

Money Matters

Second Quarter, 2009

A quarterly newsletter for retirement plan participants of Union Bank & Trust Company

End Your Sleepless Nights

The uncertainty of these economic times has many individuals wondering what they should do to fix or change their retirement account. Actually, many experts agree that your retirement account is one place where you don't want to do much work. Tinker too much and you could end up doing more harm than good.

Once you've got your plan in shape, you really can relax. All you should need to do is minor maintenance one day a year. Pick any day for this checkup: the first day of the year, your birthday, or whatever date makes most sense to you.

Ignoring your 401(k) for 11 months and 29 days every year may seem like slacking off, but it's far better than tracking your returns too closely. Obsessing over performance could entice you into the classic mistake of chasing yesterday's winners.

Experts agree that it is impossible for someone to time the market correctly at all times. Most of us are not sophisticated investors who have the time, interest or resources to follow the market closely enough to make truly informed decisions. For example, a participant may wish to buy into a specific fund she heard about on the local news, but in reality the fund may be near its peak already. Thus, a high price was paid for a fund that will start to go down. This is why you want to pick an asset mix (or target fund) that you can stick with through market fluctuations.

Start by revisiting your asset mix. If market downturns have been giving you sleepless nights, you may have taken on too much risk. You may want to consider shifting a percentage of your investment dollars to a more conservative asset mix (i.e. moving from stock funds to bond funds).

Playing it safer is something you should do anyway as you get closer to retirement; you can't afford to be caught by a market slump when nearing the finish line.

By doing this every year, you force yourself to sell high and buy low — the very definition of smart investing. In most plans, you can rebalance with one phone call to your 401(k) provider or with an online tool.

Union Bank's Retirement Plan Service department is here to help you with your retirement questions. If you have questions about your account, please call us at (402) 323-1592 or toll-free at 888-769-2362.

Spotlight on Health Savings Accounts

Union Bank & Trust's Retirement Plan Services department provides full support for a variety of retirement and savings products beyond basic 401(k) plans, including Health Savings Accounts.

A Health Savings Account (HSA) is a tax-advantaged account that allows individuals to make tax-free distributions for qualified health care expenses when coupled with a High Deductible Health Plan (HDHP). Once the HSA is opened, the funds in the account can be used for the health care expenses of you and your dependents. In addition, the funds are completely portable if you change employers or relocate. Unlike a Flexible Spending Account, the funds roll over from year to year allowing you to build up a balance for larger expenses.

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Putting the Focus-On-U

When it comes to retirement planning, Union Bank believes you should have access to reliable tools and information to help you achieve your retirement goals.

An employer's retirement plan is often the largest investment account many of us have, so it is vital to understand how your plan works and how you can best take advantage of the opportunity to save for retirement. Employees who understand their retirement benefits and investment options are more likely to participate and take full advantage of their plan.

The Focus-On-U Education Program was developed to provide comprehensive communication and education services to plan participants. The foundation of this program is our team of dedicated Education Coordinators: Andrea Auer, Kellee Krick, Jon Read and Nicole Sweigard. They are available to conduct on-site employee meetings and provide useful information to all who participate.

We understand that someone who is just starting her career, and is participating in a retirement plan for the first time, has different needs than someone who is five years from retirement. Our Education Coordinators provide customized tools to different groups of employees and are also available for one-on-one consultations to answer your individual questions.



Auer



Krick



Read



Sweigard

The Focus-On-U Program provides a variety of services beyond education. In particular, participants are able to access their accounts at any time through our retirement website, www.ubtrust.com. This site allows you to check your current account balance and holdings, view historical data on all investment options offered, and change your investment elections. You'll also find retirement planning calculators and other tools to help you develop a customized retirement plan.

Working together, we can help you reach your goals. We provide professionals and tools that will answer your retirement questions while keeping you updated on changing legislation, compliance and plan specific changes. Union Bank's Retirement Plan Services team is here for you.

HSAs *continued from page 1*

Union Bank offers two unique HSA products to meet your needs. The Deposit HSA is designed for the account owner that will have frequent activity. The account pays a variable interest rate and allows for unlimited access with a Debit Card. Our Mutual Fund HSA was created for those who will have less activity on the account, and are looking for Mutual Fund investment options to maximize returns.

Bobbi Hanigan, HSA Coordinator, is available to answer individual questions, or to conduct employee meetings as appropriate. If you would like to know if you qualify for an HSA, or have questions about a current account, you can contact our HSA team at (402) 323-1482 or by e-mail at hsa@ubt.com.

Money Matters is a quarterly newsletter for retirement plan participants of Union Bank & Trust Company. For additional information or if you would like certain topics to be covered in this newsletter, please forward any questions or comments to:

Investment products: Not FDIC Insured - No Bank Guarantee - May Lose Value.

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