

Client: West Bank for en Q Strategies

Project: Partnership announcement

Results: Increased visibility for private client services division.

**West Bank teams with VMF Capital to redefine and enhance
trust and investment management services**
A groundbreaking strategic alliance

West Des Moines State Bank (West Bank), one of the nation's highest performing independent banks, announced today that it is teaming with **VMF Capital, LLC**, to deliver management and advisory services to the bank's trust clients.

This strategic alliance broadens the scope of investment services that West Bank offers its individual and corporate trust clients and provides additional depth in staffing and resources. West Bank, which ranks No. 2 for efficiency among the nation's largest bank holding companies, holds approximately \$2.5 billion in trust assets.

"We're both breaking new ground with this arrangement," said **David L. Miller**, chief executive officer of West Bank. "Drawing on VMF's expertise, we're responding to the demands of our clients to provide them with personalized, professional investment management and strategic advice. For VMF, this marks the firm's first alliance with a leading independent bank."

Gary Ernst, vice president and senior trust officer at West Bank, said that VMF's specialty in managed accounts offers a disciplined investment approach to complement West Bank's other trust services. "We already have strong relationships with our customers, and we're solidifying those relationships still further by teaming with VMF," Ernst said. "Customized portfolios offer clients the hands-on attention they just can't get by investing solely in mutual funds."

As West Bank sought a local partner to add depth and breadth to its trust services, VMF Capital emerged as the natural choice.

"It's a great fit," said **Don S. Mears**, a managing partner of VMF in Des Moines. "We share the same belief in local management, and we understand the needs and expectations of bank customers. We can help West Bank reach out to clients with more investment resources and expertise, while retaining the local flavor and control so important in quality customer service."

Mears formerly served as vice president and chief investment officer for Wells Fargo (formerly Norwest Bank Iowa) Investment Management and Trust for 20 years. He and the firm's three other Des Moines-based managing partners, **Christopher S. Cook**, **Scott D. Eltjes** and **Jon K. Augustine**, bring more than 60 combined years of trust management experience to West Bank investors.

VMF specializes in creating customized portfolios of stocks, bonds and other investment options for its clients—defined as managed accounts. The professional staff includes five individuals who have earned the Chartered Financial Analyst (CFA) designation.

Drawing from his years of experience in managing trust assets, Mears says personalized service remains essential: it's just the delivery method that's changing.

"VMF's partners have made a conscious decision to concentrate on building strong personal relationships. We take the time to walk all of our clients through the strategies behind their investments," Mears added. "In addition to personalized services, VMF provides the added advantage of online account access. Internet access means our clients stay informed according to their schedules. It's a convenience West Bank clients want—and a service VMF will provide."

West Bank/VMF for en Q Strategies, page 2 of 2

Located in West Des Moines, Iowa, West Bank specializes in serving individuals and businesses in Central Iowa. With assets in excess of \$800 million, the bank has long been recognized as one of the highest performing banks in the United States.

Iowa's largest independent investment advisor, VMF Capital's origins date back to the early 1980s. The firm provides investment management services to clients in Iowa and throughout the United States. Founded in Cedar Rapids and owned by its managing partners, VMF provides custom portfolio management and counsel to individuals, corporations, foundations and endowments.

Client: West Bank for en Q Strategies

Project: Broadcast pitch to publicize managed accounts concept

Results: Broadcast coverage publicizing new alliance between West Bank and VMF Capital.

West Bank beefs up investment management and trust services

Customized investment advice isn't just for an elite few. West Bank now brings the concept of managed accounts to many Central Iowans, thanks to its new alliance with **VMF Capital, LLC**, to deliver management and advisory services to the bank's trust clients.

The West Bank/VMF alliance was announced today. It offers you an important opportunity to discuss emerging trends in money management with VMF's local experts. The West Bank team can also clarify the use of trusts, a powerful but often misunderstood tool in financial planning.

Trusts, as described in *The Wall Street Journal Guide to Understanding Personal Finance*, shelter money for one's heirs and provide for those who can't fend for themselves. Trusts are legal entities—like corporations—that earn income, pay taxes and distribute earnings. A trustee administers the trust, which includes making investment decisions. You can establish a trust for anyone you want to provide income for...your spouse, elderly parents, your children or a close friend. Trusts are also used as estate planning devices. They are certainly not just for the rich!

VMF, an Iowa-based registered investment advisor, specializes in managed accounts, a localized alternative to mutual funds. Managed accounts assemble customized portfolios of stocks, bonds and other investment options created for specific investment objectives—much as mutual funds do, but on a smaller scale.

More and more Iowans, lacking the time to manage their own investments and seeking one-on-one guidance, are opening managed accounts. As **Don Mears**, a VMF managing partner, says, "For selective investors who shy away from the concept of investing with 250,000 of their closest friends—as one does when investing in mutual funds—managed accounts offer the personalized direction our clients expect."

VMF counts more than \$700 million in assets under its management, with 26 investment professionals and administrative staff located in Des Moines and Cedar Rapids. Its alliance with West Bank will allow the bank to expand its trust area while continuing its tradition of local and personalized service. Currently, the bank holds about \$2.5 billion in trust assets—\$150 million of which are currently under the bank's management.

Located in West Des Moines, West Bank specializes in serving individuals and businesses in Central Iowa. With assets in excess of \$800 million, West Bank has long been recognized as one of the highest performing banks in the United States. West Bank's partnership with VMF will introduce the managed account concept to the bank's trust clients and brings a new level of investment expertise to its trust area.

VMF and West Bank experts are available for on-air interviews for your morning, noon or weekend broadcasts.

Client: West Bank for en Q Strategies

Project: Background information on credit scoring for client interviews on local morning news broadcasts

Results: Increased visibility for private client services division.

Someone's keeping score

Background

From mom-and-pop gas stations to exclusive department stores, seemingly everyone is hawking credit these days. Oftentimes, credit is marketed with tempting discounts to encourage you to apply. You may think you're being a smart shopper—but think again. When it comes to credit, there are people keeping score. And when it comes to credit scoring, it's a game you definitely want to win.

Credit scoring is a tool creditors use to decide whether or not they'll grant you credit. A total number of points—a credit score—helps predict if you will make timely payments and repay a loan. So a low score means more than inconvenience. It can affect the interest rates you pay, and in some cases, deny you the credit you need to purchase a home or car.

How do you play the credit scoring game? It pays to know your opponent. Your credit score is built around a credit report, a document compiled by private, for-profit companies such as Equifax, Experian, and TransUnion. These credit bureaus gather information about your credit history and sell it to banks, mortgage lenders, credit unions, credit card companies, department stores, insurance companies, landlords, and even employers.

Credit reports list the names of your creditors, as well as what you owe and how long you've owed it. They detail your bill payment history. They show if an account has been turned over to a collection agency. They also contain an amazing amount of seemingly non-credit-related data, such as previous names, past and present addresses, your Social Security number, employment history, and marriages and divorces.

This information is fed into a computer program that compares your report to the credit histories of customers with similar profiles. Points are earned for each factor that helps predict debt repayment. A long-time address and steady employment, for example, weigh in along with your bill payment history.

And credit scoring not only considers the timing of your payments, but also the number of creditors you have. That may include a plethora of long-forgotten store credit accounts, used only once, but still attached to your credit report. If you have enough of them, they may come back to haunt you when you're applying for credit elsewhere.

Questions

Why is credit scoring used?

Credit scoring is based on real data and statistics so it's more reliable and objective than other decision-making methods.

How do creditors create credit scores?

A creditor selects a random sample of its customers and statistically analyzes it for characteristics that relate to creditworthiness. Each factor is assigned a weight based on its predictability for a good credit risk.

What factors affect your credit score?

- **Payment history.** You're in the red if you've paid bills late, had an account sent to collection or declared bankruptcy. The more recent the problem, the lower the score.
- **Outstanding debt.** If the amount owed is close to your credit limit, that will negatively affect your score. A low balance on two credit cards is better than a high balance on one.
- **Length of credit history.** The longer your accounts have been open the better.
- **Recent inquiries on your report.** If you have recently applied for many new accounts, that may lower your score.
- **Types of credit.** Loans from finance companies can lower your score.

Someone's keeping score for en Q Strategies, page 2 of 2

What's a good score?

Credit scores range from 300 to 900, with the average around 750. According to the model, as your score increases, your risk of default decreases. But just as your credit history can vary among credit bureaus, so can your credit score.

Can I find out my credit score?

That's hard to do. Credit scorers are not required by law to reveal their scores to consumers. Most don't. Recently, however, one credit scorer has started to sell consumer scores online for a fee. And if you're applying for a mortgage, some states require this disclosure.

How do I improve my credit score?

Consumers can take several steps to improve their scores, including:

- Paying bills on time
- Updating old accounts (accounts reporting a balance may have been paid down to zero)
- Not maxing out credit lines
- Limiting applications for credit
- Maintaining long-term accounts
- Staying away from finance companies

Do you have contact information for these credit bureaus and credit scorers?

The top three credit bureaus are Experian, Equifax, and TransUnion. You may have to pay a fee of up to \$9 to get a copy of your credit report if you have not recently been denied credit:

Experian: 888-397-3742

Equifax: 800-685-1111

TransUnion 800-916-8800

Fair Isaac, in partnership with Equifax, has made credit scores available online to consumers for a \$12.95 fee. Here are some web addresses to get your credit score:

<http://www.myfico.com>

<http://www.equifax.com>

<http://www.scorepower.com>