



Corporate Trust CONNECTION

summer 2012

Spotlight on the London Office



The U.S. Bank Global Corporate Trust Services London office is located in a new, state-of-the-art office building. It sits on the site of the old London Stock Exchange building in the heart of the city's original financial district. The location is a fitting metaphor as the London office builds on its long and strong history with the forward-looking support of U.S. Bank.

"We're pleased to be part of an organisation that has demonstrated such a strong commitment to the corporate trust industry," says Tom Cubitt, Head of Corporate Trust, Europe. "And our customers are pleased to know that we're part of an organisation focused on growth. We're now able to offer more corporate trust products and services as well as enhanced technology and reporting."

A Look at the Structure

In Europe, the corporate trust business operates as U.S. Bank Global Corporate Trust Services, which is a trading name of Elavon Financial Services Limited (a wholly owned subsidiary of U.S. Bank National Association), and provides trust, agency and administration services across a range of mortgage-backed products, collateralised loan obligations and other asset securitisations. Trusteeship and other fiduciary appointments (such as representative of the noteholders) are undertaken through a separate legal entity, U.S. Bank Trustees Limited. "We have more than 70 experienced professionals in the London office," Cubitt says. "The senior management team averages more than 15 years of experience in the corporate trust industry, so there is a great depth and breadth of expertise to offer our customers."

"Our staff is multi-lingual, a valuable asset when providing services across Europe," adds Emma Hamley, Vice President, Business Development, who has more than 20 years' experience in the corporate trust industry. "In addition, we can collaborate with the U.S. team when working with a European company that seeks to raise money in the States, or a U.S. company acquiring a business or raising finance in Europe. Our clients are able to benefit from and leverage the global scope of the bank."

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Did You Know?

- U.S. Bancorp reported net income of \$1.3 billion for the first quarter of 2012, a 28 percent increase over first quarter 2011. Earnings for first quarter 2012 were driven by year-over-year growth in total net revenue and a lower provision for credit losses.
- U.S. Bank Global Corporate Trust Services has enhanced its Indiana presence with the acquisition in March 2012 of the Indiana corporate trust business of UMB Bank, N.A., a subsidiary of UMB Financial Corporation. The Global Corporate Trust Services team is working closely with the UMB Bank Indiana representatives to ensure a seamless transition for our new customers.
- U.S. Bancorp was named the No. 1 "superregional bank" in *Fortune's*® 2012 list of the "World's Most Admired Companies." Banks were rated on nine key attributes: innovation, people management, use of corporate assets, social responsibility, quality of management, financial soundness, long-term investment, quality of products/services and global competitiveness.

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CDO Web Portal Demonstrates Commitment to Clients

In today's market, collateral managers need Web-based solutions to manage their collateralised debt obligation (CDO) portfolios in an efficient, cost-effective manner. U.S. Bank is building an online data delivery tool within the Trust Gateway Portal to meet these client needs. "The Global Corporate Trust Services CDO group has created a Web portal designed to deliver on-demand access to CDO portfolio data over the Web," says Bob Troyer, Vice President, Product Strategy.

"The Web portal provides an alternative to email and FTP as a method for clients to access core documents and daily reports that detail portfolio holdings, cash balances and trade activity. Files are sorted and stored in a user-friendly folder structure online and can be searched

should the client want to reference historical files. Clients will have the ability to manage alerts tied to each file U.S. Bank posts so they are notified when a new report or document has been posted," he explains. "In addition, clients will benefit from the improved look and feel of the Trust Gateway Portal website and the accessibility of information on additional services provided by U.S. Bank."

Only the Beginning

The first phase of the CDO Web portal will be rolled out during the summer of 2012. This is the first step in a multi-phased project to create an intuitive Web-based analytics and reporting solution that allows clients to effectively track all aspects of their portfolio. "We think our

clients prefer an end-to-end solution that will allow them to drill down into their portfolios, run customised reports, create graphs and charts that show portfolio concentrations, and process transactions online," Troyer comments.

"The CDO Web portal initiative is part of a larger push across U.S. Bank to improve Web capabilities," Troyer says. "Our technology team led by Brian Katlack, Vice President, Technology & Operations Services, has done a great job responding to our needs and aligning our efforts with those of the larger enterprise. Our end goal is to work with Brian's team and other product groups to create the best online experience for all Corporate Trust clients. We are excited about taking this initial step."

Spotlight on the London Office

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The London office has relationship management, default and documentation, legal, analytics and calculation agency teams. The structured finance team, which includes asset-backed and mortgage-backed securities (ABS and MBS), administers public and private transactions, acting as note trustee, security trustee, calculation agent, custodian, cash manager, account bank, principal paying agent and other similar functions. Specialists provide escrow services, trustee and paying agency services for conventional debt issuances. They also support conventional debt such as bonds and medium-term notes.

The collateralised debt and collateralised loan obligation (CDO and CLO) team supports an active portfolio of transactions including market-value, cash-flow, synthetic and actively managed deals, which are predominately backed by pools of corporate, syndicated, high-yield or leveraged loans and bonds.

The teams are supported by analytics, investor reporting and payment teams, as well as more than 40 operational staff employees based in Elavon's headquarters in Dublin.

Focus on the Future

"As part of our effort to get the word out that we're poised and ready to grow, U.S. Bank is sponsoring the IMN Global ABS™ 2012 conference in Brussels this June, one of the largest securitisation conferences in the European capital markets," Cubitt says.



U.S. Bank Global Corporate Trust Services employees in the London office, headed by Tom Cubitt, Head of Corporate Trust, Europe (center).

"In addition, we've recently hired some key, well-seasoned corporate trust professionals. These new hires bring expertise and experience that complements our capabilities and will allow us to expand our efforts and product coverage. We have already become a more fully rounded corporate trust provider, having started with a securitisation administration focus and are now offering the full suite of corporate trust products."

London will be at the center of the world's attention this summer as the host of the London 2012 Summer Olympics, July 27 through early September. "It's an energising time for the city, and we're excited to be in the midst of it," says Richard Ayrton, Business Development Associate. "As visitors flood into the city, it's an opportunity to increase the visibility of U.S. Bank Global Corporate Trust Services. The Olympics' motto is 'faster, higher, stronger,' and we'll be taking a cue from that as we grow our European offices."

Volunteerism at U.S. Bank

U.S. Bank has a longstanding record of financially supporting our communities, but its greatest community contribution takes the form of employee volunteerism. Employees at every level make a difference through donating their time and expertise in support of nonprofit organisations in local communities.

U.S. Bank supports employee volunteerism in a number of ways. The bank offers employees eight hours of paid time off for volunteering each year. The Dollars for Doing program provides additional incentive for employees who volunteer on their own time. U.S. Bank makes matching donations per hour to the nonprofit organisations for which employees volunteer their time, up to certain limits.

The Local Connection

In the U.S. Bank Global Corporate Trust Services Atlanta office, volunteering has helped build camaraderie among staff. "Each quarter we have about eight to 10 volunteers who volunteer with Open Hand, an organisation that packages meals and pantry bags for senior citizens and those who cannot leave their homes," says David Dever, Vice President, Global Corporate Trust Services. "The need is great. Our group packaged more than 1,400 individual meals and pantry bags when we were there."

Other volunteer efforts by employees of the Atlanta office include:

- Donating clothing for underprivileged women seeking employment through Dress for Success Atlanta.
- Building homes with Habitat for Humanity.
- Reading to children at elementary schools.
- Volunteering on the board of the Foundation of Peachtree Middle School, researching grants and writing requests for funding.

"We appreciate the wonderful work our employees do and their efforts in furthering so many worthy causes in our communities," Dever says. "It's just a great way to give back."

U.S. Bank Global Corporate Trust Services offices across the U.S. and abroad are committed to supporting employees' volunteer efforts.

Organisations mentioned in this article are not affiliates of, or associated with, U.S. Bank in any way.

Employees at every level make a difference through donating their time and expertise.



Los Angeles team at Food Bank



St. Paul TFM at Feed My Starving Children



Seattle HomeTeam Harvest Food Drive



Atlanta Team at Open Hand



Charlotte Team at Men's Shelter



Richmond Team Teach Children to Save Day



Jacksonville Team with Habijax

Serving the Custody and Fund Administration Needs of BDCs

The Business Development Company (BDC) market is growing, and U.S. Bank Global Corporate Trust Services is leading the way in providing bank loan custody and fund administration services for BDCs. “We’ve seen significant growth in BDCs over the past 18 to 24 months,” comments Michael Zak, Vice President, Business Development.

BDC Basics

BDCs are publicly traded private equity funds created by the Small Business Investment Incentive Act of 1980. They’re typically listed on major exchanges such as the New York Stock Exchange or Nasdaq. Akin to venture capital funds, they provide financing to startup or newer companies to aid in their growth. BDCs are an attractive source of funding for new companies with limited operating history, ones that are too small to raise capital in the public markets and those who have not reached the point where they are able to secure a bank loan or complete a debt offering on their own. A major distinction from venture capital funds

is that BDCs are available to retail investors; venture capital funds are largely limited to institutional investors.

“The BDC market has grown from about \$20 billion to about \$30 billion over a two-year period,” says Josh Stowell, Assistant Vice President, New Business Development. “Changes in the banking regulatory environment may be one element that has led to an increased number of BDCs. In general, it’s easier for BDCs to deploy capital effectively and efficiently, whereas banks tend to have more restrictions on their lending capabilities.”

New Structures Emerging

The BDC community is not just growing, it’s changing as well. “Recently, BDCs haven’t had as much success in initial public offering (IPO) markets as they have in the past,” Stowell notes. “So we’re seeing a change in structure – a flight to a non-traded model allowing managers to eliminate potential barriers associated with IPOs. The non-traded structure permits the BDC to do a continuous offering, which allows

them to increase their assets under management – the loans in their portfolios – more substantially over time.”

A Comprehensive Solution

Global Corporate Trust Services offers an end-to-end servicing solution for BDCs including loan administration services, document custody, and fund administration and accounting services. “Global Corporate Trust Services’ leadership in providing services to the BDC community is part of our overall focus on being a center for loan excellence to the investment community for bank loans,” Zak comments. “Our service model is a unique distinction, and our commitment to serving BDCs makes us a natural partner to turn to.”

“The combination of dedicated and knowledgeable professionals, advanced use of technology and an organisation committed to the industry means U.S. Bank Global Corporate Trust Services provides the all-in-one solution managers need for their BDCs,” Stowell adds.

INVESTMENT PRODUCTS ARE:		
NOT A DEPOSIT	NOT FDIC INSURED	NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY
MAY LOSE VALUE		NOT GUARANTEED BY THE BANK

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