



Corporate Trust **CONNECTION**

fall 2009

Corporate Trust Services Is Ready for EMMA

The Municipal Securities Rulemaking Board (MSRB) created the Electronic Municipal Market Access (EMMA) Web site to provide a free online source of information about municipal securities. The new site is similar to the EDGAR system, available on the Securities and Exchange Commission (SEC) site, for corporate investors. EMMA houses electronic versions of Official Statements, real-time and historic bond trade data since January 2005, daily market statistics and educational materials about municipal bonds.

A Great Resource for Investors

“EMMA replaced the Nationally Recognized Municipal Securities Information Repositories (NRMSIRs), making it much more simple for investors to find the information they need regarding disclosure and price data,” says Dawnita Ehl, Northwest region trust review manager. “Previously, disclosure information was available on all four NRMSIR sites, although some of those sites required registered accounts and charged fees to access the information. Now it’s in one spot, easily searchable and free of charge.”

Ehl headed the team that worked together to ensure all U.S. Bank Corporate Trust Services professionals were ready for EMMA. Trust review employees had to be trained on the registration and confirmation

processes and how to access and enter data into the EMMA database. Systems were upgraded to ensure that the documents would be searchable.

“We were ready to go on the effective date of July 1, 2009,” Ehl says. “The feedback we’re getting is that it’s a very easy and intuitive Web site.”

How U.S. Bank Is Involved

When U.S. Bank is hired by the bond issuer to act as the dissemination agent through the execution of a continuing disclosure agreement, the issuer agrees to provide continuing disclosure, annual reports and any additional information that may be required. U.S. Bank uploads the documents to the EMMA system under the appropriate CUSIP numbers. It is helpful if the information is provided to us in a searchable format; but if it is not, we will convert it using Adobe Acrobat 9 Pro.

Typically, U.S. Bank is hired as the trustee, paying agent and dissemination agent, but that’s not always the case. In some instances where U.S. Bank is trustee and paying agent, another dissemination agent may handle the EMMA process.

Cutting Through the Clutter

The new process makes it easier for bondholders and potential bondholders to find the information they need, which should have a positive impact on bond

continued on page 3

Did You Know?

U.S. Bancorp Was Named the Best Bank in the U.S. by *Euromoney Magazine*

U.S. Bancorp has been named the “Best Bank in the U.S.” by *Euromoney* magazine as part of its 2009 Awards for Excellence.

The publication praised the performance of U.S. Bancorp during the rollercoaster economy of the past year. “Investors in U.S. Bancorp have shown their positive view by buying up a stock offering, and the company passed the stress tests where others failed. The company is well-capitalized and has continued to grow its loans, mortgages and deposits,” says Helen Avery, U.S. editor of *Euromoney*. “All in all, U.S. Bancorp has made some great achievements in what has been a challenging time in the banking industry.”

Euromoney is a leading financial markets magazine and has selected the outstanding institutions in finance with its annual Awards for Excellence since 1992.

inside

2 A Look Inside Trust Financial Management 2 Spotlight on the Milwaukee Office 3 Get TLC from U.S. Bank 4 Go Green and Enjoy Greater Convenience





Trust Financial Management

Deadlines loom large in the world of Trust Financial Management, a key group within U.S. Bank Corporate Trust Services. “Almost everything we touch has a deadline that can’t move,” explains Ginny Hinzman, senior vice president, who manages the nine Trust Financial Management (TFM) offices.

TFM handles all the cash and investment transactions associated with the municipal and corporate products of Corporate Trust Services. “TFM analysts are constantly working against the clock and the calendar as they face trade deadlines and payment deadlines,” Hinzman says. “If bondholders must be paid on the first day of the month, you can’t move that payment date to the second.”

Behind-the-Scenes Action

For all of Corporate Trust Services’ municipal and corporate clients, TFM handles the cash movement, valuations and investments that are dictated by the indentures, including debt service, which is the biggest element.

TFM’s 280 employees work directly with account managers. “Once an account manager closes the deal, it becomes TFM’s responsibility to handle all the transactions for the life of the issue,” Hinzman says.

TFM pays an average of \$13 billion in bondholder payments each month, and disburses \$21 billion in construction draws and business escrow payments.

Staying a Step Ahead

U.S. Bank has nine TFM offices, providing service coast to coast. The largest, with 160 employees, is in Saint Paul, Minn. Other locations are Los Angeles; Boston; Hartford, Conn.; Charlotte, N.C.; Orlando, Fla.; Richmond, Va.; Columbia, S.C.; and Philadelphia.

The U.S. Bank Corporate Trust Services organization provides a competitive advantage. The account managers are our customers’ “door” into U.S. Bank. Unlike most other corporate trust shops, “TFM is a specialty group trained to handle all indenture-dictated activities,” Hinzman says. “With the cash management activity

performed by TFM, the ability to mitigate risk is enhanced and the customer focus is concentrated within the account manager group. The specialization of our units makes it easy to identify any risk associated with the business, while enabling TFM to work with the account managers to meet our customers’ needs.”

Experience You Can Count On

Hinzman is proud of the seasoned professionals in Trust Financial Management. “In our Saint Paul office, for instance, our employees have an average of nine years of corporate trust experience,” she says. This is particularly important, according to Hinzman, when you consider the long learning curve required to handle the complex transactions, which must always be done accurately and on deadline.

“It takes nine months to a year of training for an analyst to independently handle a portfolio of accounts,” she says. “Experience counts in TFM, and I’m pleased to say we have plenty of it.”

Spotlight on the Milwaukee Office

Known for its many summer ethnic festivals and Summerfest (one of the largest music festivals in the world), Milwaukee is the largest city in Wisconsin and became home to a large number of German immigrants in the middle and late 19th century. Soon after, the city on the shores of Lake Michigan became synonymous with beer, manufacturing, and a great place to live and work to many other immigrants from across Europe.

Commitment to Excellence

The U.S. Bank Corporate Trust Services office in downtown Milwaukee has a rich tradition of providing personal and expert service to a wide variety of public and private entities. Open since 1894, the office has many long standing relationships including those with the State of Wisconsin, We Energies, Johnson Controls and Wisconsin Health and Educational Facilities Authority.

Three account managers and an account setup specialist report to Peter Brennan, vice president and Milwaukee office manager. “Our office’s breadth of experience allows us to handle any financing transaction that comes our way,” Brennan explains. He goes on to say, “Combined, our account managers have more than 70 years of corporate trust experience. Many industry professionals and clients often seek our input to determine how a transaction should flow.”

Specialty Service

While they handle all the typical municipal and corporate debt and escrow appointments associated with corporate trust, the Milwaukee office has been appointed as trustee for a large number of mortgage insurance trusts. This product has served the office well in terms of producing repeat business with the largest mortgage insurers in the country. “We may be the largest trustee in the mortgage insurance trust



industry,” states Brennan. Brennan goes on, “We have great clients and relationships that have stood the test of time. They appreciate our expertise and we appreciate the opportunity we have been given to serve them.”

So next time you are in Milwaukee visiting the Miller Brewery, sampling the many cultural restaurants or touring the world-famous steel-winged Milwaukee Art Museum, don’t forget to stop by the Milwaukee office and say hello.



Tender Agent Services Get TLC from U.S. Bank

“U.S. Bank was, by far, the BEST tender bank that I have ever worked with.”

That was just one of the favorable comments we received in response to a customer survey sent out in April.

The survey, sent primarily to remarketing agents and money market funds, was designed to measure customer satisfaction with our tender agent services. Of the customers surveyed, 83 percent gave us a 4 or 5 on a scale of 5, with 5 the highest rating.

Surge in Demand for Tender Agent Services

Although U.S. Bank has always offered tender agent services, it wasn't until last year, with the failure of large financial institutions like Lehman Brothers, that demand for those services accelerated.

“In past years, optional tenders put to the tender agent were rare,” says Jason Gregory, vice president, Tender Option Bond group. “When optional tenders did occur, they generally went through the remarketing agents. However, when the financial crisis hit, many of the remarketing agents did not want to take the assets on their books and directed the holders to come directly to U.S. Bank as the tender agent.”

Ginny Hinzman is senior vice president and manager of Trust Financial Management, the group that handles the tender process. “Typically, up until early 2008, the remarketing agents would remarket failed securities and sometimes hold them in their own portfolios,” she says. “Over 20 years, you could count on one hand the number of failed tenders that resulted in Bank Bond positions. But when the market crisis occurred, the remarketing agents turned to us to perform the tender agent process, which requires us to draw on a liquidity provider or letter of credit. So far we've had more than 3,600 failed tenders. We handled 196 in just one day.”

Here's what U.S. Bank customers are saying:

“U.S. Bank appears to have their system for tenders in place. Either buying or selling from/to the tender agent has been seamless.”

“Centralized e-mail for tender acceptance is appreciated.”

“Promptly supplies all necessary information for me to do my job efficiently.”

Putting Customers First

“As the remarketings poured in, we started hearing from some customers that they were having issues with the way several other providers were handling the tender options and they were very pleased with the smoothness of the U.S. Bank process,” says Hinzman. Rather than rely on that anecdotal evidence, we surveyed customers to make sure we were performing to the level they expected.

We received an overwhelmingly positive response for both the service and the execution (see above).

“Not only do we offer exceptional service, our business lines across the bank work together efficiently,” Gregory says. “In some cases, the bank was trustee, tender agent and liquidity provider, and our Institutional Trust & Custody area was the fund administrator. The one-stop-shopping experience is convenient and easy for our customers.”

If you need tender agent or trustee services or you would like to explore an alternative to your current provider, please contact your U.S. Bank Corporate Trust Services account manager.

Corporate Trust Services Is Ready for EMMA *continued from front*

issuers as a result. “EMMA is a quicker, more convenient and more comprehensive way to disseminate information and for potential investors to research bond issues,” says Ehl. “In addition, there are some significant changes being proposed regarding

continuing disclosure. We're monitoring developments at the MSRB and SEC closely to be sure U.S. Bank is prepared for any new changes that affect our business and our customers.”

Issuers can go to the SEC Web site at <http://emma.msrb.org> for more information about EMMA. Contact any U.S. Bank Corporate Trust Representative to learn more about our work on EMMA and our continuing participation in the development process.

Go Green and Enjoy Greater Convenience

Streamline the handling of your trust accounts and help preserve the environment at the same time with TrustNow EssentialsSM. It's a Web-based online system that gives you access to customer statements, account data, reports and more. You can go green and enjoy the benefits of 24/7 online access. Statements are available on the first business day of the month, much sooner than you'd receive paper statements that are mailed.

"Customers who use TrustNow Essentials enjoy access to their account data in different ways and formats," comments Debbie Kuykendall, vice president and account manager. "Data is available in a variety of formats for viewing on screen, printing or downloading to financial software. For example, you can retrieve data into Excel to manipulate it for reporting purposes or to prepare for an audit."



Take advantage of preformatted reports for information about holdings, transactions, anticipated balances, pricing, gains and losses or pending trades. You can schedule reports to be delivered to a secure e-mail inbox daily, weekly, monthly or quarterly. "Data and reports are available for 15 months, and you can go back much further for customer statements," Kuykendall says.

"Another advantage is that TrustNow Essentials is accessible not only to customers, but to third parties approved by the customers who have an interest in the information, such as lenders, arbitrage calculation agents and financial advisors," she continues. "Customers can give them access online, which makes sharing information simple."

Your account information is protected with the highest standards of security when you use TrustNow Essentials. The security features are designed to ensure that your information doesn't fall into the wrong hands.

To learn more about the benefits of TrustNow Essentials and how it can simplify your life, view the online demo at www.usbank.com/cgi_w/cfm/tne/index.cfm or contact your Account Manager.

U.S. Bancorp Fund Services Is "Best in Class"

U.S. Bancorp Fund Services received the "Best-In-Class" distinction in Transaction Processing for accuracy and timeliness from the National Quality Review (NQR).

The "Best-In-Class" results were published in NQR's First Quarter 2009 Quality Analysis Report. The report analyzes and rates transfer agent transaction processing timeliness and accuracy for every major third-party service provider and the majority of the largest and best-known mutual fund companies in the industry.

During the past 16 quarters, U.S. Bancorp has received several "Best-In-Class" ratings and has been rated a "5-Star Performer" nine consecutive times for its transfer agent services.



The articles and information included in this newsletter are for your information and are not intended as legal, accounting or tax advice. While the information is intended to be accurate, neither U.S. Bank Corporate Trust Services nor the publisher accepts responsibility for relying on the information provided. Images may be from one or more of these sources: ©Jupiterimages, ©Getty Images, ©iStock, ©SnapVillage. ©2009 U.S. Bank Corporate Trust Services. Member FDIC.

Comments and suggestions for the newsletter are welcome and should be forwarded to Ashley Beukelman, *Corporate Trust Connection*, U.S. Bank Corporate Trust Services, (651) 495-3941 (phone) or marketing.corporatetrust@usbank.com (e-mail). For more information, visit our Web site at usbank.com/corporatetrust.

60 Livingston Avenue
EP-MN-WS3W
St. Paul, MN 55107

