

WINTRUST FINANCIAL CORP

Form 424B5

February 09, 2011

**Table of Contents****CALCULATION OF REGISTRATION FEE**

<b>Title of each class of securities to be registered</b>	<b>Proposed maximum aggregate offering price</b>	<b>Amount of registration fee (1)</b>
Warrants (expiring December 19, 2018)	\$25,964,061.00	\$3,014.43

(1) Calculated in accordance with Rule 457(g) of the Securities Act of 1933, as amended.

**Filed pursuant to Rule 424(b)(5)  
Registration No. 333-155637**

**PROSPECTUS SUPPLEMENT**

**(To prospectus dated March 9, 2009)**

**Wintrust Financial Corporation**

**1,643,295 Warrants**

**Each to Purchase One Share of Common Stock**

The United States Department of the Treasury, referred to in this prospectus supplement as the selling security holder or Treasury, is offering to sell up to 1,643,295 warrants, each of which represents the right to purchase from us one share of our common stock, no par value per share, at an exercise price of \$22.82 per share, referred to as the warrants. Both the exercise price and the number of shares that will be acquired upon the exercise of a warrant are subject to adjustment from time to time in the manner described in this prospectus supplement. We will not receive any of the proceeds from the sale of the warrants being sold by the selling security holder. The warrants expire on December 19, 2018.

We originally issued the warrants to Treasury in a private placement. Prior to this offering, there has been no public market for the warrants. The warrants have been approved for listing on the NASDAQ Global Select Market, referred to as NASDAQ, under the symbol WTFCW. Our common stock is listed on NASDAQ under the symbol WTFC. On February 8, 2011, the last reported sale price of our common stock on NASDAQ was \$33.24 per share.

The public offering price and the allocation of the warrants in this offering will be determined by an auction process. While the auction is open, potential bidders will be able to place bids at any price (in increments of \$0.10) at or above the minimum bid price of \$13.50 per warrant. The minimum size for any bid is 100 warrants. If the selling security holder decides to sell the warrants being offered, the public offering price of the warrants will be equal to the clearing price set in the auction. If bids are received for 100% or more of the offered warrants, the clearing price will be equal to the highest price at which 100% of the offered warrants can be sold in the auction. If bids are received for 100% or more of the offered warrants and the selling security holder elects to sell warrants in the auction, the selling security holder must sell all of the offered warrants at the clearing price. If bids are received for half or more, but less than all, of the offered warrants, then the clearing price will be equal to the minimum bid price per warrant, and the selling security holder may (but is not required to) sell, at the clearing price, as many warrants as it chooses to sell up to the number of warrants for which bids were received in the auction, so long as at least half of the offered warrants are sold and the warrants remain eligible for listing. In certain cases described in this prospectus supplement, bidders may experience pro-ration of their bids. If bids are received for less than half of the offered warrants, the selling security holder will not sell any warrants in this offering. Even if bids are received for all of the warrants, the selling security holder may decide not to sell any warrants, regardless of the clearing price set in the auction process. In addition, we

may bid in the auction for some or all of the warrants. The method for submitting bids and a more detailed description of this auction process are described in **Auction Process** beginning on page S-25 of this prospectus supplement.

You must meet minimum suitability standards in order to purchase the warrants. You must be able to understand and bear the risk of an investment in the warrants and should be experienced with respect to options and option transactions. You should reach an investment decision only after careful consideration, with your advisers, of the suitability of the warrants in light of your particular financial circumstances and the information in this prospectus supplement. The warrants involve a high degree of risk, are not appropriate for every investor and may be worthless when they expire.

**Investing in our warrants and our common stock involves risks. See the **Risk Factors** section beginning on page S-12 of this prospectus supplement and the sections entitled **Risk Factors** in our Annual Report on Form 10-K for the year ended December 31, 2009 and all subsequent filings under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, referred to as the **Exchange Act**, to read about factors you should consider before investing in our securities.**

The warrants and the underlying common stock are not savings accounts, deposits or other obligations of any of our bank or non-bank subsidiaries and are not guaranteed by the United States Department of the Treasury or insured or guaranteed by the Federal Deposit Insurance Corporation, referred to as the **FDIC**, the Deposit Insurance Fund or any other governmental agency or instrumentality.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

	<b>Per Warrant</b>	<b>Total</b>
Public offering price	\$ 15.80000	\$ 25,964,061.00
Underwriting discounts and commissions	\$ 0.22120	\$ 363,496.85
Proceeds, before expenses, to the selling security holder	\$ 15.57880	\$ 25,600,564.15

The underwriter expects to deliver the warrants in book-entry form only, through the facilities of The Depository Trust Company, against payment on or about February 14, 2011.

**Deutsche Bank Securities**

The date of this prospectus supplement is February 8, 2011

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**ABOUT THIS PROSPECTUS**

**This prospectus supplement incorporates by reference important business and financial information about us that is not included in or delivered with this document. This information, other than exhibits to documents that are not specifically incorporated by reference in this prospectus, is available to you without charge upon written or oral request to Wintrust Financial Corporation at the address or telephone number indicated in the section titled **Where You Can Find More Information** in this prospectus supplement.**

This document is in two parts. The first part is this prospectus supplement, which contains specific information about us and the terms on which the selling security holder is selling the warrants. The second part is the accompanying prospectus dated March 9, 2009, which contains and incorporates by reference important business and financial information about us and other information about the offering.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus or in any free writing prospectus. Neither we nor any underwriter or agent nor the selling security holder has authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus supplement, the accompanying prospectus and any relevant free-writing prospectus do not constitute an offer to sell or a solicitation of an offer to buy by anyone in any jurisdiction in which such offer or solicitation is not authorized, or in which the person is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in either this prospectus supplement or the accompanying prospectus is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

Before you invest in our warrants or our common stock, you should carefully read the registration statement (including the exhibits thereto) of which this prospectus supplement and the accompanying prospectus form a part, this prospectus supplement, the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and accompanying prospectus. The incorporated documents are described under **Where You Can Find More Information**.

Unless the context indicates otherwise, the terms **Wintrust**, **Company**, **we** and **our** in this prospectus supplement refer to Wintrust Financial Corporation and its subsidiaries. References to a particular year mean the Company's year commencing on January 1 and ending on December 31 of that year.

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**SPECIAL NOTES CONCERNING FORWARD-LOOKING STATEMENTS**

This prospectus supplement, the accompanying prospectus, and any documents which we incorporated by reference may contain forward-looking statements within the meaning of federal securities laws. Forward-looking information can be identified through the use of words such as intend, plan, project, expect, anticipate, believe, estimate, contemplate, possible, point, will, may, should, would and could. Forward-looking statements and information, historical facts, are premised on many factors and assumptions, and represent only management's expectations, estimates and projections regarding future events. Similarly, these statements are not guarantees of future performance and involve certain risks and uncertainties that are difficult to predict, which may include, but are not limited to, those listed below and the Risk Factors discussed under Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2009, Item 1A of our Quarterly Reports on Form 10-Q for the quarters ended June 30, 2010 and September 30, 2010 and in any of our subsequent SEC filings. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and is including this statement for purposes of invoking these safe harbor provisions. Such forward-looking statements may be deemed to include, among other things, statements relating to our future financial performance, the performance of our loan portfolio, the expected amount of future credit reserves and charge-offs, delinquency trends, growth plans, regulatory developments, securities that the Company may offer from time to time, and management's long-term performance goals, as well as statements relating to the anticipated effects on financial condition and results of operations from expected developments or events, our business and growth strategies, including future acquisitions of banks, specialty finance or wealth management businesses, internal growth and plans to form additional *de novo* banks or branch offices. Actual results could differ materially from those addressed in the forward-looking statements as a result of numerous factors, including the following:

negative economic conditions that adversely affect the economy, housing prices, the job market and other factors that may affect the Company's liquidity and the performance of its loan portfolios, particularly in the markets in which it operates;

the extent of defaults and losses on the Company's loan portfolio, which may require further increases in its allowance for credit losses;

estimates of fair value of certain of the Company's assets and liabilities, which could change in value significantly from period to period;

changes in the level and volatility of interest rates, the capital markets and other market indices that may affect, among other things, the Company's liquidity and the value of its assets and liabilities;

a decrease in the Company's regulatory capital ratios, including as a result of further declines in the value of its loan portfolios, or otherwise;

effects resulting from the Company's prior participation in the Capital Purchase Program, referred to as the CPP ;

increased costs of compliance, heightened regulatory capital requirements and other risks associated with changes in regulation and the current regulatory environment, including the requirements of the Basel II and III capital regimes and the Dodd-Frank Wall Street Reform and Consumer Protection Act;

legislative or regulatory changes, particularly changes in regulation of financial services companies and/or the products and services offered by financial services companies;

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increases in the Company's FDIC insurance premiums, or the collection of special assessments by the FDIC;

competitive pressures in the financial services business which may affect the pricing of the Company's loan and deposit products as well as its services (including wealth management services);

delinquencies or fraud with respect to the Company's premium finance business;

the Company's ability to comply with covenants under its securitization facility and credit facility;

credit downgrades among commercial and life insurance providers that could negatively affect the value of collateral securing the Company's premium finance loans;

any negative perception of the Company's reputation or financial strength;

the loss of customers as a result of technological changes allowing consumers to complete their financial transactions without the use of a bank;

the ability of the Company to attract and retain senior management experienced in the banking and financial services industries;

failure to identify and complete favorable acquisitions in the future, or unexpected difficulties or developments related to the integration of recent or future acquisitions, including with respect to any FDIC-assisted acquisitions;

unexpected difficulties or unanticipated developments related to the Company's strategy of de novo bank formations and openings, which typically require over 13 months of operations before becoming profitable due to the impact of organizational and overhead expenses, the startup phase of generating deposits and the time lag typically involved in redeploying deposits into attractively priced loans and other higher yielding earning assets;

changes in accounting standards, rules and interpretations and the impact on the Corporation's financial statements;

significant litigation involving the Company; and

the ability of the Company to receive dividends from its subsidiaries.

Therefore, there can be no assurances that future actual results will correspond to these forward-looking statements. The reader is cautioned not to place undue reliance on any forward-looking statement made by or on behalf of Wintrust. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update any forward-looking statement to reflect the impact of circumstances or events that arise after the date the forward-looking statement was made.

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**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly, and current reports, proxy statements and other information with the Securities and Exchange Commission, referred to as the SEC. Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov> and on the investor relations page of our website at <http://www.wintrust.com>. Except for those SEC filings incorporated by reference in this prospectus supplement and the accompanying prospectus, none of the other information on our website is part of this prospectus supplement or the accompanying prospectus. You may also read and copy any document we file with the SEC at its public reference facilities at 100 F Street N.E., Washington, D.C. 20549. You can also obtain copies of the documents upon the payment of a duplicating fee to the SEC. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference facilities.

You should rely only on the information incorporated by reference or provided in this prospectus supplement and the accompanying prospectus. Neither we nor the selling security holder have authorized anyone else to provide you with different information or to make any representations other than as contained in this prospectus supplement and in the accompanying prospectus. This prospectus supplement, the accompanying prospectus and any relevant free-writing prospectus do not constitute an offer to sell or a solicitation of an offer to buy by anyone in any jurisdiction in which such offer or solicitation is not authorized, or in which the person is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. Our website address is <http://www.wintrust.com>. Except for those SEC filings posted on our website and incorporated by reference in this prospectus supplement and the accompanying prospectus, none of the other information on our website is part of this prospectus supplement or the accompanying prospectus.

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**DOCUMENTS INCORPORATED BY REFERENCE**

The SEC allows us to incorporate by reference much of the information that we file with it, which means that we can disclose important information to you by referring you to those publicly available documents. The information that we incorporate by reference is an important part of this prospectus supplement and the accompanying prospectus. Any statement contained in a document incorporated or deemed to be incorporated by reference in this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document that also is or is deemed to be incorporated by reference in this prospectus modifies or supersedes that statement. Any statement that is modified or superseded will not constitute a part of this prospectus, except as modified or superseded.

This prospectus supplement incorporates by reference the documents listed below and any filings we make with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 after the initial filing of the registration statement related to this prospectus supplement until the termination of the offering of the securities described in this prospectus supplement; provided, however, that we are not incorporating by reference any documents, portions of documents or other information that is deemed to have been furnished and not filed with the SEC:

our Annual Report on Form 10-K for the year ended December 31, 2009, including information specifically incorporated by reference into our Form 10-K for the year ended December 31, 2009;

our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2010, June 30, 2010 and September 30, 2010;

the sections of our Definitive Proxy Statement for the 2010 Annual Meeting of Shareholders filed with the SEC on April 29, 2010 that are incorporated by reference in our Annual Report on Form 10-K for the year ended December 31, 2009;

our Current Reports on Form 8-K, filed with the SEC on March 9, 2010, June 2, 2010, December 10, 2010, December 15, 2010, December 23, 2010, February 2, 2011 and February 7, 2011; and

the description of our common stock, which is registered under Section 12 of the Exchange Act, in our Form 8-A filed with the SEC on January 3, 1997, including any subsequently filed amendments and reports updating such description.

You may request a copy of these filings, other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing, at no cost, by writing to us at the following address or calling us at the following telephone number:

Investor Relations  
Wintrust Financial Corporation  
727 North Bank Lane  
Lake Forest, Illinois 60045  
(847) 615-4096

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**PROSPECTUS SUMMARY**

*This summary highlights selected information from this prospectus supplement and does not contain all of the information that you should consider in making your investment decision. You should read this summary together with the more detailed information appearing elsewhere in this prospectus supplement, as well as the information in the accompanying prospectus and in the documents incorporated by reference or deemed incorporated by reference into this prospectus supplement or the accompanying prospectus. You should carefully consider, among other things, the matters discussed in the sections titled *Risk Factors* in this prospectus supplement, in our Annual Report on Form 10-K for the year ended December 31, 2009 and in our Quarterly Reports on Form 10-Q for the quarterly periods ended June 30, 2010 and September 30, 2010. In addition, certain statements include forward-looking information that involves risks and uncertainties. See *Special Notes Concerning Forward-Looking Statements* in this prospectus supplement.*

**Wintrust Financial Corporation**

Wintrust Financial Corporation, an Illinois corporation, which was incorporated in 1992, is a financial holding company based in Lake Forest, Illinois, with total assets of approximately \$14.0 billion as of December 31, 2010. We conduct our businesses through three segments: community banking, specialty finance and wealth management.

We provide community-oriented, personal and commercial banking services to customers located in the greater Chicago, Illinois metropolitan area and in southeastern Wisconsin through our fifteen wholly owned banking subsidiaries, collectively referred to as the *banks*, as well as the origination and purchase of residential mortgages for sale into the secondary market through our wholly owned subsidiary, Wintrust Mortgage Corporation.

We provide financing for the payment of commercial insurance premiums and life insurance premiums, referred to as *premium finance receivables*, on a national basis through our wholly owned subsidiary, First Insurance Funding Corporation, and short-term accounts receivable financing, referred to as *Tricom finance receivables*, and out-sourced administrative services through our wholly owned subsidiary, Tricom, Inc. of Milwaukee.

We provide a full range of wealth management services primarily to customers in the Chicago, Illinois metropolitan area and in southeastern Wisconsin through three separate subsidiaries, including The Chicago Trust Company, N.A., referred to as *CTC*, Wayne Hummer Investments, LLC, referred to as *WHI*, and Wintrust Capital Management, LLC, referred to as *WCM*.

**Our Business**

***Community Banking***

Through our banks, we provide community-oriented, personal and commercial banking services to customers located in the greater Chicago, Illinois metropolitan area and in southeastern Wisconsin. Our customers include individuals, small to mid-sized businesses, local governmental units and institutional clients residing primarily in the banks' local service areas. The banks have a community banking and marketing strategy. In keeping with this strategy, the banks provide highly personalized and responsive service, a characteristic of locally-owned and managed institutions. As such, the banks compete for deposits principally by offering depositors a variety of deposit programs, convenient office locations, hours and other services, and for loan originations primarily through the interest rates and loan fees they charge, the efficiency and quality of services they provide to borrowers and the variety of their loan and cash management products. Using our decentralized corporate structure to our



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advantage, in 2008, we announced the creation of our MaxSafe® deposit accounts, which provide customers with expanded FDIC insurance coverage by spreading a customer's deposit across our fifteen banks. This product differentiates our banks from many of our competitors that have consolidated their bank charters into branches. The banks also offer home equity, home mortgage, consumer, real estate and commercial loans, safe deposit facilities, ATMs, internet banking and other innovative and traditional services specially tailored to meet the needs of customers in their market areas.

We developed our banking franchise through the *de novo* organization of nine banks and the purchase of seven banks, one of which was merged into an existing Wintrust bank. The organizational efforts began in 1991, when a group of experienced bankers and local business people identified an unfilled niche in the Chicago metropolitan area retail banking market. As large banks acquired smaller ones and personal service was subjected to consolidation strategies, the opportunity increased for locally owned and operated, highly personal service-oriented banks. As a result, Lake Forest Bank was founded in December 1991 to service the Lake Forest and Lake Bluff communities. Following the same business plan, we have formed several additional banks in the Chicago metropolitan market, and completed several acquisitions. As of December 31, 2010, we had 86 banking locations.

We own fifteen banks, including nine Illinois-chartered banks, Lake Forest Bank and Trust Company, referred to as Lake Forest Bank, Hinsdale Bank and Trust Company, referred to as Hinsdale Bank, North Shore Community Bank and Trust Company, Libertyville Bank and Trust Company, Northbrook Bank & Trust Company, Village Bank & Trust, Wheaton Bank & Trust Company, State Bank of The Lakes and St. Charles Bank & Trust Company. In addition, we have one Wisconsin-chartered bank, Town Bank, and five nationally chartered banks, Barrington Bank and Trust Company, N.A., referred to as Barrington Bank, Crystal Lake Bank & Trust Company, N.A., referred to as Crystal Lake Bank, Advantage National Bank, Beverly Bank & Trust Company, N.A. and Old Plank Trail Community Bank, N.A.

We also engage in the origination and purchase of residential mortgages for sale into the secondary market through our wholly owned subsidiary, Wintrust Mortgage Corporation, and provide the document preparation and other loan closing services to a network of mortgage brokers. Mortgage banking operations are also performed within each of the banks. Wintrust Mortgage Corporation as well as some of our banks engage in loan servicing, as a portion of the loans sold by the banks into the secondary market are sold with the servicing of those loans retained. Wintrust Mortgage Corporation maintains principal origination offices in a number of other states, including Illinois, and originates loans in other states through correspondent channels. Wintrust Mortgage Corporation also established offices at several of the banks and provides the banks with the ability to use an enhanced loan origination and documentation system. This allows Wintrust Mortgage Corporation and the banks to better utilize existing operational capacity and improve the product offering for the banks' customers. In December 2008, Wintrust Mortgage Corporation acquired certain assets and assumed certain liabilities of the mortgage banking business of Professional Mortgage Partners.

We also offer several niche lending products through the banks. These include Barrington Bank's Community Advantage program which provides lending, deposit and cash management services to condominium, homeowner and community associations, Hinsdale Bank's mortgage warehouse lending program which provides loan and deposit services to mortgage brokerage companies located predominantly in the Chicago metropolitan area, Crystal Lake Bank's North American Aviation Financing division which provides small aircraft lending and Lake Forest Bank's franchise lending program which provides lending primarily to restaurant franchisees. Hinsdale Bank operated an indirect auto lending program which originated new and used automobile loans that were purchased by the banks. In the third quarter of 2008, we exited this business due to competitive pricing pressures, the current economic environment and the retirement of the founder of this niche business. Changes in the economic

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environment in the fourth quarter of 2010 led Hinsdale Bank to restart its indirect auto lending program. The loans are generated through a network of automobile dealers located in the Chicago area, secured by new and used vehicles and diversified among many individual borrowers.

***Specialty Finance***

We conduct our specialty finance businesses through indirect non-bank subsidiaries. Our wholly owned subsidiary, FIFC engages in the premium finance receivables business, our most significant specialized lending niche, including commercial insurance premium finance and life insurance premium finance.

FIFC makes loans to businesses to finance the insurance premiums they pay on their commercial insurance policies. Approved medium and large insurance agents and brokers located throughout the United States assist FIFC in arranging each commercial premium finance loan between the borrower and FIFC. FIFC evaluates each loan request according to its underwriting criteria including the down payment amount, the term of the loan, the credit quality of the insurance company providing the financed insurance policy, the interest rate, the borrower's previous payment history, if any, and other factors deemed necessary. Upon approval of the loan by FIFC, the borrower makes a down payment on the financed insurance policy, which is generally done by providing payment to the agent or broker, who then forwards it to the insurance company. FIFC may either forward the financed amount of the remaining policy premiums directly to the insurance carrier or to the agent or broker for remittance to the insurance carrier on FIFC's behalf. In some cases, the agent or broker may hold our collateral, in the form of the proceeds of the unearned insurance premium from the insurance company, and forward it to FIFC in the event of a default by the borrower. Because the agent or broker is the primary contact to the ultimate borrowers who are located nationwide and because proceeds and our collateral may be handled by the agent or brokers during the term of the loan, FIFC may be more susceptible to third party (i.e., agent or broker) fraud. We perform ongoing credit and other reviews of the agents and brokers, and perform various internal audit steps to mitigate against the risk of any fraud. However, in the second quarter of 2010, fraud perpetrated against a number of premium finance companies in the industry, including the property and casualty division of our premium financing subsidiary, increased both our net charge-offs and provision for credit losses by \$15.7 million. Actions have been taken by us to decrease the likelihood of this type of loss from recurring in this line of business for us. We have conducted a thorough review of the premium finance commercial portfolio and found no signs of similar situations.

In 2007, FIFC expanded and began financing life insurance policy premiums for high net-worth individuals. These loans are originated directly with the borrowers with assistance from life insurance carriers, independent insurance agents, financial advisors and legal counsel. The life insurance policy is the primary form of collateral. In addition, these loans often are secured with a letter of credit, marketable securities or certificates of deposit. In some cases, FIFC may make a loan that has a partially unsecured position. In 2009, FIFC significantly expanded its life insurance premium finance business by purchasing a portfolio of domestic life insurance premium finance loans with an aggregate unpaid principal balance of approximately \$1.0 billion and certain related assets, for an aggregate purchase price of approximately \$745.9 million.

Through our wholly owned subsidiary, Tricom, we provide high-yielding, short-term accounts receivable financing and value-added, outsourced administrative services, such as data processing of payrolls, billing and cash management services to the temporary staffing industry. Tricom's clients, located throughout the United States, provide staffing services to businesses in diversified industries.

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### ***Wealth Management Activities***

We currently offer a full range of wealth management services through three separate subsidiaries, including trust and investment services, asset management and securities brokerage services. We acquired WHI and WCM, which are headquartered in Chicago, in February 2002. To further expand our wealth management business, in February 2003, we acquired Lake Forest Capital Management Company, a registered investment adviser with approximately \$300 million of assets under management at the time of acquisition. Lake Forest Capital Management Company was merged into WCM. In April 2009, WCM purchased certain assets and assumed certain liabilities of Advanced Investment Partners, LLC, referred to as AIP. AIP specializes in the active management of domestic equity investment strategies and expands WCM's institutional investment business.

CTC, our trust subsidiary, offers trust and investment management services to clients through offices located in downtown Chicago and at various banking offices of our fifteen banks. CTC is subject to regulation, supervision and regular examination by the OCC.

WHI, our registered broker/dealer subsidiary, has been in operations since 1931. Through WHI, we provide a full range of private client and securities brokerage services to clients located primarily in the Midwest. WHI is headquartered in downtown Chicago, operates an office in Appleton, Wisconsin, and as of September 30, 2010, established branch locations in offices at a majority of our banks. WHI also provides a full range of investment services to clients through a network of relationships with community-based financial institutions primarily located in Illinois.

WCM, a registered investment adviser, provides money management services and advisory services to individuals, mutual funds and institutional municipal and tax-exempt organizations. WCM also provides portfolio management and financial supervision for a wide range of pension and money management and advisory services to CTC.

### **Strategy and Competition**

Historically, we have executed a growth strategy through branch openings and *de novo* bank formations, expansion of our wealth management and premium finance business, development of specialized earning asset niches and acquisitions of other community-oriented banks or specialty finance companies. However, beginning in 2006, we made a decision to slow our growth due to unfavorable credit spreads, loosened underwriting standards by many of our competitors, and intense price competition. In August 2008, we raised \$50 million of private equity. This investment was followed shortly by an investment by Treasury of \$250 million through the CPP. The CPP investment was not necessary for our short- or long-term health. However, the CPP investment presented an opportunity for the Company. By providing us with a significant source of relatively inexpensive capital, the Treasury's CPP investment allowed us to accelerate our growth cycle, expand lending and meet former Treasury Secretary Paulson's stated purpose for the program, which was designed to attract broad participation by healthy institutions that have plenty of capital to get through this period, but are not positioned to lend as widely as is necessary to support our economy.

With this additional \$300 million of additional capital, we began to increase our lending and deposits in late 2008 and into 2009. This additional capital allowed us to be in a position to take advantage of opportunities in a disrupted marketplace during 2009 by increasing our lending as other financial institutions pulled back and to hire quality lenders and other staff away from larger and smaller institutions that may have substantially deviated from a customer-focused approach or who may have substantially limited the ability of their staff to provide credit or other services to their customers.



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In March 2010, we further strengthened our capital position through a public offering of 6,670,000 shares of our common stock at \$33.25 per share. Our net proceeds totaled approximately \$210.4 million. In December 2010, we completed concurrent public offerings of 3,685,897 shares of our common stock at \$30.00 per share and 4,600,000 tangible equity units, referred to as the units, resulting in total net proceeds of approximately \$327.5 million.

Our strategy and competitive position for each of our business segments is summarized in further detail, below.

### ***Community Banking***

We compete in the commercial banking industry through our banks in the communities they serve. The commercial banking industry is highly competitive and the banks face strong direct competition for deposits, loans, and other financial related services. The banks compete with other commercial banks, thrifts, credit unions and stockbrokers. Some of these competitors are local, while others are statewide or nationwide.

As a mid-size financial services company, we expect to benefit from greater access to financial and managerial resources than our smaller local competitors while maintaining our commitment to local decision-making and to our community banking philosophy. In particular, we are able to provide a wider product selection and larger credit facilities than many of our smaller competitors, and we believe our service offerings help us in recruiting talented staff. Additionally, we have access to public capital markets whereas many of our local competitors are privately held and may have limited capital raising capabilities.

We also believe we are positioned to compete effectively with other larger and more diversified banks, bank holding companies and other financial services companies due to the multi-chartered approach that pushes accountability for building a franchise and a high level of customer service down to each of our banking franchises. Additionally, we believe that we provide a relatively complete portfolio of products that is responsive to the majority of our customers needs through the retail and commercial operations supplied by our banks, and through our mortgage and wealth management operations. The breadth of our product mix allows us to compete effectively with our larger competitors while our multi-chartered approach with local and accountable management provides for what we believe is superior customer service relative to our larger and more centralized competitors.

However, some of the financial institutions and financial services organizations with which the banks compete are not subject to the same degree of regulation as imposed on financial holding companies, Illinois or Wisconsin state banks and national banking associations. In addition, the larger banking organizations have significantly greater resources than those available to the banks. As a result, such competitors have advantages over the banks in providing certain non-deposit services. Management views technology as a great equalizer to offset some of the inherent advantages of its significantly larger competitors.

Wintrust Mortgage Corporation, as well as the mortgage banking functions within the banks, competes with large mortgage brokers as well as other banking organizations. The mortgage banking business is very competitive and significantly impacted by changes in mortgage interest rates. We believe that mortgage banking revenue will be a continuous source of revenue, but the level of revenue will be impacted by changes in and the general level of mortgage interest rates.

### ***Specialty Finance***

FIFC encounters intense competition from numerous other firms, including a number of national commercial premium finance companies, companies affiliated with insurance carriers, independent insurance brokers who offer premium finance services, and other lending



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institutions. Some of its competitors are larger and have greater financial and other resources. FIFC competes with these entities by emphasizing a high level of knowledge of the insurance industry, flexibility in structuring financing transactions, and the timely funding of qualifying contracts. We believe that our commitment to service also distinguishes us from our competitors. Additionally, we believe that FIFC's acquisition of a large life insurance premium finance portfolio and related assets in 2009 will enhance our ability to market and sell life insurance premium finance products.

Tricom competes with numerous other firms, including a small number of similar niche finance companies and payroll processing firms, as well as various finance companies, banks and other lending institutions. Tricom's management believes that its commitment to service distinguishes it from competitors. To the extent that other finance companies, financial institutions and payroll processing firms add greater programs and services to their existing businesses, Tricom's operations could be negatively affected.

***Wealth Management Activities***

Our wealth management companies (CTC, WHI and WCM) compete with larger wealth management subsidiaries of other larger bank holding companies as well as with other trust companies, brokerage and other financial service companies, stockbrokers and financial advisors. We believe we can successfully compete for trust, asset management and brokerage business by offering personalized attention and customer service to small to midsize businesses and affluent individuals. We continue to recruit and hire experienced professionals from the larger Chicago area wealth management companies, which is expected to help in attracting new customer relationships.

**Recent Developments**

***Repurchase of our Series B Fixed Rate Cumulative Perpetual Preferred Stock***

On December 22, 2010, we repurchased from Treasury all 250,000 shares of our Fixed Rate Cumulative Perpetual Preferred Stock, Series B, referred to as the Preferred Stock, which were sold to Treasury in connection with our participation in the CPP. We paid a purchase price of \$251,284,722.22 for the Preferred Stock, which included \$1,284,722.22 in respect of accrued and unpaid dividends on the Preferred Stock.

\* \* \* \* \*

Our common stock is traded on the NASDAQ Global Select Market under the ticker symbol WTFC. Our principal executive office is located at 727 North Bank Lane, Lake Forest, Illinois 60045, telephone number: (847) 615-4096.

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**THE OFFERING**

Issuer	Wintrust Financial Corporation
Warrants offered by the selling security holder	1,643,295 warrants, each of which represents the right to purchase one share of our common stock, no par value per share, at an exercise price of \$22.82 per share (subject to adjustment). The number of warrants sold will depend on the number of bids received and whether the selling security holder decides to sell any warrants in the auction process. The exercise price of the warrants cannot be paid in cash and is payable only by netting out a number of shares of our common stock issuable upon exercise of the warrants with a market value equal to the aggregate exercise price of the warrants at the time of exercise. The warrants are currently exercisable and expire on December 19, 2018. See <b>Auction Process</b> in this prospectus supplement.
Common stock outstanding before and after this offering	34,925,334 shares.
Auction process	The selling security holder and the underwriter will determine the public offering price and the allocation of the warrants in this offering through an auction process conducted by Deutsche Bank Securities Inc., referred to as <b>Deutsche Bank Securities</b> , the sole book-running manager, in its capacity as the auction agent. The auction process will entail a modified <b>Dutch auction</b> mechanic in which bids may be submitted through the auction agent or one of the other brokers that is a member of the broker network, collectively referred to as the <b>network brokers</b> , established in connection with the auction process. Each broker will make suitability determinations with respect to its own customers wishing to participate in the auction process. The auction agent will not provide bidders, including us, if we decide to bid, with any information about the bids of other bidders or auction trends, or with advice regarding bidding strategies, in connection with the auction. We may bid, but we are not required to bid, in the auction for some or all of the warrants. We encourage you to discuss any

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questions regarding the bidding process and suitability determinations applicable to your bids with your broker. For more information about the auction process, see **Auction Process** in this prospectus supplement.

Minimum bid price and price increments

The offering will be made using an auction process in which prospective purchasers are required to bid for the warrants. During the auction period, bids may be placed by qualifying bidders at any price (in increments of \$0.10) at or above the minimum bid price of \$13.50 per warrant. See **Auction Process** in this prospectus supplement.

Minimum bid size

100 warrants.

Submission deadline

The auction will commence at 8:00 a.m., New York City time, on the date specified by the auction agent via press release prior to the opening of the equity markets on such day, and will close at 6:30 p.m., New York City time, on the same day, referred to as the **submission deadline**.

Irrevocability of bids

Bids that have not been modified or withdrawn by the time of the submission deadline are final and irrevocable, and bidders who submit successful bids will be obligated to purchase the warrants allocated to them. The auction agent is under no obligation to reconfirm bids for any reason; however, the auction agent may require that bidders confirm their bids at its discretion before the auction process closes. See **Auction Process** in this prospectus supplement.

Clearing price

The price at which the warrants will be sold to the public will be the clearing price set by the auction process. The clearing price will be determined based on the valid, irrevocable bids at the time of the submission deadline as follows:

If valid, irrevocable bids are received for 100% or more of the number of warrants being offered, the clearing price will be equal to the highest price in the auction process at which the quantity of all bids at or above such

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price equals 100% or more of the number of warrants being offered in the auction.

If bids are received for half or more, but less than all, of the offered warrants, the clearing price will be equal to the minimum bid price of \$13.50 per warrant.

Unless the selling security holder decides not to sell any warrants or as otherwise described below, the warrants will be sold to bidders at the clearing price. Even if bids are received for 100% or more of the warrants being offered, the selling security holder may decide not to sell any warrants in the auction, regardless of the clearing price. If the selling security holder decides to sell warrants in the auction, after the selling security holder confirms its acceptance of the clearing price, and, in the case where bids are received for less than 100% of the warrants being offered, the number of warrants to be sold, the auction agent and each network broker that has submitted bids will notify successful bidders that the auction process has closed and that their bids have been accepted (subject in some cases to pro-ration, as described below). The clearing price and number of warrants being sold are also expected to be announced via press release prior to the opening of the equity markets on the business day following the end of the auction. See [Auction Process](#) in this prospectus supplement.

Number of warrants to be sold

If bids are received for half or more, but less than all, of the offered warrants, then the selling security holder may, but is not required to, sell at the minimum bid price in the auction process (which will be deemed the clearing price) as many warrants as it chooses to sell up to the number of warrants for which bids were received in the auction, so long as at least half of the offered warrants are sold and the warrants remain eligible for listing. If bids are received for less than half of the offered warrants, the selling security holder will not sell any warrants

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in this offering. Even if bids are received for all of the warrants, the selling security holder may decide not to sell any warrants, regardless of the clearing price. If bids are received for all of the offered warrants and the selling security holder elects to sell warrants in the auction process, the selling security holder must sell all of the offered warrants. See **Auction Process** in this prospectus supplement.

Allocation; pro-ration

If bids for all the warrants offered in this offering are received, and the selling security holder elects to sell warrants in the offering, then any bids submitted in the auction above the clearing price will receive allocations in full, while any bids submitted at the clearing price may experience pro-rata allocation. If bids for half or more, but fewer than all, of the warrants offered in this offering are received, and the selling security holder chooses to sell fewer warrants than the number of warrants for which bids were received, then all bids will experience equal pro-rata allocation. See **Auction Process** in this prospectus supplement.

Our participation in the auction

We are permitted to participate in the auction by submitting bids for the warrants. Although we are under no obligation to participate in the auction, if we elect to participate we will not receive preferential treatment of any kind and will participate on the same basis as all other bidders, except that we will be required to submit any final bid we may enter by 6:00 p.m., New York City time, on the day on which the auction process is conducted (i.e., our final bids will be due 30 minutes before those of other bidders). You will not be notified by either the auction agent, the network brokers or the selling security holder whether we have bid in the auction process or, should we elect to participate in the auction process, the terms of any bid or bids we may place.

Use of proceeds

We will not receive any proceeds from the sale of any of the warrants offered by the selling security holder.

Risk factors

See **Risk Factors** and other information included or incorporated by reference in

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this prospectus supplement and the accompanying prospectus for a discussion of factors you should consider carefully before deciding to invest in the warrants.

Listing

The warrants have been approved for listing on NASDAQ under the symbol WTFCW. Our common stock is listed on NASDAQ under the symbol WTFC.

Warrant agent

Wells Fargo Bank, N.A.

Auction agent

Deutsche Bank Securities Inc.

Network brokers

See page S-27 for a list of brokers participating as network brokers in the auction process.

The number of shares of common stock outstanding after this offering is based on the number of shares outstanding as of February 3, 2011 (34,925,334 shares of common stock) and excludes:

2,756,758 shares of common stock issuable or reserved for issuance under our equity compensation plans as of February 3, 2011, including:

2,013,976 shares of common stock issuable upon the exercise of stock options, at a weighted average exercise price of \$39.27 per share;

352,685 shares of common stock issuable upon the vesting of restricted stock unit awards; and

390,097 shares of common stock reserved for issuance under our equity compensation plans;

1,944,000 shares of common stock issuable upon conversion of our Series A Preferred Stock at a conversion rate of 38.88 shares of common stock per share of Series A Preferred Stock;

19,000 shares of common stock issuable upon the exercise of warrants issued in connection with certain acquisitions outstanding as of February 3, 2011, at a weighted average exercise price of \$30.50 per share;

Up to 7,666,360 shares issuable in settlement of the stock purchase contracts contained in our tangible equity units; and

1,643,295 shares of common stock issuable upon the exercise of the warrants offered in this offering.



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**RISK FACTORS**

*An investment in our securities is subject to risks inherent to our business. Before making an investment decision, you should carefully consider the risks and uncertainties described below together with the information included in our Annual Report on Form 10-K for the year ended December 31, 2009, Quarterly Reports on Form 10-Q for the quarters ended June 30, 2010 and September 30, 2010 and in other documents that we subsequently file with the SEC, all of which are incorporated by reference into this prospectus supplement and the accompanying prospectus. Additional risks and uncertainties that management is not aware of or that management currently deems immaterial may also impair Wintrust's business operations. The warrants are not an appropriate investment for you if you are not knowledgeable about significant features of the warrants, our common stock or financial matters in general. This prospectus supplement is qualified in its entirety by these risk factors. If any of these risks actually occur, our financial condition and results of operations could be materially and adversely affected. If this wer*