

HARRIS PREFERRED CAPITAL CORP

Form 10-Q

November 14, 2002

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2002

COMMISSION FILE NUMBER 1-13805

HARRIS PREFERRED CAPITAL CORPORATION
(Exact name of registrant as specified in its charter)

MARYLAND
(State or other jurisdiction
of incorporation or organization)

36-4183096
(I.R.S. Employer Identification No.)

111 WEST MONROE STREET, CHICAGO, ILLINOIS
(Address of principal executive offices)

60603
(Zip Code)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE:
(312) 461-2121

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

The number of shares of Common Stock, \$1.00 par value, outstanding on November 13, 2002 was 1,000.

HARRIS PREFERRED CAPITAL CORPORATION
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	The above financial statements, financial review and controls and procedures discussion, included in the Corporation's 2002 Third Quarter Report, are filed as Exhibit A and incorporated herein by reference.	
Part II	OTHER INFORMATION	
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	(a) Exhibits	
	99.1 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	
	(b) Reports on Form 8-K	
	None	
Signatures.....		20
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HARRIS PREFERRED CAPITAL CORPORATION
BALANCE SHEETS
(UNAUDITED)

	SEPTEMBER 30 2002	DECEMBER 31 2001	SEPT
	-----	-----	-----
	(IN THOUSANDS, EXCEPT PER SHARE D		
ASSETS			
Cash on deposit with Harris Trust and Savings Bank.....	\$ 501	\$ 506	\$
Securities purchased from Harris Trust and Savings Bank under agreement to resell.....	17,500	21,000	
Notes receivable from Harris Trust and Savings Bank.....	36,749	55,962	
Securities available-for-sale:			
Mortgage-backed.....	273,339	319,644	2
U.S. Treasury.....	219,913	84,932	1
Securing mortgage collections due from Harris Trust and Savings Bank.....	2,270	5,353	
Other assets.....	1,189	1,945	

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TOTAL ASSETS.....	----- \$551,461 =====	----- \$489,342 =====	----- \$5 =====
LIABILITIES AND STOCKHOLDERS' EQUITY			
Broker payable -- due to securities purchase.....	\$ 50,397	\$ --	\$
Accrued expenses.....	20	100	
	-----	-----	-----
TOTAL LIABILITIES.....	50,417	100	
Commitments and contingencies.....	--	--	
STOCKHOLDERS' EQUITY			
7 3/8% Noncumulative Exchangeable Preferred Stock, Series A (\$1 par value); liquidation value of \$250,000; 20,000,000 shares authorized, 10,000,000 shares issued and outstanding.....	250,000	250,000	2
Common stock (\$1 par value); 1,000 shares authorized, issued and outstanding.....	1	1	
Additional paid-in capital.....	240,733	240,733	2
Earnings in excess of distributions.....	3,882	385	
Accumulated other comprehensive income (loss) -- unrealized gains (losses) on available-for-sale securities.....	6,428	(1,877)	
	-----	-----	-----
TOTAL STOCKHOLDERS' EQUITY.....	501,044	489,242	5
	-----	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY.....	\$551,461 =====	\$489,342 =====	\$5 =====

The accompanying notes are an integral part of these financial statements.

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HARRIS PREFERRED CAPITAL CORPORATION

STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME
(UNAUDITED)

	QUARTER ENDED SEPTEMBER 30		NINE MONTHS END SEPTEMBER 30	
	2002	2001	2002	
	----	----	----	----
	(IN THOUSANDS, EXCEPT PER SHARE DATA)			
INTEREST INCOME:				
Securities purchased from Harris Trust and Savings Bank under agreement to resell.....	\$ 676	\$ 365	\$ 1,635	\$
Notes receivable from Harris Trust and Savings Bank.....	641	1,198	2,226	
Securities available-for-sale:				
Mortgage-backed.....	3,028	5,832	10,945	
U.S. Treasury.....	114	73	284	
	-----	-----	-----	-----
Total interest income.....	4,459	7,468	15,090	
NON-INTEREST INCOME:				
Gain (loss) on sale of securities.....	(17)	2,593	2,678	
	-----	-----	-----	-----

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OPERATING EXPENSES:

Loan servicing fees paid to Harris Trust and Savings Bank.....	31	56	106	
Advisory fees paid to Harris Trust and Savings Bank.....	8	8	35	
General and administrative.....	47	50	172	
	-----	-----	-----	
Total operating expenses.....	86	114	313	
	-----	-----	-----	
Net income.....	4,356	9,947	17,455	
Preferred dividends.....	4,609	4,609	13,828	
	-----	-----	-----	
NET INCOME (LOSS) AVAILABLE TO COMMON STOCKHOLDER.....	\$ (253)	\$ 5,338	\$ 3,627	\$
	=====	=====	=====	=====
Basic and diluted earnings (losses) per common share.....	\$ (253.00)	\$5,338.00	\$3,627.00	\$13
	=====	=====	=====	=====
Net income.....	\$ 4,356	\$ 9,947	\$ 17,455	\$
Other comprehensive income -- unrealized gains on available-for-sale securities...	4,615	6,652	8,305	
	-----	-----	-----	
Comprehensive income.....	\$ 8,971	\$ 16,599	\$ 25,760	\$
	=====	=====	=====	=====

The accompanying notes are an integral part of these financial statements.

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HARRIS PREFERRED CAPITAL CORPORATION

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)

	NINE MONTHS ENDED SEPTEMBER 30	
	2002	2001
	-----	-----
	(IN THOUSANDS, EXCEPT PER SHARE DATA)	
BALANCE AT JANUARY 1.....	\$489,242	\$489,824
Net income.....	17,455	27,471
Other comprehensive income.....	8,305	5,010
Dividends -- common stock.....	(130)	(346)
Dividends (preferred stock \$0.4609 per share).....	(13,828)	(13,828)
	-----	-----
BALANCE AT SEPTEMBER 30.....	\$501,044	\$508,131
	=====	=====

The accompanying notes are an integral part of these financial statements.

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HARRIS PREFERRED CAPITAL CORPORATION

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STATEMENTS OF CASH FLOWS
(UNAUDITED)

	NINE MONTHS ENDED SEPTEMBER 30	
	2002	2001
	----- (IN THOUSANDS) -----	
OPERATING ACTIVITIES:		
Net Income.....	\$ 17,455	\$ 27,471
Adjustments to reconcile net income to net cash provided by operating activities:		
Gain on sale of securities.....	(2,678)	(4,796)
Net decrease in other assets.....	756	1,039
Net increase in broker payable-due to securities purchases.....	50,397	--
Net decrease in accrued expenses.....	(80)	(94)
	-----	-----
Net cash provided by operating activities.....	65,850	23,620
	-----	-----
INVESTING ACTIVITIES:		
Net decrease (increase) in securities purchased from Harris Trust and Savings Bank under agreement to resell.....	3,500	(18,001)
Repayments of notes receivable from Harris Trust and Savings Bank.....	19,213	34,301
Decrease in securing mortgage collections due from Harris Trust and Savings Bank.....	3,083	383
Purchases of securities available-for-sale.....	(667,075)	(413,304)
Proceeds from maturities and sales of securities available-for-sale.....	589,382	387,426
	-----	-----
Net cash used by investing activities.....	(51,897)	(9,195)
	-----	-----
FINANCING ACTIVITIES:		
Cash dividends paid on preferred stock.....	(13,828)	(13,828)
Cash dividends paid on common stock.....	(130)	(346)
	-----	-----
Net cash used by financing activities.....	(13,958)	(14,174)
Net (decrease) increase in cash on deposit with Harris Trust and Savings Bank.....	(5)	251
Cash on deposit with Harris Trust and Savings Bank at beginning of period.....	506	819
	-----	-----
Cash on deposit with Harris Trust and Savings Bank at end of period.....	\$ 501	\$ 1,070
	=====	=====

The accompanying notes are an integral part of these financial statements.

HARRIS PREFERRED CAPITAL CORPORATION
NOTES TO FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

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Harris Preferred Capital Corporation (the "Company") is a Maryland corporation whose principal business objective is to acquire, hold, finance and manage qualifying real estate investment trust ("REIT") assets (the "Mortgage Assets"), consisting of a limited recourse note or notes (the "Notes") issued by Harris Trust and Savings Bank (the "Bank") secured by real estate mortgage assets (the "Securing Mortgage Loans") and other obligations secured by real property, as well as certain other qualifying REIT assets. The Company holds its assets through a Maryland real estate investment trust subsidiary, Harris Preferred Capital Trust. Harris Capital Holdings, Inc., a wholly-owned subsidiary of the Bank, owns 100% of the Company's common stock.

The accompanying financial statements have been prepared by management from the books and records of the Company, without audit by independent certified public accountants. These statements reflect all adjustments and disclosures which are, in the opinion of management, necessary for a fair statement of the results for the interim periods presented and should be read in conjunction with the notes to financial statements included in the Company's 2001 Form 10-K. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission.

2. COMMITMENTS AND CONTINGENCIES

Legal proceedings in which the Company is a defendant may arise in the normal course of business. There is no pending litigation against the Company.

3. ACCOUNTING PRONOUNCEMENTS

The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 141, "Business Combinations." The Statement addresses financial accounting and reporting for business combinations and supersedes APB Opinion No. 16, "Business Combinations." It requires all business combinations within the scope of the Statement to be accounted for using one method, the purchase method. It establishes criteria for the initial recognition of intangible assets acquired in a business combination. The provisions of the Statement apply to all business combinations initiated after June 30, 2001 and to all business combinations accounted for by using the purchase method for which the date of acquisition is July 1, 2001 or later. The implementation of this Statement has not had a material effect on the Company's financial position or results of operations.

In July 2001, the Financial Accounting Standards Board ("FASB") issued SFAS No. 142, "Goodwill and Other Intangible Assets." The Statement addresses financial accounting and reporting for acquired goodwill and other intangible assets and supersedes APB Opinion No. 17, "Intangible Assets." Under this Statement, goodwill and other intangible assets that have indefinite useful lives will not be subject to amortization while intangible assets with finite lives will be amortized. The Statement is effective for fiscal years beginning after December 15, 2001. However, goodwill and intangible assets acquired after June 30, 2001 will be subject immediately to the nonamortization and amortization provisions of the Statement. The implementation of this Statement has not had a material effect on the Company's financial position or results of operations.

In June 2001, the FASB issued SFAS No. 143, "Accounting for Asset Retirement Obligations." The Statement addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. The Statement requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The associated asset retirement costs should be capitalized as part of

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the carrying amount of the long-lived asset. The Statement is effective for financial statements issued for fiscal

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HARRIS PREFERRED CAPITAL CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

years beginning after June 15, 2002. The Company does not expect the implementation of this Statement to have a material effect on its financial position or results of operations.

In August 2001, the FASB issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." The Statement addresses financial accounting and reporting for the impairment or disposal of long-lived assets and establishes a single accounting model for long-lived assets to be disposed of by sale. It supersedes SFAS No. 121 and the accounting and reporting provisions of APB Opinion No. 30 for the disposal of a segment of a business. The Statement is effective for financial statements issued for fiscal years beginning after December 15, 2001 and interim periods within those fiscal years. The implementation of this Statement has not had a material effect on the Company's financial position or results of operations.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING INFORMATION

The statements contained in this Report on Form 10-Q that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements regarding the Company's expectation, intentions, beliefs or strategies regarding the future. Forward-looking statements include the Company's statements regarding tax treatment as a real estate investment trust, liquidity, provision for loan losses, capital resources and investment activities. In addition, in those and other portions of this document, the words "anticipate," "believe," "estimate," "expect," "intend" and other similar expressions, as they relate to the Company or the Company's management, are intended to identify forward-looking statements. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. It is important to note that the Company's actual results could differ materially from those described herein as anticipated, believed, estimated or expected. Among the factors that could cause the results to differ materially are the risks discussed in the "Risk Factors" section included in the Company's Registration Statement on Form S-11 (File No. 333-40257), with respect to the Preferred Shares declared effective by the Securities and Exchange Commission on February 5, 1998. The Company assumes no obligation to update any such forward-looking statement.

RESULTS OF OPERATIONS

THIRD QUARTER 2002 COMPARED WITH THIRD QUARTER 2001

The Company's net income for the third quarter of 2002 was \$4.4 million. This represented a \$5.5 million or 56% decrease from third quarter 2001 earnings of \$9.9 million. Earnings decreased primarily because of reduced interest income on earning assets and a \$2.6 million gain on sale of securities in 2001 compared to a small loss in the current year. As assets mature or are sold, proceeds have been invested in lower yielding securities because market interest rates have been declining in the last twelve months.

Third quarter 2002 interest income on the Notes totaled \$641 thousand and

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yielded 6.4% on \$40.1 million of average principal outstanding for the quarter compared to \$1.2 million and a 6.4% yield on \$75.1 million average principal outstanding for third quarter 2001. The decrease in income was attributable to a reduction in the Notes balance because of customer payoffs on the Securing Mortgage Loans. The average outstanding balance of the Securing Mortgage Loans for third quarter 2002 and 2001 was \$49 million and \$91 million, respectively. Interest income on securities available-for-sale for the current quarter was \$3.1 million resulting in a yield of 4.6% on an average balance of \$276 million, compared to \$5.9 million with a yield of 6.3% on an average balance of \$374 million for the same period a year ago. The decrease in interest income is primarily attributable to the reduction in yield. As securities mature or are sold, proceeds have been invested in lower yielding securities because market interest rates have been declining in the past twelve months.

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HARRIS PREFERRED CAPITAL CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

There were no Company borrowings during third quarter 2002 or 2001.

Third quarter 2002 operating expenses totaled \$86 thousand, a decrease of \$28 thousand or 25% from the third quarter of 2001. Loan servicing expenses totaled \$31 thousand, a decrease of \$25 thousand or 45% from a year ago. This decrease is attributable to the reduction in the principal balance of the Notes, thereby reducing servicing fees payable to the Bank. Advisory fees for both the third quarter 2002 and 2001 were \$8 thousand. General and administrative expenses totaled \$47 thousand, a decrease of \$3 thousand over third quarter 2001.

At September 30, 2002 and 2001, there were no Securing Mortgage Loans on nonaccrual status.

The Company does not currently maintain an allowance for loan losses due to the over-collateralization of the Notes represented by the Securing Mortgage Loans.

For the current quarter, the Company had a \$253,000 loss after dividends on its preferred stock. The Company anticipates that it has sufficient liquidity and earnings capacity to continue preferred dividend payments on an uninterrupted basis.

NINE MONTHS ENDED SEPTEMBER 30, 2002 COMPARED WITH SEPTEMBER 30, 2001

The Company's net income for the nine months ended September 30, 2002 was \$17.5 million. This represented a \$10.1 million or 36% decrease from 2001 earnings of \$27.5 million. Earnings decreased primarily because of reduced interest income on earning assets. As assets mature or are sold, proceeds have been invested in lower yielding securities because market interest rates have been declining in the past twelve months. In addition, gains on security sales declined from \$4.8 million in last year's nine month period to \$2.7 million in the current 2002 period.

Interest income on securities purchased under agreement to resell for the nine months ended September 30, 2002 was \$1.6 million, an increase of \$355 thousand from the same period in 2001. Interest income on the Notes for the nine months ended September 30, 2002 totaled \$2.2 million and yielded 6.40% on \$46 million of average principal outstanding compared to \$4.2 million of income yielding 6.40% on \$87 million of average principal outstanding for the same period in 2001. The decrease in income was attributable to a reduction in the Notes balance because of customer payoffs on the Securing Mortgage Loans. There were no Company borrowings during either period. Interest income on securities

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available-for-sale for the nine months ended September 30, 2002 was \$11.2 million resulting in a yield of 5.25% on an average balance of \$285 million, compared to \$17.6 million of income with a yield of 6.48% on an average balance of \$363 million a year ago. The decrease in interest income is primarily attributable to the reduction in yield. As securities mature or are sold, proceeds have been invested in lower yielding securities as a result of market interest rates declining in recent months. Gains from investment securities sales for the nine months ended September 30, 2002 were \$2.7 million compared to \$4.8 million a year ago. The average outstanding balance of the Securing Mortgage Loans was \$40 million for the nine months ended September 30, 2002 and \$106 million for the same period in 2001.

Operating expenses for the nine months ended September 30, 2002 totaled \$313 thousand, a decrease of \$67 thousand from a year ago. Loan servicing expenses for the nine months ended September 30, 2002 totaled \$106 thousand, a decrease of \$89 thousand or 46% from 2001. This decrease is attributable to the reduction in the principal balance of the Notes because servicing costs vary directly with these balances. Advisory fees for the nine months ended September 30, 2002 were \$35 thousand compared to \$28 thousand a year ago, primarily attributable to increased securities processing costs in the current year. General and administrative expenses totaled \$172 thousand, an increase of \$15 thousand or 10% over the same period in 2001, as a result of additional reporting and compliance costs.

On September 30, 2002, the Company paid a cash dividend of \$0.46094 per share on outstanding preferred shares to the stockholders of record on September 15, 2002, as declared on September 6, 2002. On

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HARRIS PREFERRED CAPITAL CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

September 12, 2002, the Company paid a cash dividend of \$130 thousand on the outstanding common shares to the stockholder of record on September 4, 2002, as declared on September 4, 2002. This dividend completed the 2001 REIT tax compliance requirements. On September 30, 2001, the Company paid a cash dividend of \$0.46094 per share on outstanding preferred shares to the stockholders of record on September 15, 2001, as declared on August 30, 2001. On a year-to-date basis, the Company declared and paid \$13.8 million of dividends to holders of preferred shares for each of the nine-month periods ended September 30, 2002 and 2001.

LIQUIDITY RISK MANAGEMENT

The objective of liquidity management is to ensure the availability of sufficient cash flows to meet all of the Company's financial commitments. In managing liquidity, the Company takes into account various legal limitations placed on a REIT.

The Company's principal asset management requirements are to maintain the current earning asset portfolio size through the acquisition of additional Notes or other qualifying assets in order to pay dividends to its stockholders after satisfying obligations to creditors. The acquisition of additional Notes or other qualifying assets is funded with the proceeds obtained as a result of repayment of principal balances of individual Securing Mortgage Loans or maturities or sales of securities. The payment of dividends on the Preferred Shares is made from legally available funds, arising from operating activities of the Company. The Company's cash flows from operating activities principally consist of the collection of interest on the Notes, mortgage-backed securities and other earning assets. The Company does not have and does not anticipate having any material capital expenditures.

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In order to remain qualified as a REIT, the Company must distribute annually at least 90% of its adjusted REIT ordinary taxable income, as provided for under the Internal Revenue Code, to its common and preferred stockholders. The Company currently expects to distribute dividends annually equal to 90% or more of its adjusted REIT ordinary taxable income.

The Company anticipates that cash and cash equivalents on hand and the cash flow from the Notes and mortgage-backed securities will provide adequate liquidity for its operating, investing and financing needs.

As presented in the accompanying Statements of Cash Flows, the primary sources of funds in addition to \$65.9 million provided from operations during the nine months ended September 30, 2002 were \$19.2 million provided by principal payments on the Notes and \$589.4 million from the maturities and sales of securities available-for-sale. In the prior period ended September 30, 2001, the primary sources of funds other than \$23.6 million from operations were \$34.3 million provided by principal payments on the Notes and \$387.4 million from the maturities and sales of securities available-for-sale. The primary uses of funds for the nine months ended September 30, 2002 were \$667.1 million for purchases of securities available-for-sale and \$13.8 million in preferred stock dividends paid. For the prior year's quarter ended September 30, 2001, the primary uses of funds were \$413.3 million for purchases of securities available-for-sale and \$13.8 million in preferred stock dividends paid.

MARKET RISK MANAGEMENT

The Company's market risk is composed primarily of interest rate risk. There have been no material changes in market risk or the manner in which the Company manages market risk since December 31, 2001.

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HARRIS PREFERRED CAPITAL CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

OTHER MATTERS

As of September 30, 2002, the Company believes that it is in full compliance with the REIT tax rules, and expects to qualify as a REIT under the provisions of the Code. The Company expects to meet all REIT requirements regarding the ownership of its stock and anticipates meeting the annual distribution requirements.

FINANCIAL STATEMENTS OF HARRIS TRUST AND SAVINGS BANK

The following unaudited financial information for the Bank is included because the Company's preferred shares are automatically exchangeable for a new series of preferred stock of the Bank upon the occurrence of certain events.

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HARRIS TRUST AND SAVINGS BANK AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CONDITION (UNAUDITED)

SEPTEMBER 30	DECEMBER 31
2002	2001
-----	-----

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(IN THOUSANDS, EXCEPT S

ASSETS

Cash and demand balances due from banks.....	\$ 998,220	\$ 1,203,946
Money market assets:		
Interest-bearing deposits at banks.....	402,794	195,723
Federal funds sold and securities purchased under agreement to resell.....	1,412,150	579,750
Trading account assets.....	100,986	90,562
Securities available-for-sale (including \$4.12 billion, \$3.21 billion, and \$2.99 billion of securities pledged as collateral for repurchase agreements at September 30, 2002, December 31, 2001, and September 30, 2001, respectively).....	6,133,908	5,822,229
Loans, net of unearned income.....	9,431,250	9,972,473
Allowance for possible loan losses.....	(209,146)	(227,374)
	-----	-----
Net loans.....	9,222,104	9,745,099
Premises and equipment.....	291,502	287,549
Customers' liability on acceptances.....	14,226	13,365
Bank-owned insurance.....	984,635	952,225
Loans held for sale.....	107,088	121,588
Goodwill and other valuation intangibles.....	191,855	206,119
Other assets.....	445,682	518,016
	-----	-----
TOTAL ASSETS.....	\$20,305,150	\$19,736,171
	=====	=====

LIABILITIES

Deposits in domestic offices -- noninterest-bearing.....	\$ 2,330,302	\$ 3,170,649
-- interest-bearing.....	8,847,853	6,311,796
Deposits in foreign offices -- noninterest-bearing.....	34,160	38,063
-- interest-bearing.....	822,173	1,670,352
	-----	-----
Total deposits.....	12,034,488	11,190,860
Federal funds purchased and securities sold under agreement to repurchase.....	4,845,517	4,423,351
Short-term borrowings.....	595,412	704,699
Short-term senior notes.....	100,000	860,000
Acceptances outstanding.....	14,226	13,365
Accrued interest, taxes and other expenses.....	227,137	335,931
Other liabilities.....	428,793	167,288
Minority interest -- preferred stock of subsidiary.....	255,000	255,000
Long-term notes -- subordinated.....	225,000	225,000
	-----	-----
TOTAL LIABILITIES.....	18,725,573	18,175,494
	-----	-----

STOCKHOLDER'S EQUITY

Common stock (\$10 par value); authorized 10,000,000 shares; issued and outstanding 10,000,000 shares.....	100,000	100,000
Surplus.....	625,212	620,586
Retained earnings.....	786,420	819,991
Accumulated other comprehensive income.....	67,945	20,100
	-----	-----
TOTAL STOCKHOLDER'S EQUITY.....	1,579,577	1,560,677
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY.....	\$20,305,150	\$19,736,171
	=====	=====

The accompanying notes to the financial statements are an integral part of these statements.

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HARRIS TRUST AND SAVINGS BANK AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	QUARTER ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2002	2001	2002	2001
(IN THOUSANDS, EXCEPT SHARE DATA)				
INTEREST INCOME				
Loans, including fees.....	\$128,809	\$170,175	\$389,037	\$583,000
Money market assets:				
Deposits at banks.....	694	1,535	1,251	3,000
Federal funds sold and securities purchased under agreement to resell.....	1,673	3,948	6,479	11,000
Trading account.....	487	829	1,399	2,000
Securities available-for-sale:				
U.S. Treasury and Federal agency.....	45,382	81,119	150,992	271,000
State and municipal.....	3	4	22	0
Other.....	554	587	1,656	1,000
Total interest income.....	177,602	258,197	550,836	873,000
INTEREST EXPENSE				
Deposits.....	41,063	78,133	126,955	283,000
Short-term borrowings.....	15,862	42,876	47,622	186,000
Senior notes.....	1,528	9,581	11,550	27,000
Minority interest-dividends on preferred stock of subsidiary.....	4,609	4,609	13,828	13,000
Long-term notes.....	2,831	3,357	8,522	10,000
Total interest expense.....	65,893	138,556	208,477	522,000
NET INTEREST INCOME.....	111,709	119,641	342,359	350,000
Provision for loan losses.....	8,075	146,118	58,393	184,000
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES.....	103,634	(26,477)	283,966	166,000
NONINTEREST INCOME				
Trust and investment management fees.....	20,527	21,850	62,891	67,000
Money market and bond trading.....	4,133	4,950	8,260	14,000
Foreign exchange.....	(69)	1,885	3,615	5,000
Service fees and charges.....	29,213	25,442	90,203	71,000
Securities gains.....	22,562	7,557	61,273	25,000
Bank-owned insurance.....	13,693	11,859	38,976	35,000
Foreign fees.....	6,307	5,168	18,160	15,000
Other.....	12,680	13,267	36,597	37,000
Total noninterest income.....	109,046	91,978	319,975	271,000
NONINTEREST EXPENSES				
Salaries and other compensation.....	84,077	77,632	235,229	220,000
Pension, profit sharing and other employee benefits.....	15,413	12,907	45,998	39,000
Net occupancy.....	11,477	9,336	31,060	27,000

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Equipment.....	13,546	12,623	39,127	38,
Marketing.....	7,024	9,884	21,706	25,
Other.....	6,178	14,683	19,492	31,
	-----	-----	-----	-----
	137,715	137,065	392,612	382,
Goodwill and other valuation intangibles.....	6,399	5,994	18,882	17,
	-----	-----	-----	-----
Total noninterest expenses.....	144,114	143,059	411,494	400,
	-----	-----	-----	-----
Income (loss) before income taxes.....	68,566	(77,558)	192,447	37,
Applicable income taxes.....	19,925	(32,765)	55,580	(4,
	-----	-----	-----	-----
NET INCOME (LOSS).....	\$ 48,641	\$ (44,793)	\$136,867	\$ 42,
	=====	=====	=====	=====
EARNINGS PER COMMON SHARE (based on 10,000,000 average shares outstanding)				
Net Income (Loss).....	\$ 4.86	\$ (4.48)	\$ 13.69	\$ 4
	=====	=====	=====	=====

The accompanying notes to the financial statements are an integral part of these statements.

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HARRIS TRUST AND SAVINGS BANK AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
(UNAUDITED)

	2002	2001
	----	----
	(IN THOUSANDS)	
BALANCE AT JANUARY 1.....	\$1,560,677	\$1,524,423
Net income.....	136,867	42,064
Contributions to capital.....	4,626	6,098
Dividends -- common stock.....	(170,000)	(84,000)
Dividends -- preferred stock.....	(438)	--
Other comprehensive income.....	47,845	71,809
	-----	-----
BALANCE AT SEPTEMBER 30.....	\$1,579,577	\$1,560,394
	=====	=====

The accompanying notes to the financial statements are an integral part of these statements.

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HARRIS TRUST AND SAVINGS BANK AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)

QUARTER ENDED	NINE MONTHS ENDE
SEPTEMBER 30	SEPTEMBER 30
-----	-----

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	2002 ----	2001 ----	2002 ----	2001 ----
	(IN THOUSANDS)			
NET INCOME (LOSS).....	\$ 48,641	\$ (44,793)	\$136,867	\$ 42,000
OTHER COMPREHENSIVE INCOME:				
Cash flow hedges:				
Cumulative effect of accounting change.....	--	--	--	(7,000)
Net unrealized gain on derivative instruments, net of tax expense for the quarter of \$63 in 2001 and net of tax expense for the year-to-date period of \$4,684 in 2001.....	--	108	--	7,000
Unrealized gains on available-for-sale securities:				
Unrealized holding gains arising during the period, net of tax expense for the quarter of \$35,177 in 2002 and \$48,431 in 2001 and net of tax expense for the year-to-date period of \$55,395 in 2002 and \$57,862 in 2001.....	53,809	73,505	85,284	87,000
Less reclassification adjustment for realized gains included in income statement, net of tax expense for the quarter of \$8,777 in 2002 and \$2,940 in 2001 and net of tax expense for the year-to-date period of \$23,835 in 2002 and \$9,910 in 2001.....	(13,785)	(4,617)	(37,439)	(15,000)
Other comprehensive income.....	40,024	68,996	47,845	71,000
COMPREHENSIVE INCOME.....	\$ 88,665	\$ 24,203	\$184,712	\$113,000

The accompanying notes to the financial statements are an integral part of these statements.

HARRIS TRUST AND SAVINGS BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	NINE MONTHS ENDED SEPTEMBER 30	
	2002 ----	2001 ----
	(IN THOUSANDS)	
OPERATING ACTIVITIES:		
Net income.....	\$ 136,867	\$ 42,064
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses.....	58,393	184,316
Depreciation and amortization, including intangibles.....	52,302	51,257
Deferred tax expense.....	3,343	26,582
Gain on sales of securities.....	(61,273)	(25,475)
Trading account net (purchases) sales.....	(10,424)	4,689
Net decrease in interest receivable.....	15,119	58,497

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Net decrease in interest payable.....	(1,377)	(7,651)
Net decrease in loans held for sale.....	14,500	103,052
Other, net.....	333,101	(96,373)
	-----	-----
Net cash provided by operating activities.....	540,551	340,958
	-----	-----
INVESTING ACTIVITIES:		
Net increase in interest-bearing deposits at banks.....	(207,071)	(116,653)
Net (increase) decrease in Federal funds sold and securities purchased under agreement to resell.....	(832,400)	325,375
Proceeds from sales of securities available-for-sale.....	2,653,662	1,417,046
Proceeds from maturities of securities available-for-sale.....	5,901,150	6,026,533
Purchases of securities available-for-sale.....	(8,725,813)	(7,170,579)
Net decrease in loans.....	464,601	231,853
Purchases of premises and equipment.....	(37,373)	(45,051)
Net increase in bank-owned insurance.....	(32,409)	(34,079)
Other, net.....	(157,131)	478,045
	-----	-----
Net cash (used) provided by investing activities.....	(972,784)	1,112,490
	-----	-----
FINANCING ACTIVITIES:		
Net increase (decrease) in deposits.....	843,628	(941,699)
Net increase (decrease) in Federal funds purchased and securities sold under agreement to repurchase.....	422,166	(235,621)
Net decrease in short-term borrowings.....	(109,287)	(1,036,684)
Proceeds from issuance of senior notes.....	400,000	2,308,500
Repayment of senior notes.....	(1,160,000)	(1,788,000)
Cash dividends paid on common stock.....	(170,000)	(84,000)
	-----	-----
Net cash provided (used) by financing activities.....	226,507	(1,777,504)
	-----	-----
NET DECREASE IN CASH AND DEMAND BALANCES DUE FROM BANKS.....		
	(205,726)	(324,056)
CASH AND DEMAND BALANCES DUE FROM BANKS AT JANUARY 1...	1,203,946	1,292,694
	-----	-----
CASH AND DEMAND BALANCES DUE FROM BANKS AT SEPTEMBER 30.....	\$ 998,220	\$ 968,638
	=====	=====

The accompanying notes to the financial statements are an integral part of these statements.

HARRIS TRUST AND SAVINGS BANK AND SUBSIDIARIES NOTES TO FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

Harris Trust and Savings Bank (the "Bank") is a wholly-owned subsidiary of Harris Bankcorp, Inc. ("Bankcorp"), a wholly-owned subsidiary of Bankmont Financial Corp. (a wholly-owned subsidiary of Bank of Montreal). The consolidated financial statements of the Bank include the accounts of the Bank and its wholly-owned subsidiaries. Significant intercompany accounts and transactions have been eliminated. Certain reclassifications were made to conform prior year's financial statements to the current year's presentation.

The consolidated financial statements have been prepared by management from the books and records of the Bank, without audit by independent certified public

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accountants. However, these statements reflect all adjustments and disclosures which are, in the opinion of management, necessary for a fair presentation of the results for the interim periods presented.

Because the results of operations are so closely related to and responsive to changes in economic conditions, the results for any interim period are not necessarily indicative of the results that can be expected for the entire year.

2. LEGAL PROCEEDINGS

The Bank and certain of its subsidiaries are defendants in various legal proceedings arising in the normal course of business. In the opinion of management, based on the advice of legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the Bank's consolidated financial position.

3. CASH FLOWS

For purposes of the Bank's Consolidated Statements of Cash Flows, cash and cash equivalents is defined to include cash and demand balances due from banks. Cash interest payments (net of amounts capitalized) for the nine months ended September 30 totaled \$209.9 million and \$530.0 million in 2002 and 2001, respectively. Cash income tax payments over the same periods totaled \$26.9 million and \$62.0 million, respectively.

4. GOODWILL AND OTHER INTANGIBLE ASSETS

The Bank adopted Statement of Financial Accounting Standards ("SFAS") No. 142, "Goodwill and Other Intangible Assets," on January 1, 2002. Under this standard, goodwill and other intangible assets that have indefinite useful lives are not subject to amortization while intangible assets with finite lives are amortized. The Bank has an unidentifiable intangible asset that is accounted for in accordance with SFAS No. 72, "Accounting for Certain Acquisitions of Banking or Thrift Institutions." This asset is excluded from the scope of SFAS No. 142 and continues to be amortized, including amortization of \$2.35 million in third quarter 2002. Effective October 1, 2002, a new accounting standard, SFAS No. 147, "Acquisitions of Certain Financial Institutions," will require that this unidentifiable intangible asset be reclassified to goodwill and no longer be amortized starting in fourth quarter 2002. Under the transitional requirements of SFAS No. 147, the first three quarters of 2002 will be restated to reflect the reversal of previously amortized goodwill in those quarters. The impact for each of these three quarters will be \$2.35 million (\$1.4 million after tax). The goodwill will be subject to the ongoing impairment testing required by current accounting standards.

Upon adoption of SFAS No. 142 and as of September 30, 2002, the Bank had no goodwill.

For the quarters and nine months ended September 30, 2002 and September 30, 2001, the Bank had no goodwill amortization expense.

As of September 30, 2002, the gross carrying amount and accumulated amortization of the Bank's amortizable intangible assets were \$339.9 million and \$148.1 million, respectively.

Total amortization expense for the Bank's intangible assets was \$6.4 million for the quarter ended September 30, 2002 and \$18.9 million for the nine

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months ended September 30, 2002.

Estimated intangible asset amortization expense for the years ending December 31, 2003, 2004, 2005, 2006 and 2007 is \$15.9 million, \$16.1 million, \$16.3 million, \$16.5 million and \$16.7 million, respectively. The estimates exclude amortization expense associated with the unidentifiable intangible asset currently accounted for in accordance with SFAS No. 72, which will be accounted for under SFAS No. 147 as of October 1, 2002.

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HARRIS TRUST AND SAVINGS BANK AND SUBSIDIARIES

FINANCIAL REVIEW

THIRD QUARTER 2002 COMPARED WITH THIRD QUARTER 2001

SUMMARY

The Bank had third quarter 2002 net income of \$48.6 million. Third quarter 2001 results were impacted by a special provision for loan losses of \$121 million pre-tax. Including the effect of this special provision, the Bank had a net loss of \$44.8 million in third quarter 2001. Excluding the impact of the \$121 million special provision for loan losses, earnings increased \$15.4 million from third quarter 2001.

Cash ROE was 15.52 percent in the current quarter compared to 10.62 percent one year earlier, excluding the special loan loss provision. Excluding the unrealized gains and losses on the securities portfolio recorded directly to equity and the special loan loss provision, cash ROE was 16.04 percent compared to 10.76 percent last year. Cash ROA was 1.18 percent compared to 0.73 a year ago, excluding the special provision.

Third quarter net interest income on a fully taxable equivalent basis was \$114.5 million, down \$8.9 million or 7 percent from \$123.4 million in 2001's third quarter. Average earning assets decreased 12 percent to \$15.28 billion from \$17.30 billion in 2001, primarily attributable to a decrease of \$859 million in average loans and \$1.2 billion in the investment portfolio. Net interest margin rose from 2.84 percent in the year-ago quarter to 2.98 percent currently, reflecting the impact of the declining interest rate environment during 2001 and relatively higher levels of retail loans and deposits compared to wholesale positions.

The third quarter provision for loan losses was \$8.1 million compared to \$146.1 million, including the \$121 million special provision, in the third quarter of 2001. Net charge-offs decreased to \$17.6 million from \$28.2 million in the prior year. Most of the decrease resulted from lower commercial loan write-offs.

Third quarter noninterest income of \$109.0 million increased \$17.1 million from the same quarter last year. Growth in noninterest income resulted from a \$15.0 million increase in net gains from sales of investment securities and higher service charges on deposits amounting to \$3.8 million.

Third quarter 2002 noninterest expenses of \$144.1 million increased \$1.1 million or 1 percent from the year ago quarter.

Nonperforming assets at September 30, 2002 were \$171 million or 1.82 percent of total loans, down from \$181 million or 1.91 percent at June 30, 2002, and \$193 million or 1.84 percent a year ago. At September 30, 2002, the allowance for possible loan losses was \$209 million, equal to 2.22 percent of

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loans outstanding, compared to \$231 million or 2.21 percent at the end of third quarter 2001. As a result, the ratio of the allowance for possible loan losses to nonperforming assets increased from 120 percent at September 30, 2001 to 122 percent at September 30, 2002.

At September 30, 2002, Tier 1 capital of the Bank amounted to \$1.58 billion, up from \$1.55 billion one year earlier. The regulatory leverage capital ratio was 8.98 percent for the third quarter of 2002 compared to 7.78 percent in the same quarter of 2001. The Bank's capital ratio exceeds the prescribed regulatory minimum for banks. The Bank's September 30, 2002 Tier 1 and total risk-based capital ratios were 10.06 percent and 12.49 percent compared to respective ratios of 9.25 percent and 11.72 percent at September 30, 2001. The Bank's capital ratios exceed the prescribed regulatory minimum for banks.

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HARRIS TRUST AND SAVINGS BANK AND SUBSIDIARIES

FINANCIAL REVIEW -- (CONTINUED)

NINE MONTHS ENDED SEPTEMBER 30, 2002 COMPARED WITH 2001

SUMMARY

The Bank had net income for the nine months ended September 30, 2002 of \$136.9 million. Year-to-year comparative results were affected by a special loan loss provision of \$121 million in third quarter 2001. Excluding the impact of the special provision, earnings grew 14 percent for the first nine months of 2002.

Cash ROE was 14.55 percent in the current year, up from 13.09 percent last year, excluding the special loan loss provision. Excluding the unrealized gains and losses on the securities portfolio recorded directly to equity and the special provision, cash ROE increased 171 basis points from last year. Cash ROA was 1.11 percent compared to 0.86 a year ago, excluding the special provision.

Net interest income on a fully taxable equivalent basis was \$350.0 million, down \$14.0 million or 4 percent from \$364.0 million in 2001's year-to-date period. Average earning assets decreased 12 percent to \$15.47 billion from \$17.66 billion in 2001, primarily attributable to a \$838 million decrease in average loans and \$1.5 billion decrease in the investment portfolio, which was somewhat offset by an increase of \$192 million in money market assets. Net interest margin rose from 2.75 percent in 2001 to 3.02 percent currently, primarily reflecting the impact of the declining interest rate environment in 2001.

The year-to-date 2002 provision for loan losses of \$58.4 million was down from \$184.3 million a year ago, which included the \$121 million special provision. Net charge-offs were \$76.6 million, an increase of \$4.7 million from last year, primarily reflecting an increase in commercial loan write-offs.

Noninterest income of \$320.0 million increased \$48.6 million from the same period last year. Most of this increase resulted from additional net gains from securities sales of \$35.8 million and higher service charges on deposits amounting to \$19.1 million.

Noninterest expenses of \$411.5 million increased \$11.5 million or 3 percent from the year ago period. Income tax expense increased \$59.7 million, reflecting substantially higher pretax income.

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ITEM 4. CONTROLS AND PROCEDURES

Within 90 days prior to the filing of this Report, Paul R. Skubic, the Chairman of the Board, Chief Executive Officer and President of the Company, and Pamela C. Piarowski, the Chief Financial Officer of the Company, evaluated the effectiveness of the disclosure controls and procedures of the Company and concluded that these disclosure controls and procedures are effective to ensure that that material information required to be included in this Report has been made known to them in a timely fashion. There were no significant changes in the Company's internal controls or in other factors that could significantly affect these internal controls subsequent to the date of their evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.

PART II. OTHER INFORMATION

ITEMS 1, 2, 3, 4 AND 5 ARE BEING OMITTED FROM THIS REPORT BECAUSE SUCH ITEMS ARE NOT APPLICABLE TO THE REPORTING PERIOD.

ITEM 6. (a) Exhibits

99.1 Certification pursuant to 18 U.S.C. Section 1350, As adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(b) Reports on Form 8-K: None

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Harris Preferred Capital Corporation has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized on the 13th day of November 2002.

/s/ PAUL R. SKUBIC

Paul R. Skubic
Chairman of the Board and President

/s/ PAMELA C. PIAROWSKI

Pamela C. Piarowski
Chief Financial Officer

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CERTIFICATIONS

HARRIS PREFERRED CAPITAL CORPORATION

I, Pamela C. Piarowski, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Harris Preferred Capital Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial

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information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of Harris Preferred Capital Corporation as of, and for, the periods presented in this quarterly report;

- 4. Harris Preferred Capital Corporation's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for Harris Preferred Capital Corporation and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to Harris Preferred Capital Corporation, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of Harris Preferred Capital Corporation's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
- 5. Harris Preferred Capital Corporation's other certifying officer and I have disclosed, based on our most recent evaluation, to Harris Preferred Capital Corporation's auditors and the audit committee of Harris Preferred Capital Corporation's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect Harris Preferred Capital Corporation's ability to record, process, summarize and report financial data and have identified for Harris Preferred Capital Corporation's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in Harris Preferred Capital Corporation's internal controls; and
- 6. Harris Preferred Capital Corporation's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ PAMELA C. PIAROWSKI

Pamela C. Piarowski
Chief Financial Officer

Date:

CERTIFICATIONS

HARRIS PREFERRED CAPITAL CORPORATION

I, Paul R. Skubic, certify that:

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1. I have reviewed this quarterly report on Form 10-Q of Harris Preferred Capital Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of Harris Preferred Capital Corporation as of, and for, the periods presented in this quarterly report;
4. Harris Preferred Capital Corporation's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for Harris Preferred Capital Corporation and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to Harris Preferred Capital Corporation, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of Harris Preferred Capital Corporation's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. Harris Preferred Capital Corporation's other certifying officer and I have disclosed, based on our most recent evaluation, to Harris Preferred Capital Corporation's auditors and the audit committee of Harris Preferred Capital Corporation's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect Harris Preferred Capital Corporation's ability to record, process, summarize and report financial data and have identified for Harris Preferred Capital Corporation's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in Harris Preferred Capital Corporation's internal controls; and
6. Harris Preferred Capital Corporation's other certifying officer and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ PAUL R. SKUBIC

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Paul R. Skubic
Chairman of the Board and President

Date:

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