

# COVENANT TRUST COMPANY®



# TAKE A LOOK



COVENANT TRUST COMPANY®

*your financial services partner*

*trustee services • asset management • retirement planning • legacy planning*



## COVENANT TRUST COMPANY®

*your financial services partner*

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Covenant Trust Company® [CTC] provides the Evangelical Covenant Church with unparalleled resources and experience. In addition to a full-service trust program, Covenant Trust Company offers professional asset management services to individuals, churches, camps and conferences, as well as all denominational ministries.

Legacy planning resources are also available through Covenant Trust Company. Financial Services Representatives can: a) review existing legacy plans; b) address concerns about providing for the future; c) share ways to include deferred gifts for Covenant ministries; and d) help you act on your plans.

Covenant Trust Company is a non-depository Illinois trust company, chartered in October 1988. The owner-shareholders of Covenant Trust Company are The Evangelical Covenant Church, Covenant Ministries of Benevolence and North Park University.

Several factors make CTC stand out from other trust companies.

- Emphasis on integrity, excellence and commitment to ministry
- A disciplined investment philosophy based on an asset allocation appropriate to individual circumstances and risk-tolerance
- Services available to more people due to low account minimums
- High level of client satisfaction generated by responsive communication and good relationship with the account management team
- Competitive fee schedule for accounts managed on a fee basis
- 100% ownership by charitable ministries of The Evangelical Covenant Church

This brochure is designed to provide general descriptions and information. In every situation, the trust document or management agreement is the governing instrument. We encourage you to consult your personal legal, tax or investment advisors for information specific to your situation.



## SERVICES Available

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Covenant Trust Company provides:

- Trustee or successor trustee services for revocable living trusts<sup>[1,3]</sup>
- Trustee or successor trustee services for irrevocable charitable trusts<sup>[1,3]</sup>
- Trustee services for Traditional and Roth Rollover Individual Retirement Accounts [IRA]<sup>[2,3]</sup>
- Professional asset management through Investment Management Accounts [IMA]<sup>[2,3]</sup>
- Management for Covenant Endowment Trust accounts that benefit Covenant ministries<sup>[2,3]</sup>
- Management for various denominational funds such as the Covenant Annuity Fund and Covenant Pooled Income Funds<sup>[2]</sup>
- Regular statements and annual tax reporting on all managed accounts
- ACH electronic funds transfer of trust, IRA or annuity payments
- Information for Covenant ministries on how to process gifts of stock

<sup>[1]</sup> Restrictions regarding charitable remainder and/or minimum amount apply to this type of account.

<sup>[2]</sup> Management and/or agency fees may be charged to this type of account.

<sup>[3]</sup> For more information request any of the following brochures: *Revocable Living Trusts; Questions & Answers about Charitable Remainder Unitrusts at CTC; Questions & Answers about IRA Accounts at CTC; Investment Management Accounts; or Covenant Endowment Trust*



## TRUSTEE SERVICES

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When you set up a trust, you as the *grantor* turn certain assets over to a *trustee* to manage for you. Choosing the trustee for your trust is one of the most important decisions you will make.

The basic choice is whether to choose a corporate or an individual trustee. We believe that in almost all cases, the corporate trustee is a better long-term choice. Occasionally, some individuals choose to serve as trustee initially, naming Covenant Trust Company as successor trustee. There are significant responsibilities in being a trustee; and providing quality trustee service requires expertise and knowledge that individuals may not always possess. The consequences of inadequate or incompetent trustee services can be significant, both to you and to the trustee.

“*Choosing a Trustee*” [available on request] details the reasons why a corporate trustee such as Covenant Trust Company is a good choice. Some of the attributes to consider include:

- Trustee experience and knowledge
- Decision making ability
- Availability
- Stability
- Continuity
- Integrity
- Objectivity
- Asset management experience and investment expertise
- Accountability
- Record-keeping and reporting
- Cost

Covenant Trust Company® provides professional trustee services and asset management, and is an excellent choice to serve as trustee of your revocable or irrevocable trust, or IRA account. If you want a partner with proven expertise and one who shares your basic values, it's time to take a look at Covenant Trust Company.



## ASSET MANAGEMENT

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What do you want from your asset manager? Probably a lot of things:

- Expertise
- Discipline and Prudence
- Appropriate risk management
- Diversification
- Flexibility
- Values in common with yours

If these are what you want in an asset manager, it's time to take a look at Covenant Trust Company. We follow a disciplined, prudent asset allocation strategy with appropriate risk management. That means you can be confident in the asset selections we offer. Asset allocation is unique to each portfolio, based on your goals and your tolerance for investment risk. We rebalance regularly to maintain the asset allocation formula you select. That means you can be confident we're listening to you and keeping your goals in mind. And CTC's asset mix is flexible enough that you can 'fit' right where you want to be.

Covenant Trust Company is a strategic rather than a tactical investor. We seek to achieve long-term growth in your net worth. We stick to the strategy rather than react to events. We offer services, we don't sell products. Our goal is *your success* in achieving your investment objectives. That means you can be confident we're working for *you* and that your goals are what matter.

Trusts and IRAs where CTC serves as trustee receive this professional asset management as part of the package. You can also take advantage of our asset management services with an Investment Management Agreement, available for both individuals and Covenant ministries.

If you haven't considered Covenant Trust Company for your asset management needs, it's time to take a look.



## RETIREMENT PLANNING

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If you're like most Americans today, your greatest financial fear is "retirement." In the 18-34 age group, premature depletion of retirement savings is the biggest worry. Inability to maintain their current standard of living is the main concern of those 35-54; and outliving their assets is the greatest fear of those 55 and older. The concern of the 55-plus group about living *through* retirement is paralleled by that of those under 55 who worry about how they'll get *to* retirement. Everything we read tells us to start planning early and save faithfully throughout life. Yet many questions remain, and we want someone to help us get on the right road and stay there.

Covenant Trust Company can partner with you on this lifelong journey. Your starting point is wherever you are right now; your destination is your dream for a secure and fulfilling retirement. If you want a partner who shares your values and regards asset management as stewardship, take a look at Covenant Trust Company. If you want a partner who is committed to excellence and provides a full range of retirement and financial planning resources, take a look at Covenant Trust Company. And if you want a partner whose goal is your peace of mind, take a look at Covenant Trust Company.

- Traditional IRAs
- ROTH IRAs
- Retirement Central™ at [www.covenanttrust.com](http://www.covenanttrust.com)
  - Retirement Calculators
  - FAQs about IRAs and retirement planning
- Professional asset management
  - Disciplined, prudent investment strategy with appropriate risk management
  - Investment Management Accounts
- Trustee Services
  - Revocable Living Trusts
  - Irrevocable Charitable Trusts



## LEGACY PLANNING

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**Legacy** is what we leave behind for those who follow us; and has elements of both *values* and *value*. We seek to build values similar to our own in future generations. We want to perpetuate those ministries that embody and live out the values we hold dear. Thoughtful legacy planning is one way to ‘reinvest’ what God has given us to steward during our lifetime. It enables us to provide for our family and those we love, while at the same time making a gift to carry on God’s work.

Younger individuals and families often neglect legacy planning because they think they “don’t need it yet.” Nothing could be further from the truth. A thoughtful legacy plan grows and changes as we move through life, and provides the “what-if” planning that is so easy to forget about until it’s too late. A simple will can provide direction for who would serve as guardian for minor children and who would handle their finances. Powers of attorney provide a back-up in case we are unable to make decisions regarding finances or health care. Trusts provide management continuity to care for ourselves and our families if the unexpected happens; they can last into the future to make sure our legacy fulfills our dreams for those people and ministries we care about. Other parts of a legacy plan can provide an income stream during live and benefit charity after death. Best of all, a well developed legacy plan provides peace of mind, knowing that everything is in order.

Covenant Trust Company® can be your lifetime partner in legacy planning. Your needs may be simple or complex; your estate may be small large, or somewhere in between. Wherever you are, we can work with you today to build a legacy plan that will grow with you for tomorrow.

- Wills
- Revocable Living Trusts
- Power of Attorney for Finance or Health Care
- Charitable Remainder Trusts
- Charitable Gift Annuities



## DIRECTORS

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Covenant Trust Company's board of directors meets at least quarterly to set policies for the management, investment and disposition of property held in a fiduciary capacity; and to review all matters relating to corporate management, operations and accounts.

**Dean A. Lundgren, chair**

Vice President for Finance • Evangelical Covenant Church

**Lars P. Anderson**

Vice President, Corporate Trust Services • US Bank

**Lawrence P. Anderson**

Executive Vice President for Finance • Covenant Ministries of Benevolence

**Carl E. Balsam**

Executive Vice President/Chief Financial Officer • North Park University

**Donald A. Carlson**

Retired—formerly Senior Vice President, Trust Division • Norwest Bank

**David A. Dwight**

President • Covenant Ministries of Benevolence

**David L. Parkyn**

President • North Park University

**Paul V. Peterson**

Retired—formerly President • Covenant Ministries of Benevolence

**Thomas M. Sprague**

Independent Investment Consultant

**Gary B. Walter**

President • Evangelical Covenant Church

**Ann P. Wiesbrock, ex-officio**

President • Covenant Trust Company

*Advisor*

**Samuel Papanek III**

Partner • Erickson-Papanek-Peterson-Rose, Attorneys

*Liaison*

**Jerome O. Nelson**

Superintendent, Central Conference • Evangelical Covenant Church



## INVESTMENT COMMITTEE

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The Investment Committee of the board meets at least quarterly to formulate and review investment policy, evaluate internal and external investment analysis, establish criteria for CTC core holdings, review asset allocation and holdings of selected individual accounts, and monitor the activities of the Portfolio Review Committee which reviews each fiduciary account at least once annually.

**Thomas M. Sprague, chair**

Independent Investment Advisor • Formerly with Fidelity Investments

**Lars P. Anderson**

Vice President, Corporate Trust Services • US Bank

**Lawrence P. Anderson**

Executive Vice President for Finance • Covenant Ministries of Benevolence

**Carl E. Balsam**

Executive Vice President/Chief Financial Officer • North Park University

**Donald A. Carlson**

Retired—formerly Senior Vice President, Trust Division • Norwest Bank

**Gary S. Johnson**

Portfolio Manager • Covenant Trust Company

**Paul R. Lindman**

Vice President—Systems • Covenant Trust Company

**Dean A. Lundgren**

Vice President for Finance • Evangelical Covenant Church

**Samuel Papanek III**

Partner • Erickson-Papanek-Peterson-Rose, Attorneys

**Paul V. Peterson**

Retired—formerly President • Covenant Ministries of Benevolence

**Ann P. Wiesbrock**

President • Covenant Trust Company



## Officers

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The following are the current officers elected by the Board of Directors as of December 2010.

**Ann P. Wiesbrock**..... President

**Eric S. Johnson**..... Vice President/Chief Operating Officer

**Paul R. Lindman** ..... Vice President—Systems/Treasurer

**Michael K. Magnusson** ..... Vice President—Operations/Asst. Treasurer

**Sharon R. D'Alessandro** ..... Vice President—Trust Administration

**Peter J. Heintzelman** ..... Vice President—Marketing

**Patricia J. Conrad**..... Corporate Secretary

**Barbara J. Wood** ..... Assistant Secretary

**LeRoy M. Johnson**..... President Emeritus

**Charles A. Walles**..... President Emeritus



## FACTS AND FIGURES

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- The Illinois Department of Financial & Professional Regulation, Bureau of Banks, Trust Companies and Savings Institutions conducts regular examinations of Covenant Trust Company
- CapinCrouse LLP, a major independent public accounting firm, performs an annual audit of the financial statements and accompanying footnotes of Covenant Trust Company
- Covenant Trust Company also implements its own program of internal control
- Covenant Trust Company works with individuals and Covenant ministries nationwide
- Total full-time equivalent CTC staff [office and field] .....28.5\*\*
- Accounts managed\* .....1,960\*\*
- Assets under management\* .....\$436,505,000\*\*

\*Includes trustee accounts and accounts managed under all types of management agreements

\*\*as of 12/31/2010

*“Covenant Trust Company makes me feel very confident that my resources are in good hands. The ease of working with Covenant Trust Company makes charitable giving a realized dream.”*

Irvin Lyons  
Santa Barbara, CA



## Mission Statement

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### OUR VISION

To awaken people to the significance of stewardship through legacy planning and financial management.

### OUR MISSION

To provide comprehensive legacy planning and financial management resources to all members, friends and ministries of The Evangelical Covenant Church.

- *We work with people to identify and implement their financial goals and charitable dreams. The results of the long-term relationship we strive to build include peace of mind and future benefit for our clients, their loved ones and their chosen Covenant ministries. Privacy of information and a personal relationship with their account management team give clients an added level of comfort.*
- *We partner with Covenant ministries to develop programs designed to increase deferred giving.*
- *Covenant Trust Company also provides trustee services and asset management for both individuals and Covenant ministries. We pursue a high level of client satisfaction through a disciplined, professional and conservative approach to investing.*

### OUR VALUES

- integrity
- excellence
- commitment to ministry
- generosity through stewardship



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