Did You Know?

As one of the country’s premier corporate trust service providers, U.S. Bank continues to commit to the industry and expand as other providers leave the market. Recently, U.S. Bank acquired the bond administration business of AmeriServ Financial, Inc.

“This acquisition exemplifies U.S. Bank’s ongoing commitment to continued strategic business investments during these difficult economic times,” says Bryan Calder, president, U.S. Bank Corporate Trust Services. “The acquisition complements the existing U.S. Bank corporate trust business and strengthens our competitive position as a leading national trustee for new municipal issuances.”

Corporate trust is a business most effectively served by a large organization with financial strength and stability. It requires specialized employee skills, in-depth knowledge of the business, and a high level of expertise in order to meet regulatory and industry requirements as well as provide creative solutions for customers.

U.S. Bank welcomes former customers of AmeriServ Financial, Inc. and looks forward to providing them with the same uncompromising quality and service provided to our current U.S. Bank customers.

---

U.S. Bancorp Receives Results of the Supervisory Capital Assessment Program

The Federal Reserve Indicates: “No Need” for Additional Capital Buffer

On May 7, 2009, the Federal Reserve disclosed the Supervisory Capital Assessment Program (“stress test”) results for U.S. Bancorp, the parent company of U.S. Bank. After estimating the adequacy of U.S. Bancorp’s capital base under a hypothetical two-year scenario that involved economic conditions more adverse than actually expected, the Federal Reserve concluded that U.S. Bancorp did not need any additional capital buffer.

“The Federal Reserve’s assessment program was extensive and thorough, and although we do not agree with all of the assumptions used to measure our capital adequacy, we are very satisfied, and not surprised, with the overall results,” says Richard K. Davis, chairman, president and chief executive officer of U.S. Bancorp.

“Today’s announcement by the Federal Reserve further demonstrates that our disciplined approach to credit and risk management, diversified mix of businesses, emerging revenue momentum and strong balance sheet, have enabled U.S. Bancorp to successfully manage through the current challenging and uncertain environment, while remaining positioned to withstand the pressure of an even more adverse economic scenario,” states Davis.

Bryan Calder, president of U.S. Bank Corporate Trust Services adds, “For our Corporate Trust Services customers, this positive result confirms our customers’ decisions to place their business with a company that enjoys financial stability, offers the full breadth and depth of corporate trust products and services, and continues to build upon a reputation for service excellence.

“This past year has been a challenging one for the capital markets, and I am pleased the results of a recent customer satisfaction survey noted 83% of customers rated U.S. Bank Corporate Trust Services as above average or excellent in overall performance. These results are indicative of the commitment to quality and service shown every day by our experienced and knowledgeable team of professionals,” Calder says.

All of us at U.S. Bank thank our customers and appreciate the confidence they have shown in us. We look forward to continuing to build upon these relationships and to developing new relationships in the future. If you would like information about U.S. Bank and our abilities to meet your financial needs, please contact any U.S. Bank Corporate Trust Services representative.
Spotlight on Cleveland and Columbus

Cleveland and Columbus host two of the three U.S. Bank Corporate Trust Services offices in Ohio (the third is in Cincinnati). Although it’s unusual to have three offices in one state, it’s a testament to the strong presence that U.S. Bank has in the corporate trust industry in the region.

Cleveland Orchestrates Great Deals

One of Cleveland’s biggest attractions is the Rock and Roll Hall of Fame and Museum. U.S. Bank has its own rock stars – the employees at the Cleveland office of Corporate Trust Services.

“We have six people in the Cleveland office – three account managers, two account set-up specialists and me,” says Libby Thuning, vice president and site manager. “We provide the full range of corporate trust services, but we specialize in pooled financings, port authority transactions, healthcare and general municipal deals.

“The City of Cleveland is one of our biggest clients, and we have a very strong relationship with them,” Thuning says. “Our team averages 25 years of experience per person, so we bring a depth and breadth of experience to the table that other providers don’t offer. We have a lot of repeat business, and our responsiveness and continuity of service are critical factors in our customers’ continued loyalty.”

Dennis Egan, senior vice president/regional manager, adds that, “Over four years ago, we made an important strategic decision to maintain three offices in the state, and I am pleased to report that the results have proven to be very successful. Our success is due to our close proximity to customers, quality service, and the dedication and commitment of our local staff.”

Columbus – Good Things Come in Small Packages

A capital city sporting a low profile, Columbus offers a surprising array of sports and cultural activities, as well as one of the top zoos in the country.

Similarly, the small Columbus Corporate Trust Services office packs a big punch. “Ron Royal, an account set-up specialist; Mike Dockman, our sales executive; and I make up the Columbus office,” says Scott Miller, vice president and site manager. “We offer the ‘soup to nuts’ menu of corporate trust services and handle a lot of municipal trusteeships and escrows in the greater Columbus area,” he adds. “The three of us have a combined 60 years of experience in corporate trust, and there isn’t anything we haven’t seen. Our customers are confident that we can handle whatever transactions come our way.”

Miller says that “professionalism and responsiveness” contribute to their long-standing relationships with the state of Ohio, its agencies and a major area healthcare provider.

Whether your business takes you to Cleveland or Columbus, feel free to stop by the U.S. Bank Corporate Trust Services office to say hello. If you have questions about products and services we can provide, please contact your account manager.

From left to right: David Schlabach, Georgiana Seman, Libby Thuning, Holly Pattison, Juleen Hunley and Sandra Peterman of the Cleveland office in front of the Rock and Roll Hall of Fame.

(Left to right): Mike Dockman, Scott Miller and Ron Royal of the Columbus office.
U.S. Bank Drives Nissan Structured Finance Deal

U.S. Bank Corporate Trust Services will act as indenture trustee for the Nissan Auto Receivables 2009-A Owner Trust. The asset-backed note financing is supported primarily by a pool of motor vehicle retail installment contracts. As indenture trustee for the $1.369 billion transaction, U.S. Bank will be responsible for compliance oversight, noteholder communication and distribution of principal and interest payments to investors.

The servicer, Nissan Motor Acceptance Corporation, headquartered in Nashville, Tenn., is an indirect wholly-owned subsidiary of Nissan Motor Co., Ltd. They primarily provide indirect automotive consumer loan and lease financing and direct dealer financing through, and to, Nissan and Infiniti dealers in the United States.

TALF-Eligible Deal
Nissan is one of the first issuers to apply for eligibility under the Treasury’s Term Asset Backed Securities Loan Facility (TALF) and the first to issue debt under the program. The TALF program was designed to encourage the issuance of asset-backed securities, thereby increasing the availability of funds available for consumer lending.

Comprehensive Banking Services

Turn to a Strong Banking Partner

If there’s one thing that the financial markets have illustrated recently, it’s that you need a bank you can count on. And you can count on US.

“U.S. Bank fits uniquely into today’s marketplace because it combines a strong balance sheet with comprehensive services,” says Terry McRoberts, executive vice president, U.S. Bank Corporate Trust Services.

“We provide the full array of financial services that companies and municipalities need, including government banking services, letters of credit, CD programs, corporate and government lending, and leasing opportunities,” McRoberts says. “Many banks offer some of these services but not corporate trust, or vice versa. We have it all, so our customers enjoy one-stop shopping at one of the highest-ranked banks in the country.”

The U.S. Bank Difference
The credit market has tightened across the country. “Right now, we are one of a very small number of banks providing credit in the form of letters of credit,” says Chris Karlin, division manager, Government & Nonprofits Banking, which provides financial services to government and not-for-profit entities. “It’s a unique story in the banking industry, and customers looking for access to capital are turning to us.

“Because we offer the gamut of financial services with access to other business lines, our customers benefit in a number of ways,” Karlin says. “For example, we may be able to offer preferential pricing depending on the number of products and services we provide. In addition, that deeper relationship allows us to look holistically at all the services a customer may need and determine how best to work together. We can identify and work with other business lines to provide maximum efficiencies.

“We are not a transactional bank,” Karlin adds. “We strive to be a relationship bank, and we are constantly working to improve connectivity and deepen relationships with our customers. By taking advantage of all the products and services U.S. Bank offers, our customers will get the best service and quality at a competitive price.”

We’re Here for You
U.S. Bank is one of the few banks in the country that can step up and provide a full range of corporate trust and other financial services. “By expanding business relationships with us, customers benefit from a strong bank with a wide range of services. They’re on the ‘inside circle’ for increased product offerings,” McRoberts says. “It’s part and parcel of the value-add we provide.”
Trust Review at Corporate Trust Services

Protecting Our Customers’ Interests

Reviewing the minutiae of trust documents may not be the most glamorous task, but it’s one that is critical for the protection of U.S. Bank, its customers and their bondholders. At Corporate Trust Services, our trust review specialists are dedicated to monitoring each program for document compliance as well as ensuring that new accounts are set up accurately.

The Need for Review
When issuers execute their documents in order to issue bonds, they agree to provide specific information to certain parties, including the trustee. The information they are legally obligated to provide might include compliance items such as financial statements, insurance certificates and non-default certificates.

The trust review specialists at U.S. Bank are responsible for ensuring that compliance items under the governing documents are submitted on time and that the bank and the bondholders are not at risk due to noncompliance.

The U.S. Bank Difference
The U.S. Bank Corporate Trust Services trust review process is different from that of most of our competitors because we have specialists who focus on trust review, rather than leaving trust review to the account manager, who handles the day-to-day relationship with the customer. As a result, we can focus on the specifics of compliance, allowing for better communication and follow-up.

Some of our customers may not realize the need for compliance. Perhaps they have dealt with other providers, who have not fully explained the value of document compliance. U.S. Bank takes its responsibilities to collect these documents seriously. Ultimately, this works to our customers’ benefit. Having dedicated trust review specialists helps our customers meet their legal obligations, helps keep the bondholders’ best interests in mind and protects the bank. And the bottom line – by providing certain compliance documents, issuers can help achieve more favorable bond ratings and attract more buyers.

We Help You Reach Your Goals
The recent increase in oversight of financial transactions has underlined the need for a strong trust review process. U.S. Bank Corporate Trust Services is committed to helping issuers reach their goals and is willing to step up as a leader in the industry.

Contributing to this article: Patricia Marshall, assistant vice president, trust review analyst and team leader.

By providing certain compliance documents, issuers can help achieve more favorable bond ratings and attract more buyers.