

STATE OF OREGON
OFFICE OF THE STATE TREASURER

Instructions to become a Qualified Bank Depository for Oregon public funds

In order to be listed on the qualified depository list, a bank needs to complete the following documents:

1. Tri-party "Pledge Agreement for Public Funds Deposits", with attached Exhibit B
2. "Initial Treasurer Report"
3. Registration form for Public Funds Collateralization Program (PFCP)

PLEDGE AGREEMENT FOR PUBLIC FUNDS DEPOSITS

The tri-party agreement is between the bank, the custodian and the Office of the State Treasurer (OST). Currently, the "Custodian" for Oregon public funds collateralization is the Federal Home Loan Bank of Seattle (FHLB). Bank depositories accepting public funds must establish a custodial relationship with FHLB.

Exhibit B of this agreement is a copy of the approval of the bank's Board of Directors or Loan Committee to enter into the tri-party agreement. **A copy of the approval must be attached to the agreement and must be kept as a permanent record of the bank.**

INITIAL TREASURER REPORT

The "Initial Treasurer Report" requires information from your current "Report of Condition and Income" submitted to your federal regulatory authority. You will also be required to report your estimated total Oregon public funds balances for the next quarter that will be in excess of the FDIC insured amounts. This estimate is used to calculate your maximum liability (minimum collateral that must be pledged at FHLB).

PFCP REGISTRATION

The Public Funds Collateralization Program (PFCP) is a web based program required by OST to submit your quarterly Treasurer Report and to request approval for any security pledges or releases from your collateral account at FHLB. You will designate employees from your bank that will have access to the system, and their permission levels. All users will be required to download a digital certificate, provided by OST, in order to access the system.