



Corporate Trust **CONNECTION**

summer 2010

U.S. Bank Money Center

Your Source for Creative **Fixed-Income Solutions**

Two instruments that issuers of debt commonly used in the past to leverage large amounts of cash have become far less attractive to investors over the past couple years. Money market funds now pay almost nothing, and guaranteed investment contracts (GICs) fell out of favor with downgrades and other issues, then the troubles of American International Group (AIG).

Consequently, many U.S. Bank Corporate Trust Services customers are on the lookout for fixed-income options that can be used for varying periods of time. There's good news for those in this situation. The U.S. Bank Money Center offers a variety of solutions, including creatively structured certificates of deposit (CDs).

Tailored to Customer Needs

"We've seen a lot of interest in paydown CDs," comments Vicki Kegel, Vice President, Corporate Treasury Division. "They're commonly used to fund building projects such as hospitals, schools, stadiums and more. For example, the new Minnesota Twins stadium, Target Field, was built using a paydown CD.

"Paydown CDs can have terms up to five years and be structured so the draws closely match project expenditures," she continues. "They're set up based

on a cash-flow analysis of the project's anticipated needs. But there's also some flexibility, so if a project accelerates, the draws can be adjusted without penalty to meet contractors' needs."

Another option is a CD with a prepayment penalty waiver. Purchasing a waiver allows customers to pull money out of the CD without penalty if they have a debt service deficiency. "By law, funds assigned to debt service can't lose principal. Purchasing a prepayment penalty waiver means that's not an obstacle," Kegel says.

Terms and Rates to Suit Your Needs

The Money Center is a one-stop financial shop with a full range of fixed-income investment vehicles. In addition to CDs, the Money Center offers commercial paper, eurodollar deposits, repurchase agreements, bankers' acceptances, money market funds, and U.S. Treasury and government agency securities.

"Our short-term U.S. Bank proprietary products – commercial paper, eurodollar deposits and repurchase agreement products – are similar to a sweep account for customers who are looking for daily liquidity," Kegel comments. "We have seen an influx of money into those three products recently, especially commercial

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Did You Know?

U.S. Bank Is on Facebook®

Good news for Facebook.com users! U.S. Bank now has an official page on the most popular social networking site in the world.

You can find the page by entering "U.S. Bank" in the Facebook search box. Be sure to include the periods (with no spaces between the letters and periods) in "U.S."

You'll know you've reached the official page when you see the flying US plane in the profile image and, on the left side of the Wall on the Info page, this message:

"Welcome to the official U.S. Bank Facebook Fan Page. We're here to help you achieve your dreams."

We hope to add more interactive features soon. In the meantime, visit our Welcome page for savings tips and information about U.S. Bank.

See you on Facebook!

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U.S. Bank Offers Healthcare Payment Solutions

As organizations across the nation seek ways to provide comprehensive and affordable benefits to employees, many employers have turned to programs such as Health Savings Accounts (HSAs), Health Reimbursement Arrangements (HRAs), and Flexible Spending Accounts (FSAs) as a way to manage the rising cost of employee healthcare while offering their employees great tax benefits.

Managing the complexities and costs of these employee benefit spending accounts can be challenging for any organization. U.S. Bank offers a one-stop solution for employers and employees for all employee benefit spending accounts.

Providing Ease and Convenience

Employers have a one-stop solution to administer all their spending accounts. This affords employers significant administrative efficiencies and potential cost savings. It also allows employers to have one comprehensive communication campaign to drive utilization higher among employees.

Employers also benefit by having one administrator and one employer portal with which to interact with the bank to administer all these accounts. Each organization has a dedicated relationship manager to contact with concerns or questions, so they don't need to have a different contact for each type of account. Employers can also save significant dollars by bundling their accounts with one provider, and unlike most other providers, U.S. Bank offers debit cards with these services at no extra charge.

A unique offering of U.S. Bank is a multipurpose MasterCard® debit card for employees to use to manage their spending accounts. With other providers, each spending account has a separate method of payment. With U.S. Bank's healthcare payment solution, employees have one website, one password, one phone number and one debit card – regardless if they have multiple employee benefit spending accounts. The one-card solution provides ease and convenience for employees.

Call to Learn More

For more information about healthcare payment solutions available through U.S. Bank, contact your Account Manager for a referral. You can also contact Patrick Farrell directly at patrick.farrell@usbank.com.

U.S. Bank offers a multipurpose MasterCard® debit card for employees to use to manage their spending accounts.



GFOA Update

U.S. Bank was happy to see many of our customers and meet other finance professionals at the recent National Government Finance Officers conference in Atlanta.

U.S. Bank drew names at the conference plus a name from the winners of the Ring Toss game at the U.S. Bank booth for \$100 VISA® gift cards. Gift cards will be mailed to the following winners: Bill Urbanic, Scott Greer, Irv Lowenberg and Diann Levandowski.

Thank you to all who participated. We look forward to seeing you next year at the GFOA conference in San Antonio.

Your Source for Creative Fixed-Income Solutions

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paper. The products provide a competitive rate against other daily investments in this low interest rate environment.”

Safe, Sound and Experienced

Money Center representatives understand these investment vehicles inside and out, and will suggest alternatives based on the indenture's investment requirements. “We may be able to present options that trust customers may not have considered,” Kegel points out. “We always focus on our customers' needs.”

In addition to creative solutions, the Money Center offers the unparalleled resources and confidence that comes from working with the highest-rated bank in the nation. “Moody's,

Standard & Poor's and Fitch all rate U.S. Bank at the top,” Kegel says.

If you would like more information about how the U.S. Bank Money Center can help provide fixed-income solutions, please contact your Account Manager.

Investment products, including Commercial Paper, Repurchase Agreements, Eurodollar Deposits and Money Market Funds, are not deposits of or guaranteed by U.S. Bank or any of its affiliates, nor are they insured by the Federal Deposit Insurance Corporation or any other government agency. An investment in such products involves risk, including possible loss of principal.

Certificates of deposit offered by U.S. Bank N.A. or U.S. Bank National Association N.D. Member FDIC. FDIC insured up to the maximum allowed by law. Penalty may be imposed for early withdrawal.

These products are:				
NOT A DEPOSIT	NOT FDIC-INSURED	NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY	NOT GUARANTEED BY THE BANK	MAY GO DOWN IN VALUE

Spotlight on the Atlanta Office

Although steeped in the history of the Deep South, Atlanta is a modern metropolis. It is home to the headquarters of 13 Fortune 500 companies and, by many measures, the world's largest and busiest airport. If you've ever doubted whether Atlanta is a center of cultural diversity, here's just one example: The U.S. Bank Corporate Trust Services office shares the 10th floor of its office building with the Swiss Consulate and the Istanbul Center.

"We're quite proud of our beautiful office and our perfect location in Midtown," says Emily Katt, Vice President, Manager of the Atlanta office. "We are convenient to our customers, who include many of the major corporations, universities, sports teams, and municipal and state agencies in Georgia."

Pursuing Excellence

The 23 employees of the Atlanta office average 14 years of experience and came together through multiple acquisitions. They form a cohesive team that provides the full range of corporate trust products and services throughout Georgia.

"Sometimes merging different corporate cultures and expectations can be difficult," says Dave Dever, Vice President, Trust Manager. "But the professionalism embodied by this staff made it seamless, with no disruption to our customers."

Throughout the changes, the Atlanta office has retained its many large and long-term clients. "Our customers recognize the level of expertise, experience and customer service we provide and have rewarded us with their loyalty," Katt says. "They also appreciate the strength and stability provided by U.S. Bank, especially given the financial crisis the country has been through."

The Atlanta office has been No. 1 in market share in Georgia for the past three years and received an award as a top-performing office. The staff is also proud to have been named a U.S. Bank Green Team for its efforts in reduction, reuse and recycling.

"Of all our accomplishments, the one of which I am most proud is how the Atlanta staff, forged from four disparate cultures, came together to form such a dynamic office last year," Katt says. "Our strong sense of loyalty and pride in our work and in U.S. Bank shows in our customer service and in our success."



Starting from bottom: Row 1: Dave Dever, Sonia Henry, Jack Ellerin, Emily Katt-Manager; Row 2: Paul Henderson, Muriel Shaw, Mary Easton, Felicia Powell; Row 3: Zack Buckner, Sandy Bell, April Bright, Mark Hallam; Row 4: Marcia Williams, Esther Fannin, Suzy Hallowes, Arlene Foster; Top row: Dave Ferrell, David Johnson, Bryan Echols, George Hogan

If you are in the Atlanta area, be sure to stop by the U.S. Bank Corporate Trust Services office for some Southern hospitality. If you have questions about our products and services, please contact your Account Manager.

U.S. Bank Promotes Saving with S.T.A.R.T.

To help give consumers an easy, meaningful way to save, U.S. Bank launched Savings Today And Rewards Tomorrow™ (S.T.A.R.T.) in February during America Saves Week.

S.T.A.R.T. allows customers to regularly transfer money into a savings account and to earn rewards when they reach savings milestones. Savers receive a \$50 U.S. Bank Rewards Visa® Card when their savings balance reaches \$1,000. If they maintain that balance for one year, they receive another \$50 U.S. Bank Rewards Visa Card.

U.S. Bank is committed to helping individuals and families practice financial responsibility and reach their savings goals. The S.T.A.R.T. program has already helped customers build millions of dollars in new savings.



Savings Today And Rewards Tomorrow™

Best Wishes to Diane Thormodsgard

Diane Thormodsgard, vice chairman of Wealth Management and Securities Services, is retiring June 30, 2010. She will be succeeded by Terrance Dolan, currently executive vice president and controller of U.S. Bancorp.

Thormodsgard has been with U.S. Bancorp for more than 30 years. She served as vice chairman since 2007 and was previously president of U.S. Bank Corporate Trust Services and U.S. Bank Institutional Trust & Custody.

U.S. Bancorp Chairman and CEO Richard K. Davis thanked Thormodsgard for her many years of dedicated service and recognized her as an industry leader who significantly contributed to the strength, quality and overall success of U.S. Bancorp.

All of us in U.S. Bank Corporate Trust Services wish her a well-deserved and rewarding retirement.



Diane Thormodsgard



Terrance Dolan



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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 website at usbank.com/corporatetrust.



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