

Cash Management Options for Safety-Conscious Investors

SEPTEMBER 2023

Agenda

Designed for CPAs and treasury professionals, this session will cover

- The economic landscape/trends
- Typical cash management choices
- FDIC-insured cash management choices



Uncertainty Persists

March-May bank failures and inflation/recession fears have re-initiated discussions about financial safety and security.

Silicon Valley Bank Meltdown

—CNBC.com, March 10, 2023

Signature Bank Becomes Next Casualty of Banking Turmoil after SVB

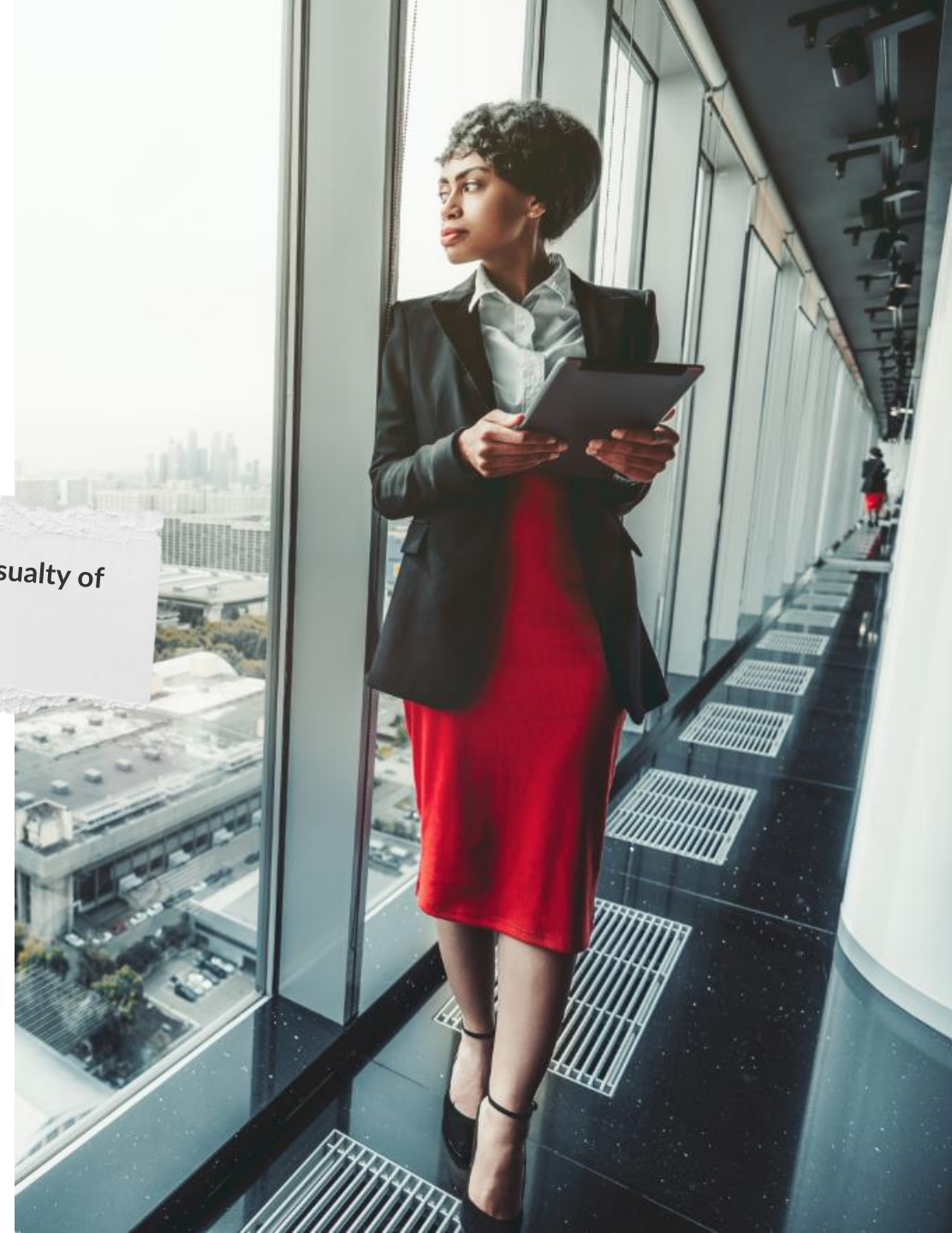
— Reuters, March 13, 2023

Inflation edges up as consumers boost spending

- CFODive.com, August 31, 2023

Student Loan Borrowers Face Repayment Soon. CFOs Are Watching to See if Spending Takes a Hit.

— WSJ.com, September 5,, 2023



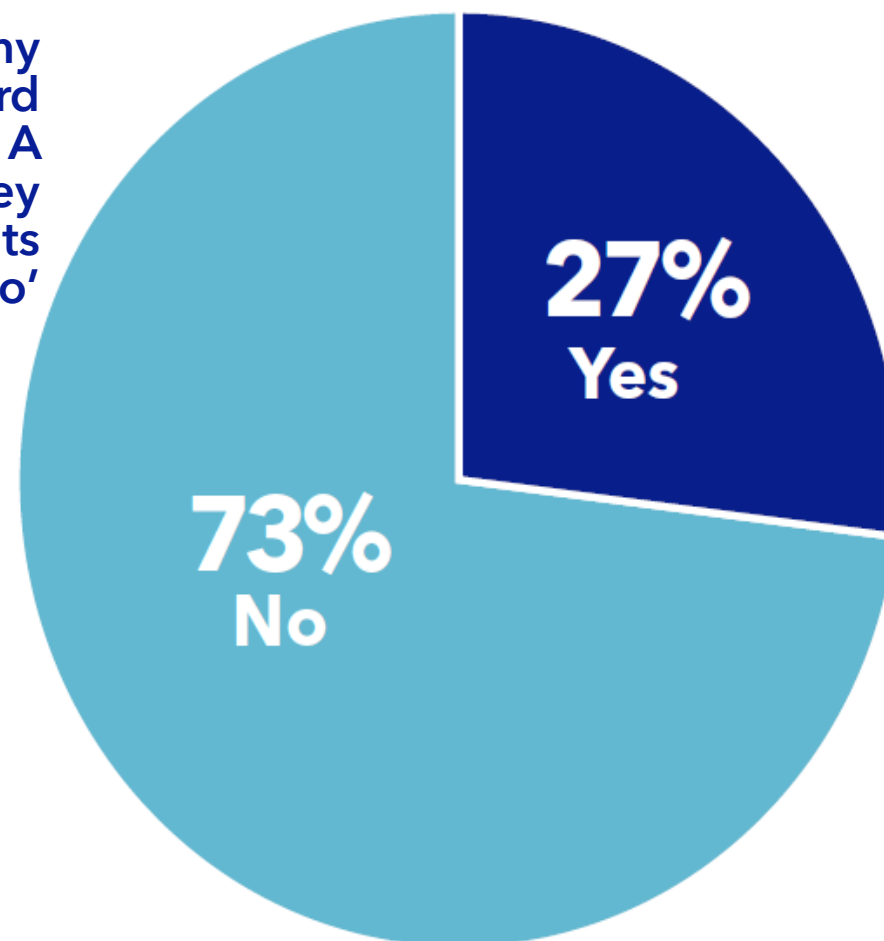
Banker Perspectives

Soft or Hard Landing?

At the Federal Reserve's June FOMC meeting, the Fed voted to maintain the current federal funds rate target for the time being.

In a recent survey, bank executives were asked, "Do you think it is more or less likely that the central bank will achieve a "soft landing" in which inflation is reduced without sending the economy into a recession?"

U.S. economy headed toward softer landing? A majority of survey respondents say 'No'



Source: Q2 2023 Bank Executive Business Outlook Survey. The survey is completed on a quarterly basis and incorporates responses from hundreds of unique banks as provided by bank CEOs, presidents, and CFOs from across the country. The survey is published by IntraFi with data released every fiscal quarter

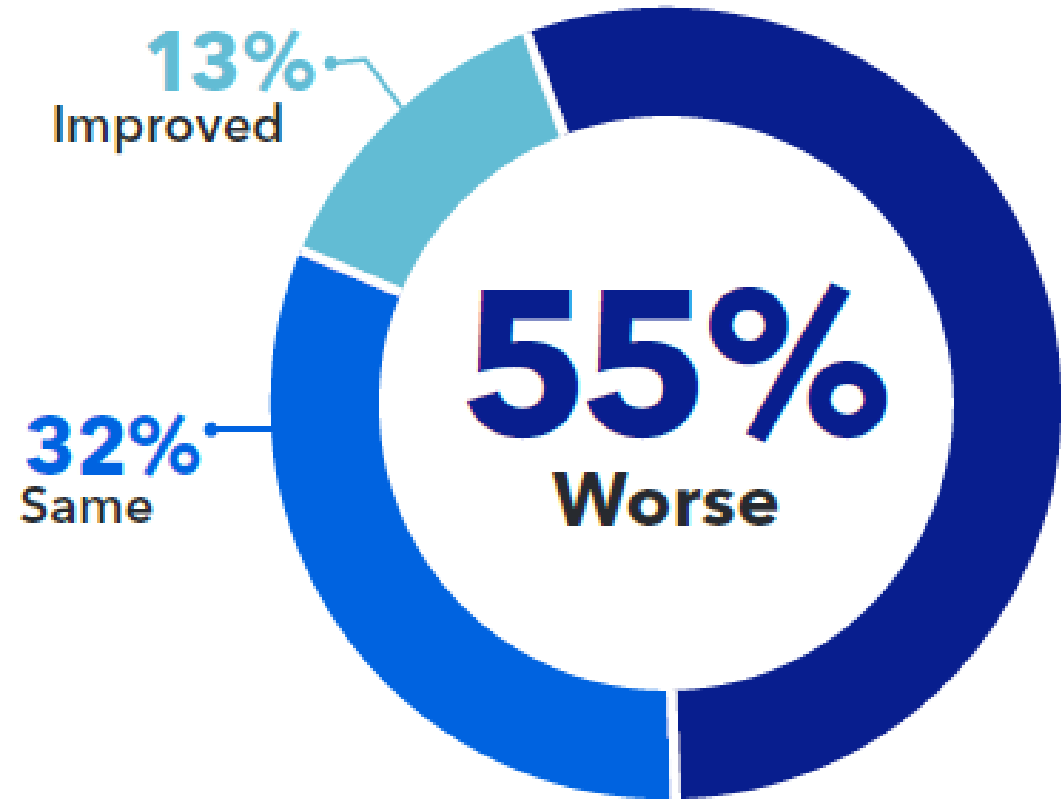


Banker Perspectives

Overall Economic Conditions

Looking ahead, more than half of bank executive survey respondents believe economic conditions will decline.

Expectation
Looking 12 months ahead





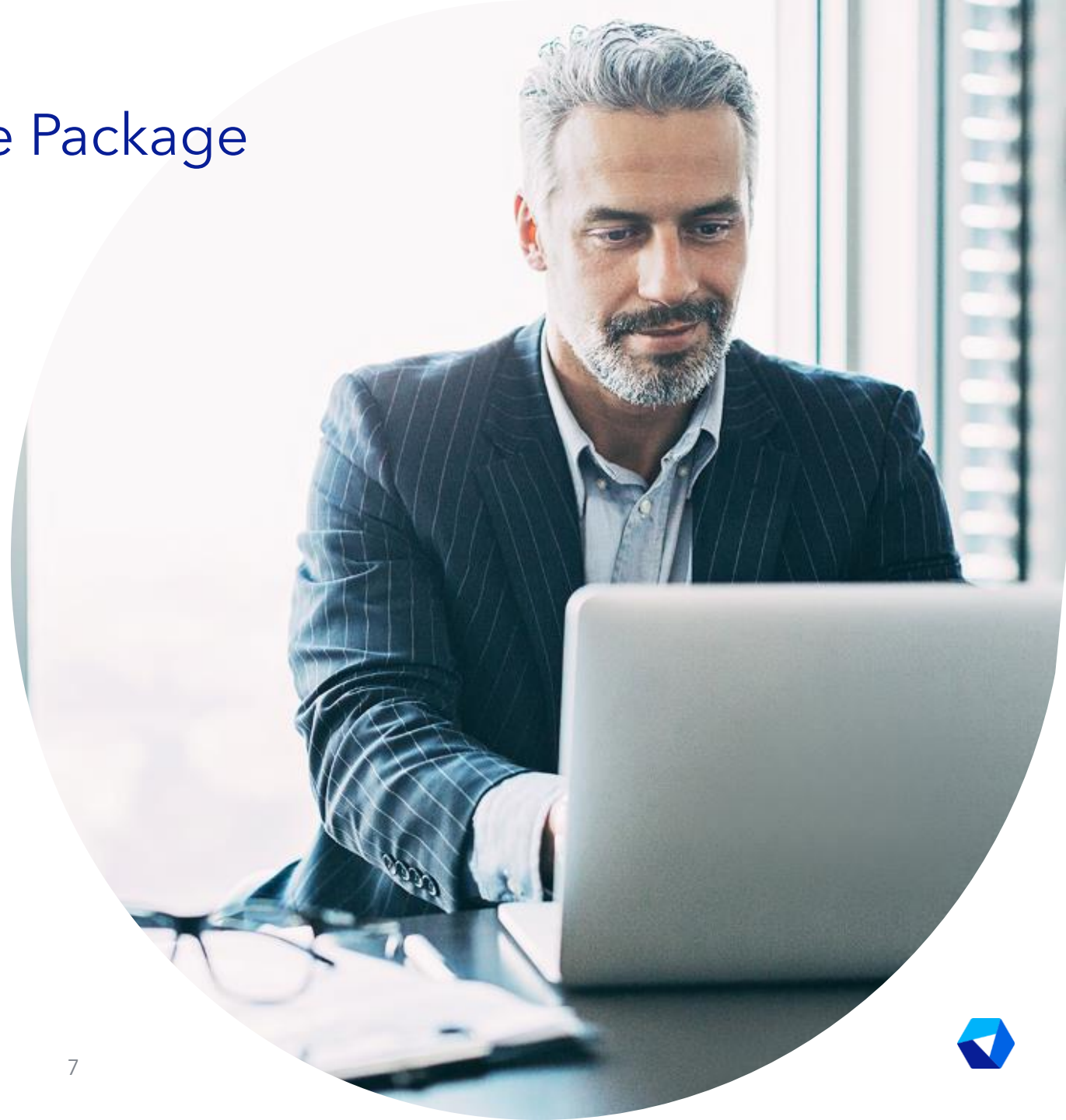
"This chart will simplify our market projections."

Investors Seeking a Complete Package

While seeking a secure place for their funds, investors also want to earn returns and address other needs.

Their other needs, which vary by customer segment, tend to include

- Ease of management
- Desire for liquidity
- Preference to keep funds local



Investor Profile

BUSINESSES

Businesses include

- Companies of all types and sizes
- Companies operating in almost any industry



Investor Profile

BUSINESSES

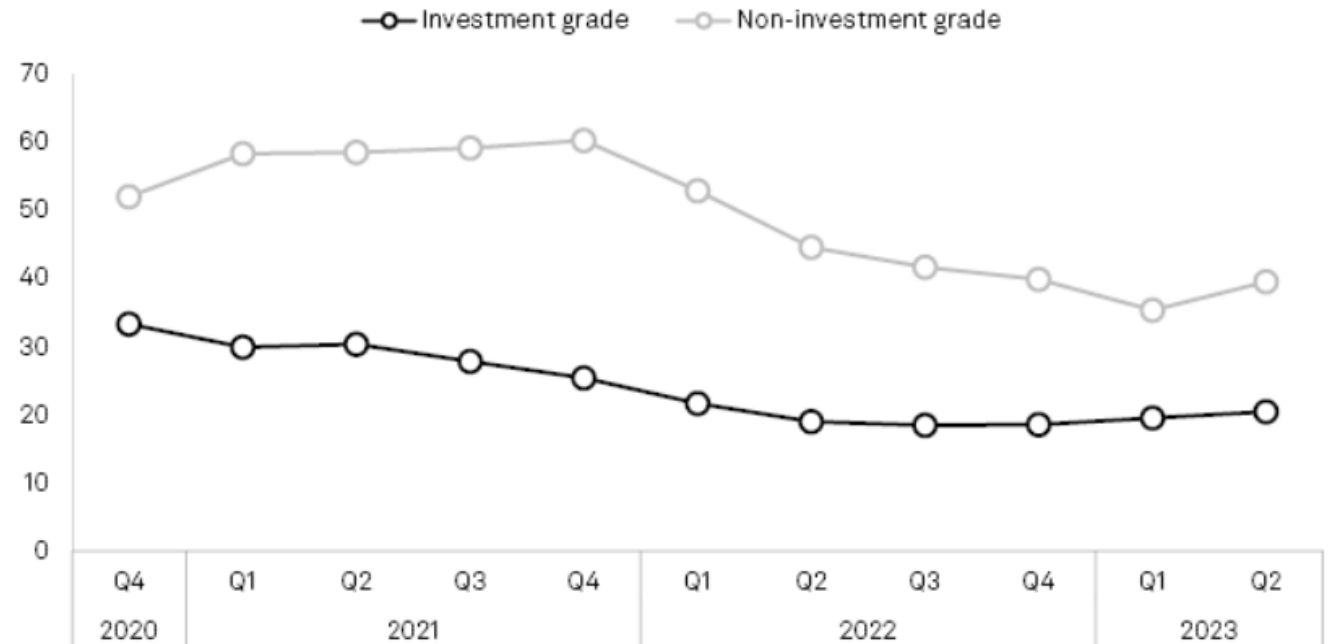
Investment guidelines and requirements

- Maximize investment returns for a given level of risk
- Preserve adequate liquidity



US Companies Boosted Their Cash Positions in 2Q 2023

Median cash ratios for US companies (%)



Data compiled Aug. 22, 2023.

Cash ratio = cash and equivalents as a percentage of total current liabilities.

Analysis based on operating US public companies with S&P Global Ratings' long-term credit ratings for securities issued in US dollars.

Companies with S&P Global Ratings' long-term credit ratings of BBB- or higher are considered issuers of investment-grade securities. All other entities with lower ratings are considered issuers of non-investment grade securities. Ratings may vary from quarter to quarter. In addition, if not rated, a company will be excluded from the analysis.

Financial data based on GAAP filings.

Source: S&P Global Market Intelligence.

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Notable Results from a Survey of Corporate Treasury Professionals

According to the 2023 Association of Financial Professionals Liquidity Survey

Safety is key for 63%

Safety continues to be the most valued short-term investment objective for 63% of organizations.

Short-term investments in bank deposits

The typical organization currently maintains **47% of its short-term investments in bank deposits.**

Overall Bank Relationship Drives Deposit Allocation

When considering where to maintain deposits, **83% of organizations site the overall bank relationship** as the primary determinate.

Review of Cash Investment Policy

While **71 percent** of organizations maintain written cash investment policies, not all of them review or update those policies regularly. Forty-three percent of survey respondents review once per year.



Investor Profile

PUBLIC FUNDS

- Government agencies
- Municipalities (e.g., villages, towns, cities, counties)
- Police departments
- Fire districts
- Public hospitals
- Public colleges and universities
- School districts
- State funds
- Utility districts (e.g., sewer, water, power)



Investor Profile PUBLIC FUNDS

Investment guidelines and requirements

- **Insure funds**—most states require public fund deposits to be collateralized or insured
- **Maximize investment returns while minimizing risk**—tighter budgets mean public funds depositors are expected to do more with less
- **Preserve adequate liquidity**—public funds typically manage intermittent cash flows
- **Keep funds local**—government entities may be subject to statutes requiring that they deposit funds in-state, or they may prefer to do so.



Investor Profile

NONPROFIT ORGANIZATIONS

- Charities
- Churches and other religious institutions
- Colleges and universities
- Endowment funds
- Foundations
- Homeowners' associations
- Hospitals



Investor Profile **NONPROFIT ORGANIZATIONS**

Investment guidelines and requirements

- Maximize investment returns for a given level of risk
- Preserve adequate liquidity
- Adhere to investment policy guidelines or mandates
- Most emphasize security and limit the concentration of funds
- Many like or require funds to stay local to support stronger communities



Investor Profile

ADVISORS & OTHER FIDUCIARIES

- Attorneys and law firms
- CPAs
- Escrows
- Estate planners
- Financial planners
- Tax advisors
- Trusts/Trustees



Investor Profile **ADVISORS & OTHER FIDUCIARIES**

Investment guidelines and requirements

- May be subject to regulatory or court-directed guidelines
- May have guardianship requirements
- May have mandates dictated by a trust agreement
- Must balance desire for safety with fiduciary responsibilities to earn competitive returns



Investor Profile

INDIVIDUAL INVESTORS

- High net worth individuals
- Parents saving for college
- Wealthy retirees
- People who recently acquired a large sum of money (e.g., from an inheritance)
- People who just sold real estate or made 1031 tax-free property exchanges



Investor Profile

INDIVIDUAL INVESTORS

Investment guidelines and requirements

Subject to their own personal risk profile, generally desire to maximize investment returns



Common Cash Management and Investment Choices

	Businesses	Public Funds	Nonprofits	Advisors & Fiduciaries	Individual Investors
Interest-bearing checking accounts and traditional CDs	x	x	x	x	x
Multiple accounts, each with aggregate balances under FDIC insurance maximum of \$250,000	x	x	x	x	x
Treasuries and other government-backed securities	x	x	x	x	x
Money market mutual funds (e.g., Treasury, government, and prime obligation funds) and short-term bond funds	x	x	x	x	x
Collateralized deposits		x	x ¹		
FHLB letters of credit		x			
Repo agreements	x				

[1] In some cases, nonprofits' investment guidelines require collateralization of deposits.



Common Cash Management and Investment Choices

Product	Pros	Cons
Interest-bearing checking accounts and traditional CDs	<ul style="list-style-type: none">▪ Provide returns▪ Provide liquidity	<ul style="list-style-type: none">▪ Deposits over \$250,000 (the standard FDIC insurance maximum per insured capacity, per bank) are uninsured▪ Returns may be low
Accounts at multiple banks with deposits under the standard FDIC insurance maximum of \$250,000	<ul style="list-style-type: none">▪ Provide returns▪ Provide security▪ Provide liquidity	<ul style="list-style-type: none">▪ Investors must open multiple accounts and manage individual account balances to ensure totals remain below the standard FDIC insurance maximum per insured capacity, per bank▪ Investors must calculate blended rates and manually consolidate interest disbursements and account statements on a recurring basis
Multiple insurable capacities	<ul style="list-style-type: none">▪ Provide returns▪ Provide security▪ Provide liquidity	<ul style="list-style-type: none">▪ Limited number available



Common Cash Management and Investment Choices

Product	Pros	Cons
Collateralized deposits and repo agreements	<ul style="list-style-type: none">▪ Provide security	<ul style="list-style-type: none">▪ Resources are needed to track and mark to market changing collateral values on an ongoing basis
Letters of Credit	<ul style="list-style-type: none">▪ Provide security	<ul style="list-style-type: none">▪ Tend to be more expensive than other options▪ Generally require collateralization



Common Cash Management and Investment Choices

Product	Pros	Cons
Treasuries and other government-backed securities	<ul style="list-style-type: none">▪ Provide security▪ Provide liquidity▪ Ease of management	<ul style="list-style-type: none">▪ Returns may be lower than bank rates on CDs or money market deposit accounts
Money market mutual funds (e.g., Treasury, government, and prime obligation funds) and short-term bond funds	<ul style="list-style-type: none">▪ Provide returns▪ Provide liquidity	<ul style="list-style-type: none">▪ These funds are not FDIC-insured▪ Returns may be lower than bank rates on CDs or money market deposit accounts▪ Some money market funds may have withdrawal restrictions, liquidity fees, or redemption gates▪ The net asset value (NAV may fluctuate based on changes in credit and rate)▪ Some entities may need to disclose unsecured investments in financial statements



FDIC-Insured Choices

Insured Deposit Sweep Services

PROS

- May provide access to multi-million-dollar FDIC insurance through a bank network (limits vary widely by provider)
- Earn interest
- User can forego the hassles of requiring and monitoring collateralization on an ongoing basis
- Provide various liquidity options

CONS

- May have some withdrawal limits (withdrawal limits vary by provider)



Selection Criteria

When working with your bank to choose an insured deposit option, it is vital to choose wisely. Below are some criteria to consider.

Due Diligence (research and inquire)

- Organizational stability—company reputation, financial stability, quality, and thought leadership of senior management and board of directors

Confidentiality and Integrity

- How is my information protected?

Third-Party Independent Validation

- Industry endorsements
- Security assessments & audits (e.g., penetration testing, secure software development & verification, and SSAE 16 SOC 1)



IntraFi's FDIC-Insured Solutions

With IntraFi's IntraFi Cash Service, or ICS[®], and CDARS[®] investors can work directly with just one financial institution to access multi-million-dollar FDIC insurance through IntraFi's network of banks.²

Funds can be placed in

- Demand deposit accounts and money market deposit accounts, using ICS
- CDs, using CDARS

[2] A list identifying IntraFi network banks may be found at <https://www.intrafi.com/network-banks>. As provided in the DPA, the depositor may exclude particular insured depository institutions from eligibility to receive the depositor's funds.



ICS and CDARS – Flexible Solutions

Investors can use the services for short- and long-term investment time horizons.

ICS and CDARS		
ICS Demand Option	ICS Savings Option	CDARS
<p>DDAs No program withdrawal limits</p>	<p>MMDAs Withdrawals may be limited to up to six times per month</p>	<p>CDs</p> <ul style="list-style-type: none"> 4-wk, 13-wk, 26-wk, 52-wk, 2-yr, 3-yr Ability to ladder or to structure the equivalent of floating-rate, bump-up, or step-up CDs³

[3] Requires the use of a Resubmission Agreement. All placements, including placements under Resubmission Agreements, are subject to the terms and conditions set forth in the applicable IntraFi Network Deposits agreements. A Resubmission Agreement is not identical to a single placement. As with any CD placement, a resubmitted placement is not guaranteed, and unallocated funds will be returned to the depositor. The resubmission also will not occur if, at the time for resubmission specified in a Resubmission Agreement, the relationship institution is no longer authorized to submit orders using IntraFi Network Deposits. The depositor, prior to resubmission, can withdraw the depositor’s authorization to the relationship institution to resubmit the funds. If so, the Resubmission Agreement can provide that the relationship institution, in such circumstances, may impose an appropriate penalty, not unlike an early withdrawal penalty.



How Do ICS and CDARS Compare to Alternatives?

Product	Challenges	ICS and CDARS
Repo sweeps / Collateralized deposits	<ul style="list-style-type: none"> ▪ Bank must set aside eligible assets and mark-to-market changing values (which reduces asset liquidity and raises costs), potentially affecting the rate offered ▪ Depositor must track (and incur expenses for tracking) changing collateral values 	<ul style="list-style-type: none"> ▪ Access to FDIC insurance means no eligible assets or tracking are required
Letters of Credit / Private Insurance	<ul style="list-style-type: none"> ▪ Tend to be more expensive ▪ Generally require collateralization 	<ul style="list-style-type: none"> ▪ Potentially less expensive ▪ Access to FDIC insurance means no eligible assets or tracking are required
Money market mutual fund sweeps / Short-term bond funds	<ul style="list-style-type: none"> ▪ There is nothing comparable to FDIC insurance for MMMF or short-term bond funds ▪ Deposit amount taken off balance sheet ▪ MMMF rules may require that withdrawal restrictions be imposed and/or that share price may fall below \$1.00 ▪ Some entities are required to disclose in financial statements any accounts that may not maintain value or that may become illiquid 	<ul style="list-style-type: none"> ▪ Access to multi-million-dollar protection that is backed by the full faith and credit of the federal government ▪ Not subject to floating net asset values ▪ ICS is not subject to liquidity fees or MMMF redemption gates



ICS and CDARS Have Broad Appeal

ICS and CDARS appeal to safety-conscious investors of all types.

Average Holdings Per Customer

CUSTOMER TYPE	ICS	CDARS
Banks and Credit Unions	\$6,400,000	\$4,400,000
Public Entities	\$3,700,000	\$4,000,000
Individuals	\$3,000,000	\$925,000
Corporations	\$2,500,000	\$2,000,000
Partnerships	\$2,300,000	\$2,200,000
Estates and Trusts	\$1,900,000	\$1,500,000
Nonprofits	\$1,100,000	\$950,000
Associations and Clubs	\$900,000	\$975,000
Average Holdings Across All Customer Types	\$2,200,000	\$1,500,000

As of 3/31/23



Customer signs the agreements and deposits funds.⁴



Bank 1



< **\$250,000**
in principal
and interest

Bank 2



< **\$250,000**
in principal
and interest

... Bank n



< **\$250,000**
in principal
and interest

How ICS and CDARS Work

Through just one bank relationship, clients can access FDIC insurance from many.

Institutions that offer ICS and CDARS are members of a special network. When a client uses services to place funds, that deposit is divided into amounts under the standard FDIC insurance maximum of \$250,000 and placed in deposit accounts at other FDIC-insured banks that participate in the same network.⁴

The client receives just one statement for ICS and one for CDARS.

[4] The depositor must have or set up a transaction account for use with the ICS. If the depositor chooses to place funds using the demand option and the savings option, the depositor must have a separate transaction account for each



Client information is not shared with IntraFi's network of banks beyond your client's bank (relationship institution) and the subcustodian (BNY Mellon).

Confidential Information Is Protected



Depositor Control Panel

Customer can check deposit balances

Welcome to the Depositor Control Panel

Your funds have been placed by your Relationship Institution through IntraFi® Network Deposits [sm] (formerly ICS®) into deposit accounts at depository institutions (each as a Destination Institution).

Total Principal Balance
\$265,000.00

Total Accrued Interest
\$142.84

[Statements & Tax Forms](#)

IntraFi Network Deposits (2 accounts)

To view account details, including current balances and a transaction history, or to review placements during Depositor Placement Review, click on an account title below.


Account Title	Depositor	Transaction Account No.	Deposit Option	Rate %	Principal Balance	Accrued Interest	
Sample Account Title A Sample Account Title Two Sample Account Title Three	Sample Corp	*****0001	Savings	0.0842	\$250,000.00	\$110.61	→ View
Sample Account Title B Sample Account Title Two Sample Account Title Three	Sample Corp	*****0002	Demand	0.0712	\$15,000.00	\$32.23	→ View



ICS Statement

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Best Deale Bank
123 Main Street
Anytown, US 12345



Contact Us
1-555-123-4567
contact@bestdealebank.com
www.bestdealebank.com

Sample School District
456 Main Street
Anytown, US 56789

Account
Sample School District

Date
01/31/2021

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IntraFi® Network Deposits™ Monthly Statement
Demand or Savings Option (formerly known as ICS®)

The following information is a summary of activity in your account(s) for the month of January 2021 and the list of FDIC-insured institution(s) that hold your deposits as of the date indicated. These deposits have been placed by us, as your agent and custodian, in deposit accounts through IntraFi Network Deposits. Funds in your deposit accounts at the FDIC-insured institutions at which your funds have been placed will be "deposits," as defined by federal law.

Summary of Accounts				
Account ID	Deposit Option	Interest Rate	Opening Balance	Ending Balance
*****123	Savings	0.15%	\$4,726,287.32	\$4,726,963.69
*****456	Demand	0.15%	1,738,049.65	1,738,345.38
TOTAL			\$6,464,336.97	\$6,465,309.07

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Date
01/31/2021

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DETAILED ACCOUNT OVERVIEW
Account ID: *****456
Account Title: Sample School District

Account Summary - Demand	
Statement Period	
Previous Period Ending Balance	
Total Program Deposits	
Total Program Withdrawals	
Interest Capitalized	
Taxes Withheld	
Current Period Ending Balance	

Account Transaction Detail

Date	Activity Type	Amount	Balance
01/05/2021	Deposit	\$74.33	\$4,726,361.66
01/29/2021	Interest Capitalization	602.04	4,726,963.69

Summary of Balances as of January 31, 2021

FDIC-insured Institution	City/State	FDIC Cert No.	Balance
Niles Bank			
Riverside Bank and Trust			
First Bank of Tiberton			
Bear County Community Bank			
Bank of Hudsonville			
First Bank of Hayfield			
Green Forest View Savings Bank			

CONTAINS CONFIDENTIAL INFORMATION Member FDIC

Date
01/31/2021

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DETAILED ACCOUNT OVERVIEW
Account ID: *****123
Account Title: Sample School District

Account Summary - Savings			
Statement Period	1/1-1/31/2021	Average Daily Balance	\$4,726,371.48
Previous Period Ending Balance	\$4,726,287.32	Interest Rate at End of Statement Period	0.15%
Total Program Deposits	74.33	Statement Period Yield	0.15%
Total Program Withdrawals	(0.00)	YTD Interest Paid	602.04
Interest Capitalized	602.04	YTD Taxes Withheld	0.00
Taxes Withheld	(0.00)		
Current Period Ending Balance		\$4,726,963.69	

Account Transaction Detail

Date	Activity Type	Amount	Balance
01/05/2021	Deposit	\$74.33	\$4,726,361.66
01/29/2021	Interest Capitalization	602.04	4,726,963.69

Summary of Balances as of January 31, 2021

FDIC-insured Institution	City/State	FDIC Cert No.	Balance
Innet Savings Bank	Tulsa, OK	**010	248,373.72
First Eagleville Bank	Syracuse, NY	**011	248,381.64
Lockland Bank	San Diego, CA	**012	248,378.59
Southstreet Community Bank	Boston, MA	**013	248,381.64
Winchester County Bank	Passadena, CA	**014	248,381.64
Southeast Regional Bank	Atlanta, GA	**015	248,381.64
Loring Savings Bank	Lansing, PA	**016	248,366.78
Calera Bank	Clarksville, TN	**017	7,745.56
Port Addison Bank	Unionville, MT	**018	248,381.64
Alpine National Bank and Trust	Dallas, TX	**019	248,381.64
First Bank of Ogdenston	Auburn Hills, NJ	**020	248,381.64
Bank of North Haverbrook	Topeka, KS	**021	248,381.64
Copper Savings and Loan	Carmel, IN	**022	248,378.64
Seashore National Bank	Passadena, CA	**023	248,381.63
Sperry Sound Bank	Newark, OH	**024	248,381.64
Harbor Bell Savings and Trust	Birmingham, AL	**025	248,381.63
Huntingfield Bank	Winter Haven, FL	**026	248,381.64
Torrence Bank	Fairfax, VA	**027	248,381.64
Amsel Bank and Trust	Des Moines, IA	**028	248,361.43
Capital Bank of St. Loretta	Mesa, AZ	**029	248,377.67


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CDARS Statement

Best Deale Bank
123 Main Street
Anytown, US 12345

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Best Deale Bank

Contact Us
1-555-123-4567
contact@bestdealebank.com
www.bestdealebank.com

Account
SAMPLE CITY
456 Main Street
Anytown, US 56789

Date
01/29/2021

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IntraFi® Network Deposits™ Customer Statement
CD Option (formerly known as CDARS®)

The following information is a summary of activity in your CD account(s) and the list of FDIC-insured institution(s) that hold your deposits as of the date indicated. These deposits have been placed by us, as your agent and custodian, in deposit accounts through IntraFi Network Deposits.

Account ID	Effective Date	Maturity Date	Interest Rate	Opening Balance	Ending Balance
*****234	08/20/2020	02/18/2021	0.25%	\$5,270,609.65	\$5,271,728.75
TOTAL				\$5,270,609.65	\$5,271,728.75

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Date
01/29/2021

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DETAILED ACCOUNT OVERVIEW
Account ID: *****234
Account Title: SAMPLE CITY

Harbor Bell Bank and Trust FDIC Cert. **009

YTD Interest Paid	\$52.28	01/01/2021	
Int Earned Since Last Statement	\$2.28	01/29/2021	

Huntingfield Bank FDIC Cert. **010

YTD Interest Paid	\$52.28	01/01/2021	
Int Earned Since Last Statement	\$2.28	01/29/2021	

Innerst Savings Bank FDIC Cert. **011

YTD Interest Paid	\$52.28	01/01/2021	
Int Earned Since Last Statement	\$2.28	01/29/2021	

Kendall Bank and Trust FDIC Cert. **012

YTD Interest Paid	\$52.28	01/01/2021	
Int Earned Since Last Statement	\$2.28	01/29/2021	

Lockland Bank FDIC Cert. **013

YTD Interest Paid	\$52.28	01/01/2021	
Int Earned Since Last Statement	\$2.28	01/29/2021	

Loring Savings Bank FDIC Cert. **014

YTD Interest Paid	\$28.54	01/01/2021	
Int Earned Since Last Statement	28.54	01/29/2021	

Landville Savings Bank FDIC Cert. **015

YTD Interest Paid	\$10.70	01/01/2021	
Int Earned Since Last Statement	10.70	01/29/2021	

Niles Bank and Trust FDIC Cert. **016

YTD Interest Paid	\$1.70	01/01/2021	
Int Earned Since Last Statement	1.70	01/29/2021	

Port Addison Bank FDIC Cert. **017

YTD Interest Paid	\$52.28	01/01/2021	
Int Earned Since Last Statement	\$2.28	01/29/2021	

Seashore Savings and Loan FDIC Cert. **018

YTD Interest Paid	\$52.28	01/01/2021	
Int Earned Since Last Statement	\$2.28	01/29/2021	

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Date
01/29/2021

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DETAILED ACCOUNT OVERVIEW
Account ID: *****234
Account Title: SAMPLE CITY

Sperry Sound Bank FDIC Cert. **019

YTD Interest Paid	\$52.28	01/01/2021	Opening Balance	\$246,225.87
		01/29/2021	Interest Payment	\$2.28
		01/29/2021	Ending Balance	246,278.15

IK FDIC Cert. **020

YTD Interest Paid	\$52.28	01/01/2021	Opening Balance	\$246,225.87
		01/29/2021	Interest Payment	\$2.28
		01/29/2021	Ending Balance	246,278.15

Account Summary - CD

Product Term	26-Week Public Fund 365 CD	Effective Date	08/20/2020
Interest Rate	0.25%	Maturity Date	02/18/2021
Account Balance	\$5,271,728.75	YTD Interest Paid	\$1,119.10
Annual Percentage Yield	0.25%	Interest Earned Since Last Statement	1,119.10

CD Issued by

America West Regional United Savings Bank FDIC Cert. **001

YTD Interest Paid	\$52.28	01/01/2021	Opening Balance	\$246,225.87
Int Earned Since Last Statement	\$2.28	01/29/2021	Interest Payment	\$2.28
		01/29/2021	Ending Balance	246,278.15

Bank of Hudsonville FDIC Cert. **002

YTD Interest Paid	\$18.73	01/01/2021	Opening Balance	\$88,230.29
Int Earned Since Last Statement	18.73	01/29/2021	Interest Payment	18.73
		01/29/2021	Ending Balance	88,249.02

Bear County Community Bank FDIC Cert. **003

YTD Interest Paid	\$51.42	01/01/2021	Opening Balance	\$242,168.29
Int Earned Since Last Statement	51.42	01/29/2021	Interest Payment	51.42
		01/29/2021	Ending Balance	242,219.71

Calera Bank FDIC Cert. **004

YTD Interest Paid	\$52.28	01/01/2021	Opening Balance	\$246,225.87
Int Earned Since Last Statement	\$2.28	01/29/2021	Interest Payment	\$2.28
		01/29/2021	Ending Balance	246,278.15

Crenshaw Community Bank FDIC Cert. **005

YTD Interest Paid	\$52.28	01/01/2021	Opening Balance	\$246,225.87
Int Earned Since Last Statement	\$2.28	01/29/2021	Interest Payment	\$2.28
		01/29/2021	Ending Balance	246,278.15

Capital Bank of St. Lawrence FDIC Cert. **006

YTD Interest Paid	\$52.28	01/01/2021	Opening Balance	\$246,225.87
Int Earned Since Last Statement	\$2.28	01/29/2021	Interest Payment	\$2.28
		01/29/2021	Ending Balance	246,278.15

Copper Savings and Loan FDIC Cert. **007


YTD Interest Paid	\$43.03	01/01/2021	Opening Balance	\$202,625.10
Int Earned Since Last Statement	43.03	01/29/2021	Interest Payment	43.03
		01/29/2021	Ending Balance	202,668.13

First Bank of Tiberton FDIC Cert. **008

YTD Interest Paid	\$52.28	01/01/2021	Opening Balance	\$246,225.87
Int Earned Since Last Statement	\$2.28	01/29/2021	Interest Payment	\$2.28
		01/29/2021	Ending Balance	246,278.15

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A CASE STUDY

Industrial Pump Distributor (Business)

The company CFO has family ties to what is a family-owned business. The company has \$35 million in annual revenue, no debt, operates only in cash, and saves for times when it needs to invest in new equipment or systems.

The company is not leveraged at all, and not looking for loans or lines of credit. It has \$8-9 million on deposit in banks and less than \$400,000 in investments. Over the past 7 years, the business has become increasingly cash heavy.

The CFO began “squirreling” money across different business entities, attempting to manage multiple \$250K money market deposit accounts around the city, and noted that this became “painful.” The CFO discussed the problem with one of her banks, and the bank presented ICS and CDARS as a solution several times. It took her a while, but she was finally able to convince her boss that it was “not worth my time to run around to different banks!”

“ICS came in and its been amazing. And we’re getting more money out of the sweep than money markets originally. Sweep makes so much sense. We cut checks once a week. We don’t have to think about it [managing the process]. It has helped to solidify our relationship with our bank.

Also, I have been with lots of banks here [at my chosen local bank] I can get someone on the phone at any time. Don’t have to have to talk to 18 different people. I can get one person. And when I get someone on the phone, they’re there.”

– CFO



A CASE STUDY

Prep School (Nonprofit)

The Accounting Manager for a small prep school explains that a few years ago the school changed its head of school and the new one persuaded the board to divest the school of all equities. This left the Accounting Manager with the task of managing larger amounts of cash than before.

The school found itself accumulating cash and didn't know how to handle it. It did not want to work with multiple banks.

The school had a close working relationship with its banker. A year-and-a-half ago, the banker introduced the school to ICS and CDARS, and its solutions brought great relief to the Accounting Manager. The school uses ICS to manage its cash, including handling intermittent tuition payments throughout the school year.

It then rolls any surplus it has at the end of the year into CDARS. The Accounting Manager called the decision to use ICS and CDARS a "slam dunk."

"I love it [ICS]. It tells me where our money is. We keep a minimum \$150k in checking. After \$200K, it moves the cash around seamlessly.

I could not be happier with how the sweep works. Keeps us liquid and protected, and interest bearing, the best of both worlds. And the [ICS] statements—reconciling is so easy QuickBooks syncs with our bank, so it shows up in QuickBooks and clearly shows interest earned and posts."

– Accounting Manager



A CASE STUDY

Healthcare Industry Vendor (Business)

A VP of Finance works for a company that provides housekeeping and laundry services to nursing homes and hospitals in three contiguous states. The VP works directly with the owner to make decisions about how to manage the company's cash.

The company's local banker introduced ICS 8 years ago, and the company has been happily using it ever since. The VP even feels the company is getting a better interest rate on its deposits than it would have otherwise. The company uses ICS for its savings and operations accounts. Interestingly, the VP points out that the simplicity and convenience of the service is enhanced by the fact that the bank will physically pick up deposits from the company office.

"All the work is done on the institution's part and not ours.

One less thing I have to do. It's all under one roof but not under one roof. [My bank rep] was able to bring everything under one bank. So wonderful."

–VP Finance



About IntraFi

IntraFi has built the largest network of its kind over 20 years with financial institutions of all types and sizes. The company leads the industry in FDIC-insured deposit placement services

Largest Deposit Network

~3,000

U.S. financial institutions
as members of the network

Broad National Reach

10

largest U.S. banks
by deposits¹

24

of the top 25 banks¹

97

of the top 100 banks¹

~90%

of U.S. banks above
\$10bn in assets³

2,500+

community
Banks²

200+

socially responsible
financial institutions⁴

Working with FIs of All Types and Sizes...

72%

of CDFI⁵ banks

100%

of African American
banks by assets

>85%

of Native American
banks by assets

90%

of Asian American
banks by assets

>80%

of Hispanic Banks

Note: Includes members of one or more services of IntraFi. As of June 30, 2022, unless otherwise noted. [1] Largest U.S. banks by deposits sourced from S&P Global U.S. 2021 Deposit Market Share analysis. [2] Bank charters with less than \$10 billion in assets, [3] By number of bank charters as of June 30, 2022 [4] Includes well-capitalized CDFI banks or thrifts (sourced from www.cdfifund.gov), Minority Depository Institutions (sourced from the FDIC website) and women-owned banks. [5] Designation given by the CDFI Fund to specialized organizations that provide financial services in low-income communities and to people who lack access to financing.



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Disclosures

Deposit placement through CDARS or ICS is subject to the terms, conditions, and disclosures in the program agreements, including the applicable Deposit Placement Agreement (“DPA”). Limits apply and customer eligibility criteria may apply. ICS program withdrawals may be limited to six per month for money market deposit accounts. Deposits are placed at destination institutions in amounts that do not exceed the FDIC standard maximum deposit insurance amount (“SMDIA”) at any one destination institution. Using multiple destination institutions provides access to aggregate insurance amounts across institutions that are multiples of the SMDIA. Although deposits are placed at destination institutions in amounts that do not exceed the SMDIA at any one destination institution, a depositor’s balances at the relationship institution that places the deposits may exceed the SMDIA (e.g., before settlement for a deposit or after settlement for a withdrawal) or be ineligible for FDIC insurance (if the relationship institution is not an insured depository institution). 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 deposits of its funds, the depositor is responsible for determining whether deposit placement through CDARS or ICS satisfies those restrictions.

A list identifying IntraFi network banks may be found at <https://www.intrafi.com/network-banks>. As provided in the DPA, the depositor may exclude particular insured depository institutions from eligibility to receive the depositor’s funds.

When deposited funds are exchanged on a dollar-for-dollar basis with other institutions that use IntraFi Network Deposits, your bank can use the full amount of a deposit placed through IntraFi Network Deposits for local lending, satisfying some depositors’ local investment goals or mandates. Alternatively, with a depositor's consent, your 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.

- The IntraFi hexagon is a service mark, and IntraFi, the IntraFi logo, ICS, and CDARS are registered service marks, of IntraFi Network LLC.

