate security breaches immediately and take steps to close off existing vulnerabilities or threats to personal information. Consider whom to notify in the event of an incident, both inside and outside your organization. You may need to notify consumers, law enforcement, customers and other businesses that may be affected by the breach.

For additional information, visit the Federal Trade Commission's website at www.ftc.gov or call toll-free 1-877-382-4357.

INTERNET BANKING TIP: HELP DESK PHONE NUMBER

Need your password reset? Have a question about a bill payment? Need a copy of a cancelled check for a bill payment?

Then call the Help Desk at **1-888-249-7564**. Available 24 hours a day, 7 days a week.



“CHRISTMAS IN JULY” TOY AND CLOTHING DRIVE

From Monday, July 2nd through Tuesday, July 31st, it will be “Christmas in July” at State Bank of Countryside. Every State Bank of Countryside location will be accepting toy and clothing donations for Community Nurse Health Association, a not-for-profit agency that provides primary health care for more than 3,000 uninsured families in the western suburbs. All of the items will go towards the Community Nurse Health Association’s Secret Santa program for the 2007 Christmas season.

We are collecting the following items for **Babies and Toddlers, ages 0-3:**

Onesies (All sizes, especially the larger sizes up to 24 months)

Warm Clothing, such as long sleeved tops, sweaters, fleece and jeans (Through size 3T)

Socks

Warm sleepers

Mittens and hats

Baby cribs

Training cups, teething rings and rattles

Stuffed animals and soft baby dolls

Board books

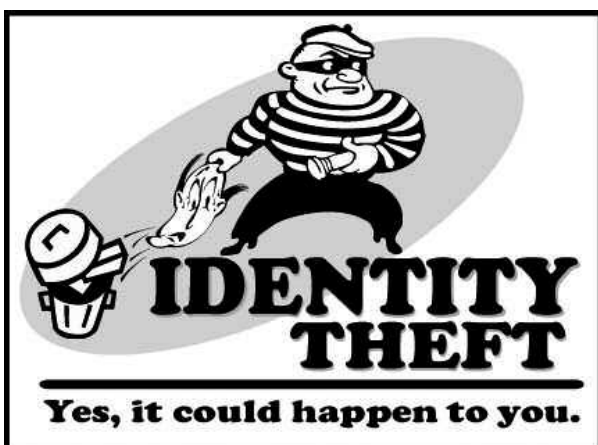
Developmental toys with lights and sounds

Pillow pals

All donated items should be new and in original packaging with tags. For a complete list of items needed, visit our website at www.statebankofcountryside.com or stop by any of our locations.



NEW WEB PAGE: COMPUTER SECURITY AND IDENTITY PROTECTION



State Bank of Countryside has a new page on our website that is devoted to computer security and identity protection. Be sure to visit this page often for the latest information about Identity Theft, Phishing, Pharming, Free Credit Reports and other useful topics to help you safeguard your identity.

To see this new page, go to our website at www.statebankofcountryside.com. Click on the left tab labeled *Information Desk* and then click on the *Computer Security and Identity Protection* link.

DEBIT CARD CASH REWARDS

On my last visit to State Bank of Countryside, I noticed a sign promoting a new rewards program for debit cards. I met with a Financial Counselor to find out all of the details. Here is what I learned...

SSS – Is it true that State Bank of Countryside now offers debit card rewards?

SBC – Yes, it is! You can earn CASH REWARDS on every qualified debit card purchase you make with our Debit Card Rewards Program.

SSS – How does it work?

SBC – Your rewards are based on the number of eligible debit card transactions you perform for any given statement cycle. So the more you use your card for purchases, the more *CASH REWARDS you will receive!*

SSS – That sounds great. How are the rewards paid out?

SBC – Your rewards will be credited to the primary checking, business checking, or NOW account* connected to your card.

SSS – When are the rewards paid out?

SBC – They are paid out monthly at the end of each statement cycle. Rewards are paid on purchases in the month that the purchase posts to the account.

SSS – Earlier you mentioned business checking. Does that mean that the Debit Card Rewards Program is also offered for businesses?

SBC – Yes. Both the SBC Advantage Debit Card and the SBC Business Advantage Debit Card are included in the rewards program.

SSS – How do I enroll in the program?

SBC – If you have a debit card for your State Bank of Countryside personal or business account, you are automatically enrolled in our Debit Card Rewards Program. If you don't have a debit card yet, you should get one today so you can start earning rewards, too!

SSS – How can people find out more information about your Debit Card Rewards Program?

SBC – For more information about our Debit Card Rewards Program, visit our website at www.statebankofcountryside.com or contact a Financial Counselor at any of our locations.

SSS – Thanks for answering my questions. I can't wait to start earning debit card rewards!

*For **Consumer and Sole Proprietor NOW Accounts**, any rewards totaling \$10.00 or more in a calendar year will be reported to the Internal Revenue Service (IRS) on a 1099. For **Consumer and Business Checking Accounts**, any rewards totaling \$600.00 or more in a calendar year will be reported to the IRS on a 1099.



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