

TCD PROGRAM OVERVIEW

As part of the Oregon Short Term Fund's investment process, the Treasury purchases Time Certificates of Deposit (TCD's) from qualified institutions. The process is a formal monthly program that purchases local bank TCD's under authority of ORS 295.081.

Each month, on order date, the OSTF investment officer will determine the maturity dates and the rate for each maturity date for that month's TCD's. Maturity date and rate information will be available by 9:00 a.m. Orders may be submitted at any time before 1:00 p.m. on order date.

TCD rates will be set by the Treasury as of 8:00 am on the order date and will be equal to the rate posted for Time Certificates of Deposit as provided by the Federal reserve Bank (available from the Federal Reserve Statistical Release, Selected Interest Rates H.15 Report via Bloomberg), unless order date falls on a day when the Fed is closed, i.e. Columbus day in October. In which case, the data used will be for the working day prior to that order date. Please note: Effective 4/9/07, The Federal Reserve Statistical Release, Selected Interest Rates H.15 Report is now posting rates with a one-day lag. In addition, the prior day end of business rates are not available until 4:30 p.m. EST (1:30 p.m. PST), therefore the rates quoted on Monday morning at 8:00 a.m. will be the close of business from the prior Thursday. Rate and maturity date information may be obtained by calling the Treasury, 503-378-4155, between 8:00 a.m. and 1:00 p.m. on order date.

Maturity dates will vary depending on Treasury needs but will always fall on a subsequent TCD settlement date; i.e., all CD's will be for 1, 2 or 3 months. Please refer to TCD schedule for actual dates.

The Treasury will attempt to keep a minimum of \$200 million available for Oregon TCD's. If orders received are for less than the total available for TCD's, the balance will be invested to the next maturity date and will again be made available to banks.