

**BANK DEPOSITORY USER GROUP
MINUTES of
NATIONAL STEERING COMMITTEE MEETING
San Antonio, Texas
October 13-17, 2007**

In Attendance:

Dennis Callahan	Chairperson
Veneta Kokenes	Vice Chairperson
Todd Rhodes	Treasurer
Damon Wiser	Audit/By Laws
Karen Lightfoot	Secretary
Danny McHale	Membership
R.Scott Nielsen	Exhibitor Relations
Mark Cashion	Meetings and Arrangements
Jennifer Schindler	Communications

Others In Attendance:

Rich Lanning	Relationship Mgmt-DTCC
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Saturday, October 13, 2007

Conducting: Dennis Callahan

Dennis Callahan called the meeting to order. The remaining items on the meeting checklist and the agenda were reviewed for changes. All changes were noted for communication to annual meeting attendees. Committee members were assigned duties for the scheduled sessions.

I COMMITTEE REPORTS

1. Vice Chairman

Veneta Kokenes notified the committee that letters to solicit new members for the committee had been sent electronically, to the membership. Veneta informed the group that everything was on track for the golf outing on Sunday with 20 golfers having signed up for the event. She also reported the River Tour had 29 participants signed up. This is the first year the non-golf event had a higher participation than golf.

2. Secretary

Karen informed the group that during the opening session, the participants will be informed that the minutes for the prior meetings are in their packets. Last minute details for the meeting were discussed.

2. Treasurer

Todd Rhodes discussed the financial statement for the year ending December 31, 2006 and the current year's position. He said this will be the first year that our interest income will cover our bank fees. He is prepared to report to the participants the changes made in the Treasury during the current year.

3. Meeting and Arrangements

Mark Cashion reported that everything was ready with the hotel for the annual meeting and all contractual obligations had been met. Mark also noted that this year we had 19 first time attendees for the Annual Meeting.

4. Membership

Danny McHale informed the group that the membership drive had been completed. The Membership booklets would be sent to the printer immediately after the annual meeting and should be mailed in the next few weeks. We had 49 total member banks. We lost 4 due to mergers and acquisitions and 10 were new.

5. Exhibitor Relations

Scott Nielsen informed the group that this year we had 17 scheduled vendors (which is a new record) registered to participate. The exhibitors will be allowed to setup Sunday afternoon after 3:00 pm.

6. Audit/By Laws

Damon Wiser informed the group that the survey forms for this year's meeting were ready for distribution. Damon announced that during the Audit of the books no exceptions were noted. Damon noted that there were no proposed Bylaw changes for this year's Annual Meeting.

7. Communications

Jennifer Schindler reviewed the communications sent to participants for the annual meeting. Jennifer informed the group that the website had been updated with all information pertaining to the annual meeting. She informed everyone that after the meeting the handouts and presentations would be posted to the Website along with information for next year's Annual Meeting. She also announced the website had been activated for online registrations.

II. FUTURE COMMITTEE MEETINGS

It was determined that Mark Cashion should look at securing a meeting site in Phoenix for the January Steering Committee meeting. It was noted that our normal date for the January meeting was on the Martin Luther King Holiday weekend. It was determined we would discuss setting the date for that meeting during the November conference call.

III. ACTION ITEMS

Committee roles for 2008 are yet to be determined. Current member roles need to be defined before the January face-to-face meeting.

IV. ANNUAL MEETING

Monday, October 15, 2007

Conducting: Dennis Callahan

Dennis Callahan welcomed participants to the Annual BDUG Meeting and called the membership to order for any business to be brought before it for the Annual Meeting. Dennis briefly reviewed the meeting agenda. He informed the membership the committee had been approached to form a strategic alliance with another group, and this would be discussed further at the Town Hall Meeting to be held on Wednesday. He informed the group that BDUG issued letters on behalf of our members supporting amendments to rules for Fast Automated Securities Transfer Program and the Direct Registration System. He represented BDUG at several industry forums and conducted a meeting with DTCC Leadership regarding the annual meeting and continued support of the organization. He then called upon Rich Lanning, the DTCC representative on the BDUG Steering Committee to introduce this year's attendees from DTCC. Dennis then introduced the Steering Committee Members and asked for a report from each committee member.

Veneta Kokenes, Vice Chairman, informed the group that 2 new members for the Steering Committee were needed and any member interested in serving should contact her. Veneta presented the benefits of BDUG at the Sungard System Platform User Group meeting and represented BDUG at the quarterly OMGEO User Group meeting. She announced that the Town Hall Meeting would

be held Wednesday morning and would be a member only meeting to discuss the strategic direction of the group. She also informed the group that she had coordinated the Sunday events for the annual meeting, which were the golf outing and River Tour.

Todd Rhodes presented the Treasurer's Report for the period ending December 31, 2006 and informed the group that he had completed all required tax filings. He created a 2008 projected budget and managed receipts and disbursements of all funds. He also invested the agreed upon amounts in certificates of deposit.

Danny McHale informed the group he had coordinated the annual membership drive and reminded the group that if any bank had not paid this year's dues to please send these to him as soon as possible. He announced we had recruited 10 new banks but we lost 4 to mergers and acquisitions resulting in a net membership gain of 17%. He also informed the group that he had compiled the membership booklet and those would be mailed to members in the next several weeks.

Karen Lightfoot informed the group that she had prepared the minutes from the Steering Committee meetings of October 2006, January 2007 and May 2007 and they were included in the annual meeting packets for review. The Chairperson asked for approval of the minutes. A motion from the floor to accept the minutes was made and a second to the motion was received. By voice vote, participants accepted the minutes. Karen also informed the group she represented BDUG on the SIFMA DRS Working Group and at the DRS Symposium. She coordinated the contents of the annual meeting packets and the distribution of the membership booklet.

Mark Cashion, Meetings and Arrangements, announced meeting room changes and informed the participants of the hotel checkout time. He informed them that any extension of the checkout time must be made with the hotel. Mark informed the group that all issues with the hotel should be directed to him. Mark coordinated all off site committee meetings for 2007. He also completed site visits and provided a recommendation for the 2009 annual meeting. He reminded the group of next year's Annual Meeting in Scottsdale, Arizona.

Scott Neilson, Vendor Relations, announced that there are 17 Exhibitors present and thanked them for their continued support of BDUG and encouraged all attendees to visit the exhibitor booths to show their appreciation for the Exhibitor's continued support. He informed the group that presentations would be made throughout the annual meeting by the Platinum and Gold Exhibitors.

Damon Wiser, Audit/ByLaws, informed the membership that the annual audit had been completed and no exceptions were noted. Damon compiled the 2006 annual meeting surveys and asked the group to review the results, which were included in their meeting packets. Damon asked the group to be sure to complete the survey forms for each session that would be provided during the course of the annual meeting.

Jennifer Schindler reviewed the communications sent on behalf of the BDUG members during the year. Jennifer informed the group that she had updated and enhanced the BDUG website and implemented an electronic link for registration and payment through our website.

Wednesday, October 17, 2007

Conducting: Veneta Kokenes

Veneta Kokenes, welcomed those in attendance, and called the Town Hall session to order. Veneta provided a short presentation on the invitation by Forward Financial to join their group and combine our annual meetings. Veneta informed the group that most of the committee's time is spent in planning the annual meeting and not on industry initiatives, which is the true mission of BDUG. She then asked for comments and/or concerns by the membership. The concept was met with opposition. Many members felt it would dilute the value for securities professionals. Another common opinion was that BDUG would be lost at a meeting as large as Forward Financial and even if our group had a few closed sessions, it would lose its intimacy. A couple of members challenged others in the room to call non-member banks and ask them to join BDUG. Suggestions were made to assist the committee on various tasks or for the committee to explore hiring an event planner in order to free up more time to spend on industry issues. It was also suggested that we explore partnerships with other securities industries groups such as SIFMA, Securities Transfer Industry, RMA, and ISITC.

A vote was taken and the membership voted not to join Forward Financial.

After the last session was completed, a brief meeting recap was given and door prizes awarded. The annual meeting of the Bank Depository User Group was then adjourned.

Minutes Submitted by:

Karen J. Lightfoot, Secretary