

BANK DEPOSITORY USER GROUP
MINUTES OF
NATIONAL STEERING COMMITTEE MEETING
ST. PETERSBURG, FL.
JANUARY 25-28, 2008

In Attendance:

Dennis Callahan	Outgoing Chairman
Veneta Kokenes	Chairman
Todd Rhodes	Treasurer
Karen Lightfoot	Secretary
Mark Cashion	Meeting and Arrangements
Danny McHale	Membership
R. Scott Nielson	Exhibitor Relations
Damon Wiser	Outgoing Audit/By Laws
Jennifer Schindler	Communications
Lynn Brune	New Member

Others in Attendance:

Rich Lanning	Relationship Mgmt-DTCC
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Conducting: Veneta Kokenes

Veneta called the meeting to order and began by welcoming new committee member, Lynn Brune from Wells Fargo Bank. Veneta announced that Craig Dudsak from CitiGroup would be unable to join the committee due to a scheduling conflict between the BDUG annual meeting and the SIBOS conference. The group was told that we are expecting an answer from CitiGroup on whether they would provide someone else from their organization by January 31. If they don't, we will extend an invitation to join the committee to another candidate who applied. The group was told the reason the meeting was being held in St. Petersburg, instead of Scottsdale, was because the Super Bowl was being held in the Phoenix area the following week and hotel rooms were difficult to book and too expensive. The spring meeting will be held in Scottsdale, which will allow the group to view the property for the September Annual Meeting and tour the Hyatt Regency at Gainey Ranch. Veneta then discussed the committee roles and responsibilities for the 2008 year.

I 2008 STEERING COMMITTEE ROLES/RESPONSIBILITIES

The roles for each open position were discussed. The 2008 committee roles are:

Veneta Kokenes	Chairman
Mark Cashion	Vice Chairperson/Audit & By Laws
Karen Lightfoot	Secretary
R. Scott Nielson	Treasurer
Todd Rhodes	Meeting and Arrangements
Lynn Brune	Membership
Danny McHale	Exhibitor Relations
Jennifer Schindler	Communications
Open	Industry Liaison

II COMMITTEE REPORTS

1. Chairman

Dennis stated that he thought we had a good year in 2007. He discussed that the annual meeting was very good and the survey results reflected that. He was disappointed that we had not met our goal of 80 attendees from member banks at the annual meeting.

2. Vice Chairman

Veneta reminded the group that the 2008 letterhead had been sent to everyone for review and changes were to be provided by the end of January. Veneta agreed with Dennis that 2007 was a good year.

3. Secretary

Karen Lightfoot reviewed the changes made to the administrative guide.

4. Treasurer

Todd Rhodes discussed the financial statements for the current period and provided copies of the committee's current banking positions. He reported that he had filed the groups 2007 income tax reporting. He noted that US Bank had made an error in the renewal of our CD, by not crediting our account with the interest earned on the maturing CD. This error was corrected in early January and therefore, was not reflected on the banking reports we were reviewing at this meeting.

5. Audit/By Laws

Damon Wiser informed the group that the survey forms from this year's annual meeting had been compiled and there was a copy in the meeting packet for review. He also reminded the group the by laws need to be updated for the creation of the new Industry Liaison position and the merging of the Vice Chairperson and Audit/By-Laws position. This will also need to be voted on by the membership at the annual meeting.

6. Exhibitor Relations

Scott Nielson reported that all Exhibitors had been thanked for their participation in our Annual Meeting and they were reminded to "Save the Date" for next year's annual meeting.

7. Membership

Danny McHale reported that membership books have been mailed to all members and we will be starting on this year's membership drive soon. He stated that we need to extend an invitation to all foreign depositories that are members of DTCC to join BDUG. He shipped the majority of the extra books to Rich Lanning. Rich will distribute these to high level people at DTC and the Relationship Managers.

8. Communications

Jennifer Schindler reported the website was updated with the presentations from the Annual Meeting. She discussed testing the ability for membership payment to be completed online.

9. Meetings and Arrangements

Mark Cashion reported the contract for the 2008 Annual Meeting was signed with the Hyatt – Gainey Ranch and the dates are September 14-17. He presented information about the dates other industry user groups are having their annual meetings.

III DTCC UPDATE

Rich Lanning of DTCC informed the group that DTCC reduced expenses last year and rebates will be in the February bills, received in March.

Rich updated the group on:

- PBS
- Corporate Action Reengineering
- Structured Securities

Direct Registration System (DRS)
Underwriting

IV 2007 GOALS AND OBJECTIVES REVIEW

Dennis Callahan conducted the review of the goals and objectives set by the 2007 Steering committee.

1. Increase Bank Membership in BDUG by 25% from 42 to 52 members.

This goal was barely missed. Members went from 42 to 49 banks.

2. Increase Bank Membership participation at annual meeting by 20% from 68 attendees to 82.

The goal was missed. Attendance at the annual meeting was 68.

3. Ensure on-going DTCC support of the BDUG organization.

This goal was met. DTCC had 17 attendees at the annual meeting.

4. Increase BDUG presence throughout the year to its members.

E-Mail blasts were sent to members throughout the year on various topics.

5. Maintain the ongoing financial stability of the organization.

The reserve created previously was increased.

6. Increase Exhibitor support by 13% from \$44,100 to \$50,000.

This goal was met. Exhibitor support was \$58,200.

V 2008 GOALS AND OBJECTIVES

1. Increase Bank Membership by 5%, to 51 members in consideration of 2007 mergers and acquisitions.
2. Increase Bank Membership attendees at the annual meeting by 10% from 68 to 75.
3. Ensure on-going DTCC support of the BDUG organization.
4. Increase BDUG presence throughout the year to its members.
5. Maintain Exhibitor support at the same number and financial contribution.
6. Educate BDUG member banks on the DRS initiative.
7. Educate and lay a foundation for the standardization of Class Action claims.

VI FUTURE SITE UPDATE

Dennis announced that the 2009 annual meeting would be held in the Tampa, St. Petersburg area.

VII FUTURE COMMITTEE MEETINGS

It was determined that the spring Steering Committee meeting would be held April 4th through 7th.

VIII 2008 PRELIMINARY ANNUAL MEETING AGENDA

GENERAL SESSIONS

Keynote

NSCC's Wealth Management Services- Review of FundSERV

Omgeo Update

IRS Update

DTCC Technology Update

OCC Update

DTCC Update

Complex Securities Update

Industry Liaison Update

FAS 157 Fair Value Measurements

Cost Basis Reporting

BREAKOUT SESSIONS

Omgeo

Wealth Management Services Workshop

IRS Roundtable

Corporate Action Reengineering Workshop

DTC Settlement Workshop

DRS Workshop

Class Actions Workshop

Complex Securities

Options Processing

IX OTHER BUSINESS

The committee discussed implementing a discount for people who register early for the annual meeting. Preliminary estimates were made to determine the potential financial impact. The treasurer, Scott Nielson was asked to perform calculations, using various percentages, and send those to all committee members for review on a future conference call.

X ACTION ITEMS

- Confirm early registration discount
- Finalize agenda for annual meeting
- Finalize speaker assignments for annual meeting
- Schedule webinars
- Confirm 9th Steering Committee member

The meeting concluded at 11:30 a.m. on January 28, 2008.

Minutes Submitted By:

Karen J. Lightfoot, Secretary