



June 15, 2010

TO: Agency Fed Fund Participants

RE: Quarterly Evaluation of Fed Fund financial institutions (Exhibit "A")

The quarterly review of the Fed Fund Agency pool has been completed. This evaluation is based on the March 31, 2010 financial data and the ongoing Short Term Ratings and is effective immediately.

In an effort to more readily track financial institutions that may be under strain, we have incorporated the Texas Ratio into the analysis. This ratio came from research done on Texas banks during the early 1980s (hence the name) and was tested again on New England bank failures during the 1990s. It has a reasonably high degree of accuracy when asset quality is the biggest issue in the industry. The research found that institutions tended to be severely stressed and fail when this ratio climbed above 100%. The calculation for the Texas Ratio = (all loans past due 30 days or more + nonaccrual loans + OREO) / (Tier 1 Capital + loan loss reserves).

We continue to add and/or trade with certain credit unions as these are covered under the NCUA "NCUSIF" Guarantee Program through September 30, 2012.

Government Sponsored Enterprises or "GSEs" are often in the market for overnight fed fund purchases. GSEs would include all of the Federal Home Loan Banks, Freddie Mac and Fannie Mae. All of these entities carry at least a AA+ rating or implied AAA credit rating.

**Reinstated:**

- Compass Bank, Birmingham, AL

**Temporarily Suspended:** *(Did not meet minimum requirements)*

- None

**Removed:**

- None

Institutions in the program meet or exceed requirements of minimum assets of \$1.0 billion or more, a Texas Ratio of less than 70%, are well capitalized per regulatory standards, have a Fitch Short Term Rating of F2 or better, an S&P rating of A-2 or better, or a Moody's rating of P-2 or better. Note that Pacific Coast Bankers' Bank may also borrow from the Agency Fed Funds pool from time to time under the program, subject to meeting regulatory well capitalized standards and maintaining a Texas Ratio less than 70%.

All approved bank financial information has been included on "Exhibit A" and can also be viewed on our website [www.pccb.com](http://www.pccb.com).

Should you have any questions regarding these most recent changes, please feel free to call us at 888-399-1912.



US Banks

FDIC Cert #	Bank Name	City	State	Texas Ratio	Qualifying Rating	Short Term Rating	Tier 1 Leverage	Tier 1 Risk Based	Total Risk Based	Reg Capital Category Status	Assets (Billions)
35328	American Express Bank, FSB.	Salt Lake City	UT	9.1%	Fitch	F1	14.99%	15.52%	18.08%	Well	32.980
27471	American Express Centurion Bank	Salt Lake City	UT	7.1%	Fitch	F1	18.24%	16.00%	17.27%	Well	26.369
5296	Associated Bank, National Association	Green Bay	WI	56.7%	Moody's	P-2	8.88%	13.92%	15.21%	Well	22.810
29805	Astoria Federal Savings and Loan Association	Long Island City	NY	47.0%	Fitch	F2	6.94%	11.84%	13.11%	Well	20.020
11813	BancorpSouth Bank	Tupelo	MS	32.7%	Moody's	P-1	8.67%	10.90%	12.16%	Well	13.233
3510	Bank of America, National Association	Charlotte	NC	57.8%	Fitch	F1+	7.49%	10.46%	13.92%	Well	1,496.322
18053	Bank of Hawaii	Honolulu	HI	11.1%	Fitch	F1	6.33%	14.43%	15.70%	Well	12.413
4214	Bank of Oklahoma, National Association	Tulsa	OK	30.0%	Fitch	F1	6.68%	9.70%	14.41%	Well	16.644
3514	Bank of the West	San Francisco	CA	35.8%	Fitch	F1+	10.19%	11.94%	13.20%	Well	61.178
35141	BMW Bank of North America	Salt Lake City	UT	11.8%	Moody's	P-2	9.30%	9.34%	10.29%	Well	7.761
9846	Branch Banking and Trust Company	Winston Salem	NC	52.6%	Fitch	F1	9.08%	12.30%	14.82%	Well	157.652
4297	Capital One, National Association	McLean	VA	45.4%	Fitch	F1	7.42%	10.25%	11.59%	Well	123.046
23702	Chase Bank USA, National Association	Newark	DE	29.8%	Fitch	F1+	7.62%	8.32%	11.31%	Well	146.311
23360	Citibank (South Dakota), N.A.	Sioux Falls	SD	24.2%	Fitch	F1+	10.05%	12.84%	14.23%	Well	157.935
7213	Citibank, National Association	Las Vegas	NV	36.3%	Fitch	F1+	8.51%	13.60%	15.48%	Well	1,171.094
57282	Citizens Bank of Pennsylvania	Philadelphia	PA	21.7%	Fitch	F1	8.35%	12.96%	14.34%	Well	30.927
17281	City National Bank	Beverly Hills	CA	47.9%	Moody's	P-1	8.28%	11.83%	14.62%	Well	19.744
983	Comerica Bank	Dallas	TX	26.3%	Fitch	F1	10.15%	9.57%	13.54%	Well	56.965
24998	Commerce Bank, National Association	Kansas City	MO	15.3%	Moody's	P-1	8.81%	12.11%	13.36%	Well	17.860
6989	Community Bank, National Association	Canton	NY	12.6%	Fitch	F2	6.21%	10.13%	11.38%	Well	5.460
19048	Compass Bank	Birmingham	AL	63.8%	Fitch	F1	8.21%	11.25%	14.67%	Well	65.147
623	Deutsche Bank Trust Company Americas	New York	NY	9.3%	Fitch	F1+	20.33%	37.03%	37.94%	Well	45.147
5649	Discover Bank	Greenwood	DE	25.7%	Fitch	F2	7.68%	10.48%	13.84%	Well	63.056
6672	Fifth Third Bank	Cincinnati	OH	28.3%	Fitch	F1	12.36%	13.84%	15.75%	Well	110.801
7468	First Commonwealth Bank	Indiana	PA	38.2%	Fitch	F2	8.21%	9.43%	10.69%	Well	6.286
17985	First Hawaiian Bank	Honolulu	HI	6.0%	Fitch	F1+	12.13%	18.00%	19.22%	Well	14.259
3709	First Midwest Bank	Itasca	IL	24.0%	Moody's	P-2	10.46%	12.45%	13.71%	Well	7.391
5452	First National Bank of Omaha	Omaha	NE	34.5%	Moody's	P-2	6.94%	9.51%	15.82%	Well	11.433
13675	Firstmerit Bank, National Association	Akron	OH	25.9%	Fitch	F1	7.09%	9.35%	10.56%	Well	12.307
7551	Fulton Bank, National Association	Lancaster	PA	27.7%	Fitch	F1	7.88%	9.08%	11.36%	Well	8.331
12441	Hancock Bank	Gulfport	MS	28.6%	Moody's	P-1	7.32%	11.76%	12.96%	Well	5.571
628	JPMorgan Chase Bank, National Association	Columbus	OH	49.7%	Fitch	F1+	5.97%	10.01%	14.12%	Well	1,674.523
17534	KeyBank National Association	Cleveland	OH	36.0%	Fitch	F1	8.94%	10.14%	14.40%	Well	91.953
1020	M&I Marshall and Ilsley Bank	Milwaukee	WI	52.6%	Fitch	F1	7.77%	9.21%	12.80%	Well	50.066
588	Manufacturers and Traders Trust Company	Buffalo	NY	34.8%	Fitch	F1	7.92%	8.24%	12.03%	Well	67.459
32992	Morgan Stanley Bank, National Association	Salt Lake City	UT	6.6%	Fitch	F1+	10.73%	17.75%	21.31%	Well	72.292
16022	New York Community Bank	Westbury	NY	40.1%	Fitch	F2	8.29%	13.96%	14.52%	Well	39.888
3832	Old National Bank	Evansville	IN	17.7%	Fitch	F2	6.39%	9.67%	11.54%	Well	7.668
34252	Pacific Coast Bankers' Bank	San Francisco	CA	41.2%	---	---	8.05%	22.09%	23.35%	Well	0.631
6384	PNC Bank, National Association	Pittsburgh	PA	51.1%	Fitch	F1	9.99%	11.51%	15.11%	Well	254.518
57957	RBS Citizens, National Association	Providence	RI	28.0%	Fitch	F1	7.61%	9.89%	12.44%	Well	114.492
12368	Regions Bank	Birmingham	AL	48.8%	Fitch	F2	8.10%	10.62%	13.94%	Well	133.186
24735	Silicon Valley Bank	Santa Clara	CA	7.0%	Moody's	P-1	7.28%	13.25%	17.90%	Well	13.434
1081	Southwest Bank, An M&I Bank	Saint Louis	MO	19.3%	Fitch	F2	8.46%	12.65%	13.51%	Well	5.885
29950	Sovereign Bank	Wyomissing	PA	51.9%	Fitch	F1+	7.75%	9.18%	12.39%	Well	73.394
14	State Street Bank and Trust Company	Boston	MA	2.3%	Fitch	F1+	8.68%	17.61%	19.30%	Well	149.611
867	SunTrust Bank	Atlanta	GA	59.7%	Fitch	F2	7.65%	8.87%	12.19%	Well	160.993
28330	TCF National Bank	Wayzata	MN	41.6%	Fitch	F1	7.39%	9.62%	12.13%	Well	18.198
33947	TD Bank USA, National Association	Portland	ME	0.1%	Fitch	F1+	11.68%	162.64%	163.04%	Well	12.066
639	The Bank of New York Mellon	New York	NY	8.5%	Fitch	F1+	6.58%	12.26%	16.30%	Well	162.064
5510	The Frost National Bank	San Antonio	TX	20.3%	Fitch	F1	8.39%	12.23%	13.51%	Well	16.804
6560	The Huntington National Bank	Columbus	OH	58.5%	Fitch	F1	5.99%	7.11%	11.53%	Well	51.418
913	The Northern Trust Company	Chicago	IL	7.2%	Fitch	F1+	7.96%	12.81%	15.84%	Well	63.110
4988	Trustmark National Bank	Jackson	MS	40.2%	Fitch	F1	9.50%	12.70%	14.67%	Well	9.164

FDIC Cert #	Bank Name	City	State	Texas Ratio	Qualifying Rating	Short Term Rating	Tier 1 Leverage	Tier 1 Risk Based	Total Risk Based	Reg Capital Category	Status	Assets (Billions)
8273	UMB Bank, National Association	Kansas City	MO	8.4%	Fitch	F1+	5.86%	10.96%	12.11%	Well		9.111
22826	Union Bank, National Association	San Francisco	CA	21.3%	Fitch	F1	8.36%	10.92%	13.27%	Well		85.053
9396	Valley National Bank	Wayne	NJ	15.0%	Moody's	P-1	7.61%	9.81%	11.73%	Well		14.453
28088	Washington Federal Savings and Loan Association	Seattle	WA	45.8%	Fitch	F2	11.17%	20.88%	22.03%	Well		13.792
18221	Webster Bank, National Association	Waterbury	CT	28.7%	Moody's	P-2	8.00%	11.47%	13.33%	Well		17.981
3430	Westamerica Bank	San Rafael	CA	46.4%	Fitch	F1	8.01%	13.65%	15.14%	Well		4.703
680	Wilmington Trust Company	Wilmington	DE	42.8%	Fitch	F2	11.99%	12.51%	13.79%	Well		8.888
2270	Zions First National Bank	Salt Lake City	UT	50.1%	Fitch	F2	9.25%	11.27%	12.48%	Well		17.196

#### Federal Reserve Bank

---	Federal Reserve Bank	San Francisco	CA	---	---	---	---	---	---	---	---	---
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#### Government Sponsored Entities

---	Federal Home Loan Bank - District	Atlanta	GA	---	Moody's	P-1	---	---	---	---	---	---
---	Federal Home Loan Bank - District	Boston	MA	---	Moody's	P-1	---	---	---	---	---	---
---	Federal Home Loan Bank - District	Dallas	TX	---	Moody's	P-1	---	---	---	---	---	---
---	Federal Home Loan Bank - District	San Francisco	CA	---	Moody's	P-1	---	---	---	---	---	---
---	Federal Home Loan Bank - District	Seattle	WA	---	Moody's	P-1	---	---	---	---	---	---
---	Federal Home Loan Bank - District	Des Moines	IA	---	Moody's	P-1	---	---	---	---	---	---
---	Federal Home Loan Bank - District	Chicago	IL	---	Moody's	P-1	---	---	---	---	---	---
---	Federal National Mortgage Corp	Washington	DC	---	Moody's	P-1	---	---	---	---	---	---
---	Federal Home Loan Mortgage Corp	Washington	DC	---	Moody's	P-1	---	---	---	---	---	---

#### Guaranteed NCUA - Credit Unions

---	Central Corporate Credit Union	Southfield	MI	---	---	---	---	---	---	---	---	---
---	Constitution Corporate Federal Credit Union	Wallingford	CT	---	---	---	---	---	---	---	---	---
---	Corporate One Federal Credit Union	Columbus	OH	---	---	---	---	---	---	---	---	---
---	First Corporate Credit Union	Phoenix	AZ	---	---	---	---	---	---	---	---	---
---	Georgia Central Credit Union	Atlanta	GA	---	---	---	---	---	---	---	---	---
---	Kansas Corporate Credit Union	Wichita	KS	---	---	---	---	---	---	---	---	---
---	Members United Federal Credit Union	Warrenville	IL	---	---	---	---	---	---	---	---	---
---	Missouri Corporate Credit Union	St. Louis	MO	---	---	---	---	---	---	---	---	---
---	Southeast Corporate Federal Credit Union	Tallahassee	FL	---	---	---	---	---	---	---	---	---
---	U.S. Central Federal Credit Union	Lenexa	KS	---	---	---	---	---	---	---	---	---
---	Western Corporate Federal Credit Union	San Dimas	CA	---	---	---	---	---	---	---	---	---

#### NOTES

**Texas Ratio** Ratio came from research done on Texas banks during the early 1980s (hence the name) and was tested again on New England bank failures during the 1990s. It has a reasonably high degree of accuracy when asset quality is the biggest issue in the industry. The research found that institutions tended to be severely stressed and fail when this ratio climbed above 100%.

**Calculation** (All loans past due 30 days or more + Nonaccrual loans + OREO) / (Tier 1 Capital + Loan Loss Reserves)

#### Fitch (may have an added "+" to denote any exceptionally strong credit feature)

F1 Highest short-term credit quality. Indicates the strongest intrinsic capacity for timely payment of financial commitments  
F2 Good short-term credit quality. Good intrinsic capacity for timely payment of financial commitments.

#### Moody's (certain obligations are designated with a plus sign (+) which indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong)

P-1 Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.  
P-2 Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

#### Standard & Poor's (certain obligations are designated with a plus sign (+) which indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong)

A-1 A short-term obligation rated 'A-1' is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong.  
A-2 A short-term obligation rated 'A-2' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

#### Regulatory Capital Category Definitions

	Leverage	Tier 1 RBC	Total RBC	
Well Capitalized	>=5%	>=6%	>=10%	Well
Adequately Capitalized	>=4%	>=4%	>=8%	Adequate
Undercapitalized	>=3%	>=3%	>=6%	Under
Significantly Undercapitalized	<3%	<3%	<6%	Significantly Under
Critically Undercapitalized	---	---	---	Critically Under

#### Pacific Coast Bankers' Bank

PCBB From time to time under the program, Pacific Coast Bankers' Bank may also borrow from the Agency Fed Funds pool.