



CDARS[®]



**FOR GOVERNMENT
FINANCE OFFICERS
WHO DEMAND BOTH
SAFETY & SURETY**



Pinnacle Bank

MEMBER FDIC

How Does It Work?



<https://www.youtube.com/watch?v=-zQpw3cHCZ4&t=4s>

The Company Behind ICS® and CDARS®

About IntraFi® NetworkSM

Founded in 2002, IntraFi Network, formerly Promontory Interfinancial Network

- Invented reciprocal deposits and holds 20 patents supporting its various offerings
- is the #1 provider of FDIC-insured deposit solutions.
- Has been thoroughly tested and embraced by thousands of financial institutions across the nation, including more than half of all U.S. banks
- Has built the largest bank network of its kind, enabling it to offer breadth, depth, and stability, along with the largest capacity, of any competing provider



Largest Bank Network of Its Kind

chosen by more than

3,000

U.S. financial
institutions

representing

52% of banks
currently in the U.S.

representing

84% of the
nation's largest banks

95% are
community banks

66% of
minority-owned
banks are members

What is Insured Cash Sweep and CDARS®?

Smart Cash Management

For government finance officers, the ICS, or Insured Cash Sweep®[®], service and CDARS are smart and convenient services used to safeguard large deposits while earning returns that may compare favorably with other government-backed options.

Work directly with your local community bank to access millions in FDIC insurance on funds placed into demand deposit accounts, money market accounts, CDs or any combination that fits your organization's cash management needs.



Placement of funds through the ICS and CDARS services is subject to the terms, conditions, and disclosures in the service agreements, including the Deposit Placement Agreement ("DPA"). Limits and customer eligibility criteria apply. Program withdrawals may be limited to six per month for funds placed in MMDAs. Although funds are placed at destination banks in amounts that do not exceed the FDIC standard maximum deposit insurance amount ("SMDIA"), a depositor's balances at the relationship institution that places the funds may exceed the SMDIA (e.g., before ICS settlement for a deposit or after ICS settlement for a withdrawal) or be ineligible for FDIC insurance (if the relationship institution is not a bank). As stated in the DPA, the depositor is responsible for making any necessary arrangements to protect such balances consistent with applicable law. If the depositor is subject to restrictions on placement of its funds, the depositor is responsible for determining whether its use of ICS satisfies those restrictions. IntraFi Network is a service mark, and ICS, Insured Cash Sweep, CDARS and the IntraFi Network logo are registered service marks, of IntraFi Network LLC.

Why ICS and CDARS?

Save Time and Accomplish More

- By providing access to FDIC insurance, ICS and CDARS can help your organization comply with investment policy mandates through a single bank relationship.
- Plus, you can reduce your ongoing collateral-tracking requirements.
- Better still, your public fund deposit becomes a whole lot more attractive to a bank when the burden pledged collateral (cost to acquire, to administer, and to maintain) is removed.
- All of this means you can spend more time accomplishing your organization's goals with the knowledge that your organization's deposits are eligible for multiple millions of FDIC coverage.



Why ICS and CDARS?

Support Local Lending

Put local taxpayer's funds back to work in the community through deposits at the local community bank.

Using ICS and CDARS, your bank can place your funds on a reciprocal basis. This means that when your funds are placed using ICS Reciprocal or CDARS Reciprocal, your bank receives matching funds from other banks that participate in ICS or CDARS.

Feel good knowing that your local bank can use the full amount of funds to support lending in the local community.

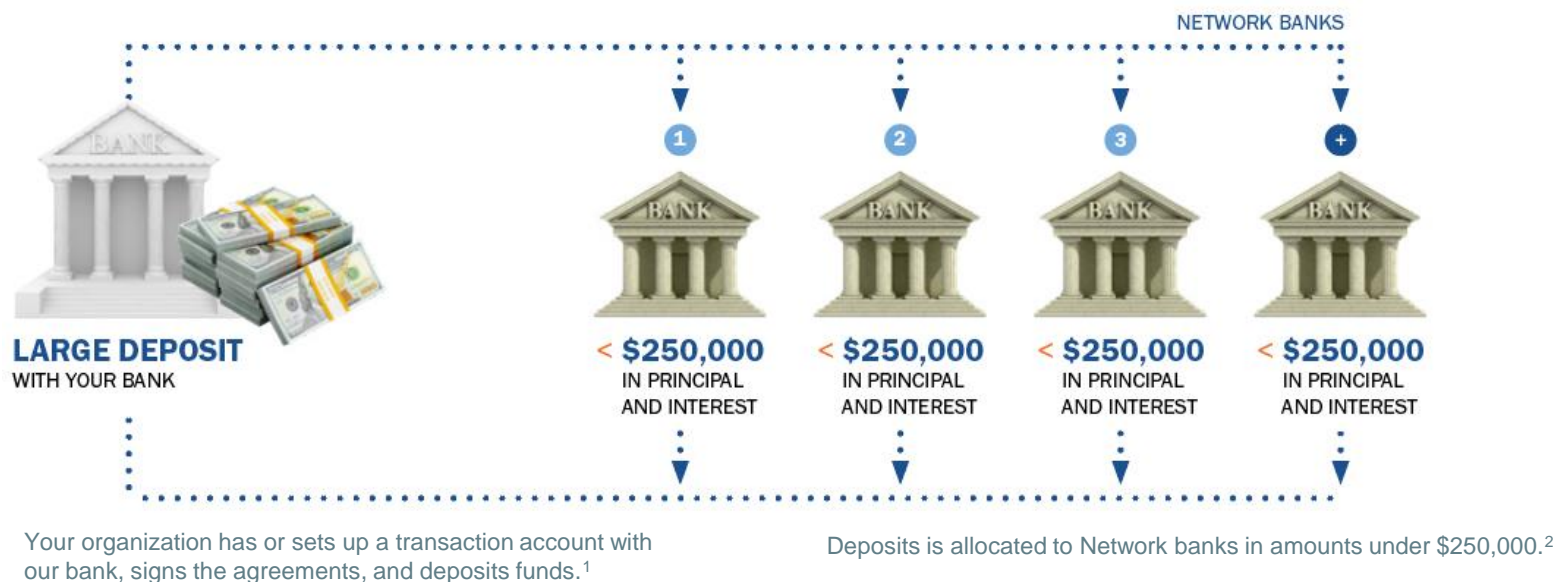


[1] When deposited funds are exchanged on a dollar-for-dollar basis with other banks that use ICS or CDARS, we can use the full amount of a deposit placed through ICS or CDARS for local lending, satisfying some depositors' local investment goals or mandates. Alternatively, with a depositor's consent, our bank may choose to receive fee income instead of deposits from other participating institutions. Under these circumstances, deposited funds would not be available for local lending.

How Does It Work?

Work Directly With Just One Bank

By working directly with your local bank—a bank you already know and trust—you can receive coverage through many.



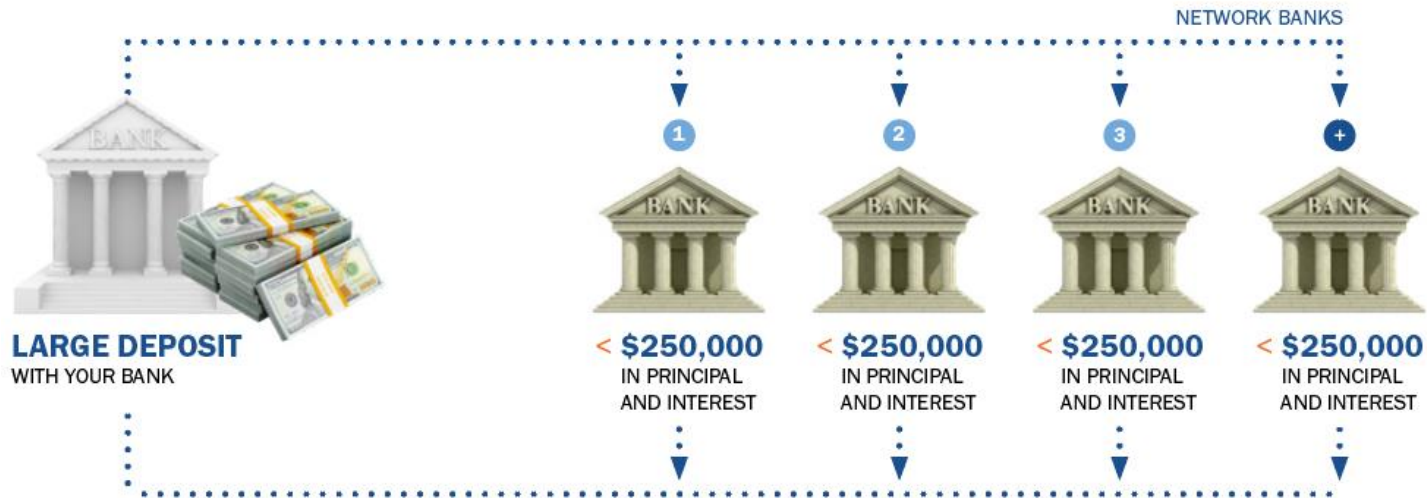
[1] If you choose both the savings and demand options, you will need to have a separate transaction account for each.

[2] Deposits are placed in demand deposit accounts when using the ICS demand option, money market deposit accounts when using the ICS savings option, or CDs when using CDARS. The standard FDIC insurance maximum is \$250,000 per insured capacity, per bank.

How Does It Work?

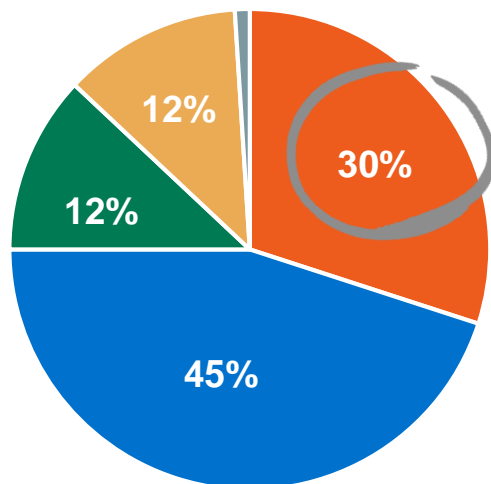
Placements through ICS or CDARS as Reciprocal Deposits

Banks can receive matching deposits in exchange for funds placed through ICS or CDARS as reciprocal deposits. This means that the full amount of the public entity's deposit can stay on our bank's balance sheet and can be used locally to support the community.



ICS and CDARS Protect All Types of Customers

ICS Reciprocal Balances



■ Public Entities
 ■ Businesses
 ■ Nonprofits
■ Individuals
 ■ Banks

Businesses

- Large corporations
- Mid-size companies
- Small businesses
- Franchises

Public Entities

- Government agencies
- Municipalities
- Police departments
- Fire districts
- Public colleges and universities
- Public hospitals
- School districts
- State funds
- Utility districts

Nonprofits

- Charities
- Religious institutions
- Private colleges and universities
- Foundations
- Endowments
- Foundations
- Homeowners/Condo associations
- Hospitals

Others

- Banks and credit unions
- Escrow/Title companies
- Estate planners
- Private investors
- Trusts/Trustees
- 1031 exchange participants

ICS and CDARS – Smart Solutions

Current options for keeping large deposits safe are limited. ICS and CDARS offer smarter solutions.

Product	Problem	ICS & CDARS Solutions
Checking accounts	May or may not earn interest, and funds are insured only up to \$250,000 per insured capacity, per bank	<p>Funds are placed in deposit accounts that earn interest <i>and</i> are eligible for multi-million-dollar FDIC insurance, which is backed by the full faith and credit of the federal government; also, with ICS and CDARS there is no need to track collateral on an ongoing basis; ICS and CDARS are not subject to floating net asset values; ICS is not subject to liquidity fees and withdrawal restrictions.</p>
Repurchase sweeps	May earn interest, but the yield can be very low; the process carries administrative tracking burdens; and the investment is not backed by FDIC insurance	
Collateralized deposits	Administrative tracking problems can be more onerous than with repo sweeps, and only certain types of deposits can be collateralized	
Money market mutual funds	Earn interest, but the yield may be very low; the investment is not backed by the full faith and credit of the federal government; and, some money market funds may have withdrawal restrictions, liquidity fees, and a floating share price	

How Does It Work?

Follow These Straightforward Steps



Sign an ICS Deposit Placement Agreement (ICS DPA) and a custodial agreement.	1	Sign a CDARS Deposit Placement Agreement (CDARS DPA) and a custodial agreement.
Identify an existing transaction account (or set up a new one) to be used with each ICS option and deposit money.	2	Deposit funds.
Funds are placed into deposit accounts at other ICS Network institutions using ICS in accordance with the ICS DPA. ¹	3	Funds are placed using CDARS, and CDs are issued by other CDARS Network institutions in accordance with the CDARS DPA.
See where our funds are at all times using an online tool developed for ICS.	4	Receive confirmation of CDs from our bank.
Receive a monthly statement from our bank detailing ICS account activity.	5	Receive a monthly statement from our bank detailing CDARS account activity.

[1] If you choose both the savings and demand options, you will need to have a separate transaction account for each.

How Does It Work?

Get Consolidated Statements

Receive one statement from our bank for each product option you use.

[illegible]

ICS – sample monthly statement

[illegible]

CDARS – sample monthly statement

How Does It Work?

Utilize Convenient Online Tools for ICS

Using the Depositor Control Panel, you can check your balances, view where your ICS funds could be placed, review and manage daily proposed fund placements, track monthly program withdrawals (ICS savings only) and view your transaction history.

ICS
INSURED CASH SWEEP

Depositor Control Panel | Bear County Community Bank

LOG OUT

Welcome to the ICS® Depositor Control Panel

Welcome to the Depositor Control Panel for ICS, the Insured Cash Sweep® service. Your funds have been placed by **Bear County Community Bank** through ICS into deposit accounts at depository institutions (each as a Destination Institution) that participate in the service.

Total Principal Balance: **\$4,695,000.00**

Total Accrued Interest: **\$642.80**

[Statements](#) | [Where Can My Funds Be Placed?](#)

My Accounts

Print | Export | Filter

Account Title	Institution Transaction Account No.	ICS Deposit Option	Program Withdrawals	Rate %	Principal Balance	Accrued Interest
Sample Corporation Savings Account	*****004	Savings	1 of 6	0.842	\$2,450,000.00	\$610.60
Sample Corporation Demand Account	*****008	Demand	N/A	0.712	\$2,245,000.00	\$32.20

How Does It Work?

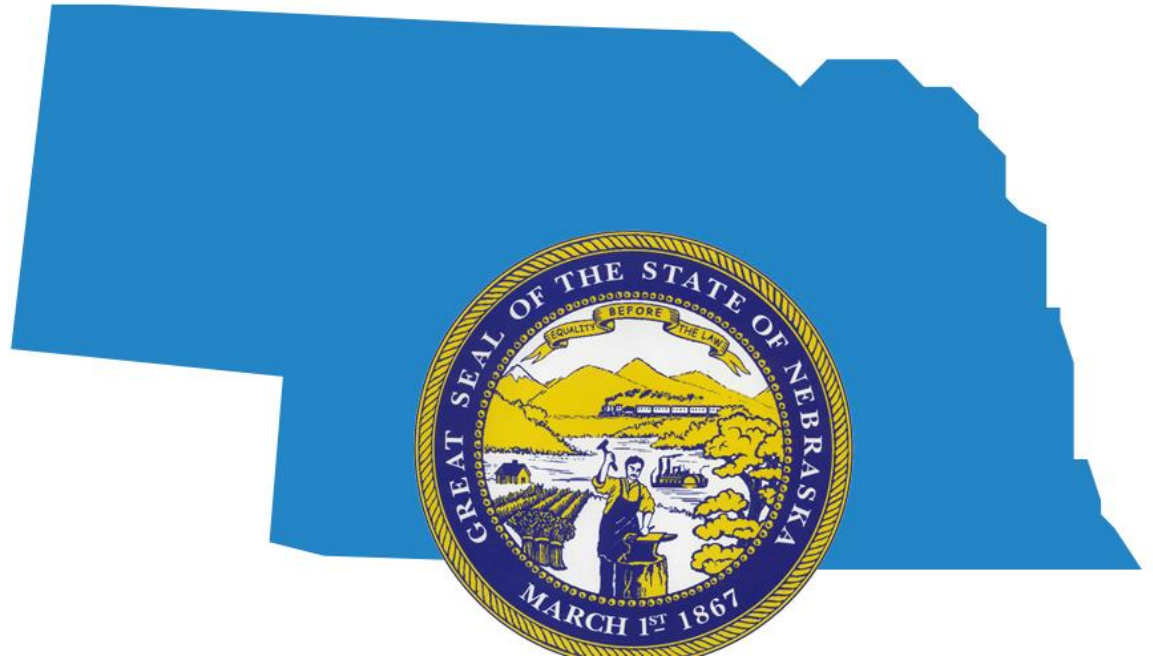
Rest Assured

As always, your confidential information remains protected.



Public Deposits in Nebraska

Signed into law by the Governor, Nebraska allows funds of state or political subdivisions of this state (county, city, village, township, district, authority, or other public corporation or entity) to be invested through banks or thrifts using insured deposits. Investments must initially be made at or through a bank located in or authorized to do business in the state of Nebraska.



What Government Finance Officers Say

“

With ICS, our town can access multi-million-dollar FDIC insurance protection, as well as earn interest. Plus, our bank can make these funds available for investment within the local community.”

Stan Harmon
Finance Director
Bar Harbor, ME

“

Upon joining the county treasurer's office, I was intrigued to learn that a portion of the county's funds were placed through CDARS. I quickly appreciated the security and ease of placing large deposits through a single bank while keeping the money FDIC insured, and have since added the ICS service, as well. CDARS and ICS free up the capital of smaller banks to finance community growth while still allowing them to accept our larger deposits. We can support the prosperity of the community while investing the taxpayers' money competitively and safely through a community bank. A winning combination.”

Carla J. Manning
Payne County Treasurer
Stillwater, OK

“

Our school system has utilized the CDARS service for years and is very pleased about the addition of the ICS service. With CDARS, we have access to FDIC insurance on our funds that are invested for a longer timeframe while meeting our investment policy mandates and earning CD-level returns. With ICS, we can protect and invest our funds on a shorter-term basis while earning a return. CDARS and ICS combined provide us with an efficient cash management solution.”

Doris Gasper
Business Manager at Beloit Schools District 273
Beloit KS

“

I was looking for a flexible investment vehicle that I could use for a special need we had. With ICS and CDARS, I found safety, flexibility, and yield—all in one place!”

Al Braithwaite
Director of Administrative Services
City of Oldsmar, FL

We're Here to Answer Your Questions

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