

Corporate Trust Connection

Spring 2003

Welcome

To U.S. Bank Corporate Trust Services



Diane Thormodsgard
President
U.S. Bank Corporate
Trust Services

On December 31, 2002, U.S. Bank acquired the corporate trust business of State Street. All of us at U.S. Bank Corporate Trust Services welcome the former State Street corporate trust clients to the U.S. Bancorp family.

We are very glad to have you join us and to offer you an expanded array of products and services. And, you can expect the same level of outstanding service from the same great people you've come to know. A majority of

the corporate trust State Street employees have joined U.S. Bank and are located at our new offices in Boston, Mass., and Hartford, Conn., as well as in our expanded offices in New York and Los Angeles.

See page 3 for the locations of these offices.

U.S. Bank Corporate Trust Services has \$1.35 trillion in assets under administration and 1.3 million bondholders, and services more than 50,000 client issuances through our national network of 26 offices. We are an established leader in the corporate trust industry – the largest trustee in the area of municipal finance and the third largest in new corporate bond issuances and structured finance.

Be sure to visit usbank.com/corporatetrust for more information. If you have questions about any of our products and services, or about U.S. Bank Corporate Trust Services, please contact your Account Manager.

Diane Thormodsgard

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President, U.S. Bank
Corporate Trust Services

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Did You Know...

Top Trustee Banks by Number of Issues
Full-Year Rankings – 1/1/02-12/31/02

Trustee	Number of Issues	Amount (in thousands)
1 U.S. Bank	904	\$47,123,600
2 Bank of New York	803	37,834,800
3 Wells Fargo Bank	601	18,261,200
4 Bank One	322	16,462,000
5 Wachovia Bank	312	14,843,600
6 J.P. Morgan Chase & Co.	247	17,598,600
7 SunTrust Bank Inc.	183	5,910,300
8 National City Bank	129	3,908,900
9 UMB Bank	125	1,636,900
10 Fifth Third Bank	119	2,522,200

Dollar amounts are in thousands. Rankings are preliminary and subject to revision. Short-term notes maturing in under 13 months, private placements, and bonds sold by private nonprofit electric cooperatives are excluded. Source: Thomson Financial Securities Data (12/31/02)



New Client

U.S. Bank Takes Custody of Irwin Mortgage Documents

The Document Custody Services (DCS) group at U.S. Bank Corporate Trust Services is pleased to have recently become the successor document custodian for Irwin Mortgage, one of the top mortgage lenders in the United States. Indianapolis-based Irwin Mortgage operates more than 100 offices servicing more than \$15 billion of residential loans.

“The addition of this large mortgage originator further increases DCS’s large existing portfolio,” explains Ed Kachinski, senior vice

president of Irwin Mortgage. “In particular, U.S. Bank’s Internet reporting capabilities were a deciding factor. The ability to download reports via the Web will be a tremendous convenience for us.”

president of Irwin Mortgage and the Document Custody Services group. Strong team relationships within U.S. Bank help us identify clients’ needs and serve our clients better.

“When Irwin Mortgage expressed an interest in

Overcoming Obstacles

When the deal between U.S. Bank and Irwin Mortgage was sealed in October, the three- to four-month process of transferring 115,000 files began. The Irwin Mortgage files transferred to DCS are qualified under the Government National Mortgage Association (Ginnie Mae), Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac) and Federal Home Loan Bank (FHLB).

Normally, when files are moved from one custodian to another, the agencies involved require that the files be re-reviewed. “Having the files re-reviewed can be quite costly to the client. But, U.S. Bank Corporate Trust Services and Irwin Mortgage worked together with the agencies to minimize the transfer expense,” Kachinski says.

“The ability to download reports via the Web will be a tremendous convenience for us.”

Eric Knapp,
vice president of
Irwin Mortgage



president of Corporate Trust Services. “We currently hold in custody more than 4 million files, with mortgage custodial sites in St. Paul, Minn.; Tempe, Ariz.; Florence, S.C.; and Cleveland, Ohio.”

“Irwin chose U.S. Bank Corporate Trust Services as our business partner for document custody services because of their experience and commitment to technology,” says Eric Knapp,

Building on Existing Ties

“Becoming the successor document custodian for Irwin Mortgage is a demonstration of the way different units within U.S. Bank work together for the benefit of the client,” Kachinski states. “U.S. Bank Mortgage Banking had an existing relationship with Irwin Mortgage and made the initial introduction between

transferring custody to us, we worked closely with them to define their needs and tailor our service to meet those unique needs,” says Kachinski. DCS’s Web-based reporting system fit their need for immediate and flexible reporting. In addition, DCS worked with Irwin Mortgage to ensure a smooth transition from the previous custodian.

Working to Fulfill Your Needs

DCS can help you meet your unique needs, too. If you’re thinking of making a change in custodian, or if you’d just like more information about what a change in custodian could mean for you, contact your U.S. Bank Corporate Trust Services Account Manager.

Spotlight on the New York Office

Always a hub of activity, the New York office is gearing up for the arrival of 24 new employees as part of the acquisition of State Street's corporate trust business. "Both groups are working hard toward merging the offices during the conversion period," says James Vellanti, vice president and manager of the New York Corporate Trust Services office. "Once the integration is complete in mid-February, we'll have 60 employees in New York."

In order to accommodate its growth, the U.S. Bank Corporate Trust Services New York office is taking on an additional floor at its current location, 100 Wall Street, in Manhattan.

Serving the Big Apple

Corporate Trust Services has a history of serving the New York area, beginning eight years ago when the business was acquired from J.P. Morgan. "Our customers enjoy the benefits of having a local presence," Vellanti says. "We know the business, and we know the culture."

The office provides the full range of corporate trust services, specializing in asset-backed and debt-backed structured derivatives for the New York market. "We service the structured derivatives business of many of the investment firms here in New York," Vellanti says. "The addition of the State Street book of business expands our reach even further."

"In addition, we handle money market instruments, commercial paper and medium-term notes for all of U.S. Bank, using the U.S. Bank Securities Processing Automated Note System Online (SPANS Online)." SPANS Online is a proprietary,



The U.S. Bank Corporate Trust Services N.Y. staff.

secure, Internet-based system developed by and unique to U.S. Bank. It offers convenient online access to the information and specialized reports that our customers need.

A Legacy of Service

Vellanti joined U.S. Bank in mid-2002. "The New York office includes a diversified group of people with extensive experience," Vellanti says. "I've been particularly impressed with the level of customer service exemplified by this group. We're anxious to welcome our colleagues from State Street and add their expertise to the mix, which will bring an even greater depth and breadth of knowledge and service to our customers."

If you have questions about structured derivatives or any other corporate trust services, please contact your Account Manager.

New and Expanded Office Locations

Our new Boston and Hartford offices are located at:

Boston

U.S. Bank Corporate Trust Services
One Federal Street, Third Floor
Boston, MA 02110

Hartford

U.S. Bank Corporate Trust Services
Goodwin Square, 23rd Floor
225 Asylum Street
Hartford, CT 06103

Our expanded Los Angeles and New York offices are located at:

Los Angeles

U.S. Bank Corporate Trust Services
550 South Hope Street, Fifth Floor
Los Angeles, CA 90071

New York

U.S. Bank Corporate Trust Services
100 Wall Street, Suite 1600
New York, NY 10005

U.S. Bank Corporate Trust Services Closes \$11 Billion Deal with State of California

U.S. Bank Corporate Trust Services has been appointed co-trustee and paying agent for the State of California Department of Water Resources in the largest municipal bond deal ever in California.

"The revenue bonds were issued by the State of California Department of Water Resources. The proceeds are being used to reimburse the state's general fund for advances made by the state in connection with the purchase of electrical power, as well as to allow the Department of Water Resources to maintain operating reserves," explains Bill Jennings,

vice president, manager of the San Francisco Corporate Trust Services office.

"Our duties include performing a variety of complex variable-rate interest calculations, maintaining bondholder records and ensuring that bondholders get paid correctly and on time," Jennings adds. "We've handled a number of high-profile bond issues for other California state agencies, most notably the California Housing

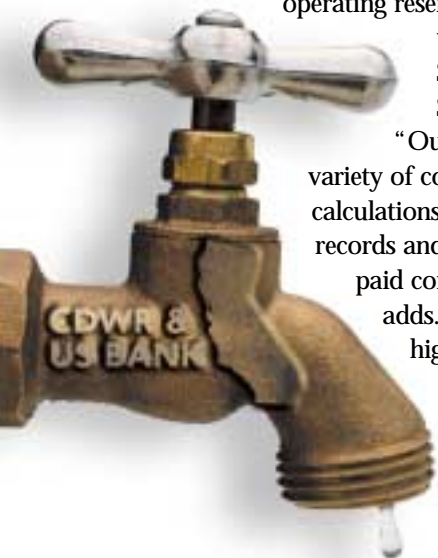
Finance Agency. But this is the largest deal ever brought to market and extremely important to us. It further entrenches us as the leading trustee in the state of California."

The California Department of Water Resources deal is divided into two tranches. The first, for \$4.25 billion at a variable rate, closed on Oct. 30, 2002. U.S. Bank Corporate Trust Services serves as the co-trustee and co-paying agent. The second closing was for more than \$6.9 billion fixed-rate securities, for which Corporate Trust Services acts as co-trustee.

Cementing our Relationship

"The main reason for the size of the issuance is the well-publicized energy crisis in California in 2000," says Raafat Sarkis, vice president of business development. "So it is significant that we won the business. Our experience, expertise and competitive pricing were all factors, as well as the excellent working relationship the state has enjoyed with its U.S. Bank Corporate Trust Services account manager, Loyce Harrison. Truly, trust and service are crucial elements in deals of this size."

If you have questions about any of the products and services U.S. Bank Corporate Trust Services offers, please contact your Account Manager.



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