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Date: 9/27/99

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8000 COMMENTS: We have been participating in the Treasury Direct Program for approximately 2 and a half years. During that time we have used the Treasury funds primarily for overnight investments rather than a source of borrowings. We have averaged approximately a 25 basis point return on Treasury funds deposited with us.

Using the overnight repurchase rate and effectively reducing our spread on this matched investment to 2 basis points will make us question the true return of participating in the program.

We are a state chartered credit union and do not calculate capital adequacy using a risk based model. Participation in the Treasury program requires additional disclosure to our regulators. We also must manage the safekeeping aspects of our collateral pledged to the Federal reserve, our securities portfolio.

During our brief participation in the program we have experienced several unanticipated "Calls" which resulted in a negative balance in our account with the Federal Reserve, and consequently monetary fines.

Given the additional regulatory and safekeeping management aspects, coupled with the potential for unanticipated "Calls" we would have to seriously evaluate participating in the program for a 2 basis point spread.

Regards,

Hanks Sigmon
Controller
First Technology CU