

TECHNICAL REPRESENTATIONS AND CERTIFICATIONS

Oak Brook Bank makes the following technical representations and certifications as part of its bid to the Department of Energy to service a checks-paid letter of credit.

1. Financial Institution Fiscal Information

a. The financial institution is a () national chartered financial institution (X) state chartered financial institution organized and existing in the state of Illinois.

b. The financial institution (X) maintains () does not maintain an account with a Federal Reserve district or branch bank.

c. The current (X) Federal () State time deposit reserve requirement for the financial institution is 10%

d. The financial institution insures each time account for \$100,000 under federally approved deposit insurance (X) Yes () No. Deposits are insured by a Government deposit insurance organization approved by the Department of the Treasury (a list of approved insurance organizations is attached to the form).

If no, explain:

e. The financial institution has on-line access to the Federal Reserve Communications System (FRCS). If no, explain:

Yes.

f. To receive same-day credit from the Federal Reserve, the financial institution can ascertain the amount of payments cleared and submit a payment request through the FRCS by 6 o'clock p.m. eastern time.

This deadline is dependent on the A.S.A.P. cut-off time. Oak Brook Bank can process the payment request up until 6 o'clock p.m. eastern time, but request Universities Research to provide funding requirements to Oak Brook Bank by 3 o'clock eastern standard time.

2. Minority Business enterprises

Does the financial institution operate as a minority or woman-owned business enterprise without at least 50 percent ownership by minority group or woman members? () Yes (X) No. (For present purposes, minority group members are African Americans, Hispanics Americans, Asian Americans, American Indians, Caucasian Women, Eskimos and Aleuts.)

3. Technical

a. Does the financial institution currently service and reconcile an account with a payment volume equal to or exceeding the anticipated volume required by the contractor as stated in the "Schedule of Financial Institution Processing Charges"?

Service: (X) Yes () No

Reconciliation: (X) Yes () No

b. What is the highest number of payments serviced and reconciled for a single account?

Service: 13,000 per month
156,000 per year

Reconciliation 13,000 per month
156,000 per year

c. Describe how you support transmission of Federal tax deposits via EFTPS.

Oak Brook Bank supports the transmission of Federal tax deposits via EFTPS through the utilization of a 3rd party vendor (TTAX). All transactions are processed through Oak Brook Bank.

d. Describe how you support electronic transmission of State of Illinois tax deposits, and other states if applicable.

As described above on question (c), Oak Brook Bank uses a 3rd party vendor to support electronic transmission of Illinois (and any other state's) tax deposits.

e. Describe the procedure for electronically transmitting ACH files for processing, including lead time required for deposit by a due date (c.g. payroll direct deposits), any software required, and the operating system upon which any required software runs.

Universities Research Association has two options available for sending ACH files to Oak Brook Bank. First, Universities Research can electronically send ACH files via a software that correctly formats ACH transmissions to NACHA specifications. Finally, if the above mentioned software is unavailable to Universities Research, Oak Brook Bank will supply a software (MicroACE) to electronically format and transmit ACH files to Oak Brook Bank. Also, Oak Brook Bank's MicroACE software is compatible with Universities Research's current operating system.

The lead time required for payroll ACH transmissions is two days before the due date and must be received by 2:30 p.m. All other ACH transmissions may be transmitted one day before the due date and must be received by 2:30 p.m. During the 4th quarter of 1998, Oak Brook Bank will be extending the timeframe for ACH file transmission from 2:30 p.m. to 4:30 p.m.

f. Describe the on-line banking services to which the Recipient organization could subscribe (e.g. checks cashed, stop payment processing, balance reporting, wire transfer initiation), the software required to access the on-line system and the operating system on which the software runs. Also comment on whether same-day access to account activity is available.

Universities Research is currently utilizing Oak Brook Bank's on-line banking product - *EBS* (Electronic Banking Services). *EBS* is a DOS based software and is compatible with Universities Research's operating system. This software provides prior and current day information to your organization.

During the 2nd quarter of 1998, Oak Brook Bank proudly unveiled its newest technological achievement - *WEBS*. Through *WEBS*, corporate customers can fully utilize Oak Brook Bank's on-line banking services through the World Wide Web (internet). Those services include: checks cashed, stop payments, balance reporting (prior and current day), wire transfers, and monthly statement viewing capabilities.

g. Explain your banks' internal procedures for reviewing cleared checks for compliance with corporate resolution (e.g. signature requirements) and for verifying proper endorsement.

All cleared checks meeting a pre-determined threshold amount are reviewed for compliance with corporate resolution and verified for proper endorsement.

h. Where is the nearest bank branch to Recipient organization's site in Batavia? Is it a full-service facility? If not, what services (as detailed in Attachment 3) cannot be obtained?

Oak Brook Bank has three full-service facilities within 5 miles of Universities Research's site in Batavia. The three full-service facilities are located in Warrenville (southwest corner of Batavia Rd. and Rt. 56), Aurora (northwest corner of Eola and Indian Trail Rd.) and Naperville (southeast corner of Diehl Rd. and Mill St.)

i. Can the bank provide a daily and/or monthly downloadable electronic file of checks cashed for the month for reconciliation purposes? On what date of the following month would a monthly file be available for downloading? What software is needed to accomplish this and on what operating system does the software run?

Yes, Oak Brook Bank can provide Universities Research a daily and/or monthly downloadable electronic file of checks cashed for the month. Universities Research could expect the monthly downloadable file by the 5th of each month. The software required for this service converts the information into an ASCII file, which is in a DOS format.

j. Can you provide same-day delivery by courier service of the last calendar day's activity with backup documentation each month?

Yes.

k. Please provide at least three references, with transaction volumes similar to the Recipient organization's, which we may contact.

1. Healthcare Associates Credit Union
P.O. Box 3053
Naperville, IL 60566-7053
Contact: Joseph Kregul
Phone #: (630)-505-9390 x. 222

2. Spiegel, Inc.
3500 Lacey Road
Downers Grove, IL 60515-5431
Contact: Kathy Burns
Phone #: (630)-769-2138

3. Pace
550 West Algonquin Rd.
Arlington Heights, IL 60005-4412
Contact: Ella Hudson
Phone #: (847)-228-2412

l. How long has the bank been in business? Explain changes in ownership/management in the past 5 years.

Oak Brook Bank was incorporated on January 17, 1962, and has been in business for 36 years. During fiscal year 1997, Richard M. Rieser succeeded Eugene Heytow as Chairman of the Board and George C. Clam succeeded Richard M. Rieser as Oak Brook Bank's President.

4. Implementation

a. Is the bank a member of the Automated Clearing House? YES X NO ___

b. Does the bank offer a Controlled Disbursement Service delivering a one-time daily check clearing information as early as 10:00 AM? YES X NO ___ (This information is usually available by 9:00 a.m. each morning.)

c. As necessary, will the bank pledge collateral, acceptable under Department of the Treasury Department Circular 176 and the Treasury Financial Manual with the Federal Reserve Bank in an amount equal to the Federal Funds deposited in all of the accounts included in the Agreement, less the Treasury-approved deposit insurance? YES X NO ___ . If no, please explain:

d. How long will it take the bank to start the letter of credit after the following documents and information have been provide: Signature cards, letters of credit authorizations, DOE Agency Location Code, and the Letter of Credit Number?

Immediately

Number of days = 0

e. Does the bank currently or has it been in the past maintained a checks-paid letter of credit for other Federal Agencies? YES () NO (X)

f. Does the bank have the capability of preparing a bank and an account analysis using the per item cost and format from the "Schedule of Bank Processing Charges" (Attachment 3), on a monthly basis? YES (X) NO () (Oak Brook Bank can also provide a disk containing AA (account analysis) in the standard EDI (Electronic Data Interchange) 822 format.

g. Can the bank furnish the monthly bank statement and account analysis to the recipient organization and the Chicago Operations Office? YES (X) NO ()
How soon after the end of the month can they be mailed to the addressees? By 15 th of each month (approximate date)