

Insured Deposit Sweep

A Superior Cash Investment Alternative for Defined Contribution Plans

Investment advisers and plan sponsors are bound by their fiduciary duty to act solely in the best interest of their clients. The Insured Deposit Program (IDP) by Total Bank Solutions offers advisers, plan sponsors and participants the opportunity to obtain extended FDIC insurance, daily liquidity and consistently better net yields when compared to government and treasury money market funds.

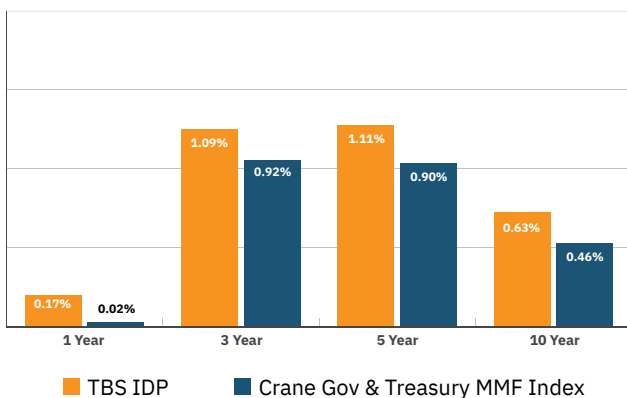
Insured Deposit Programs have become an increasingly popular cash investment alternative, as they eliminate the NAV volatility risk (shadow NAVs) and potential risk of liquidity gates and fees of money market funds. In addition, they also eliminate the need for complex agreements and uncertain insurance capacity, typically associated with stable value funds.

History of Success with Insured Deposit Programs

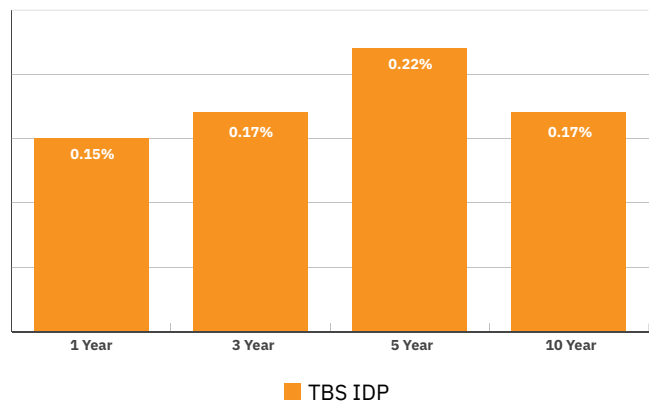
As insured deposit sweep programs continue to gain increased adoption across many financial intermediaries, they have been in existence since the early 1980s and have, over time, become the default sweep option for most broker dealers today. It is estimated from various sources that brokerage sweep programs alone likely maintain in excess of \$1 trillion in deposits today.

Other segments that actively participate in IDPs include banks, clearing firms, custodians, trust companies, municipalities, registered investment advisers, robo-advisers, emerging technology platforms and retirement plans.

Performance Data



Spread vs. Crane Index of MMFs



All performance data net of fees as of 9/30/21. The Crane Gov & Treasury Index is a 50%-50% blended average of the first tier Crane US Treasury and Crane US Government Institutional MMF Indices.



Safety & Liquidity

Through our Deposit Management System® (DMS), TBS ensures that all balances are optimally allocated across a network of well capitalized, highly rated banks and is fully FDIC-insured. Because all balances are bank deposits, plan participants can be assured of daily liquidity. TBS’ Bank Monitor® risk assessment platform ensures that only banks that meet the highest standards of safety and soundness are included in the program. The FDIC has never failed to reimburse depositors’ money in the event of a bank failure, and TBS has never experienced the failure of a program bank.

Maximizing the number of program banks available to TBS-administered programs ensures that targeted FDIC insurance levels are achieved. Defined contribution plans generally seek at least \$1.0 million in insurance coverage per plan participant.¹ With over 135 contracted depository institutions across multiple programs, you can feel confident that the TBS Insured deposit program maintains the breadth and depth in our bank network to meet our insurance objective.

Insured Deposit Program		Money Market Fund
<ul style="list-style-type: none"> • Insures >\$1 Million on average • No NAV/price risk • 100% daily maturities 	Safety	<ul style="list-style-type: none"> • Uninsured • \$1 NAV (if shadow NAV < .50bps) • Average maturity <60 days
<ul style="list-style-type: none"> • Same-day liquidity • No bid/ask spread with deposits • No redemption gates or fees • Program banks have direct access to Federal Reserve for liquidity 	Liquidity	<ul style="list-style-type: none"> • Same-day liquidity² • Portfolio securities subject to bid/ask spread • No direct access to Federal Reserve for liquidity
<ul style="list-style-type: none"> • Deposit programs have generated competitive returns historically • Favorable treatment of cash management deposits under LCR • Deposits from defined contribution plans are considered non-brokered 	Yield	<ul style="list-style-type: none"> • Supply/demand will impact future returns • Increased constraints will impact gross earnings
<ul style="list-style-type: none"> • Deposit account • Pays interest • Investors have a direct beneficial interest • No amortization of gains/losses 	Structure	<ul style="list-style-type: none"> • 1940 Mutual Fund Act • Pays dividends • Investors own shares • Amortization includes the potential for embedded gains/losses

Insured Deposit Programs compare favorably to money market funds when considering investors’ primary investment objectives.

¹FDIC Insurance is dependent upon the number of participating banks actively accepting deposits within each program. Deposit capacity is obtained on a “best efforts” basis and may change over time. For more details please refer to the program terms and conditions. The amount of insurance coverage will vary by plan and will be based on the needs of plan participants and the availability of certain individual plan participant data necessary to support pass through insurance eligibility requirements.

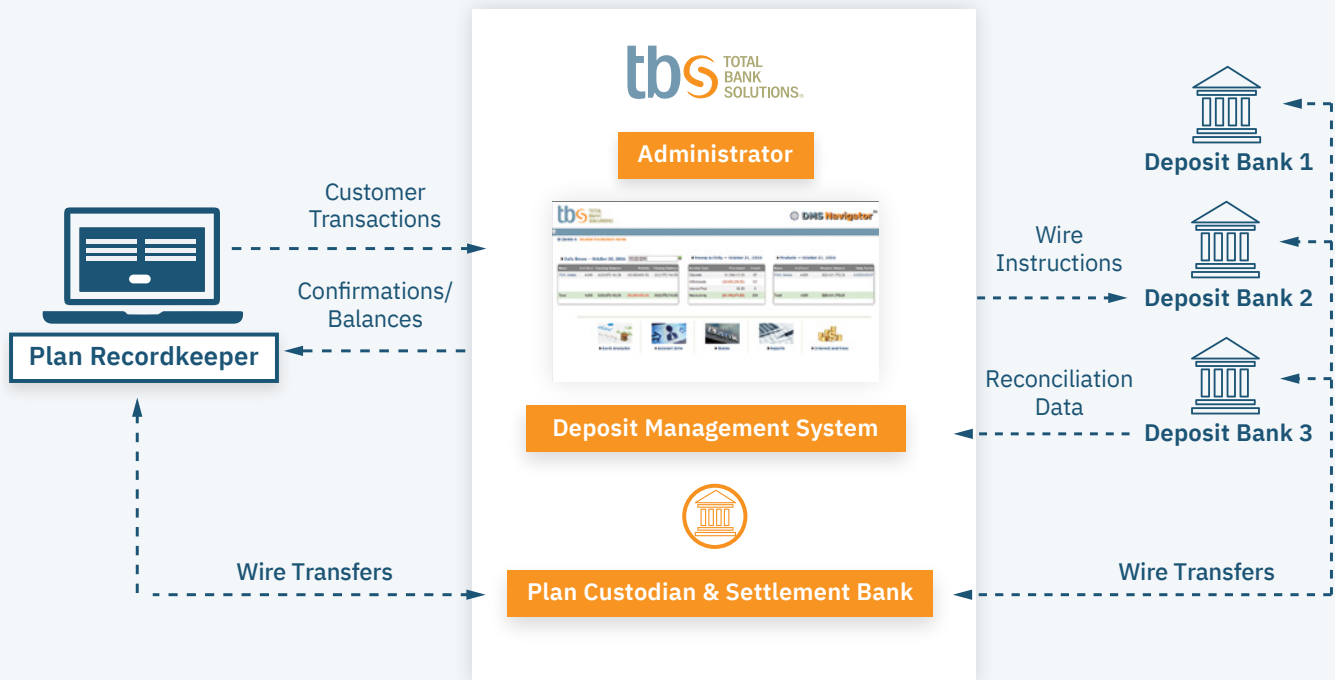
²May be subject to redemption gates and/ or fees up to 2% under amended rule 2a-7.



Ease of Operations

- ✓ TBS' IDP is operationally identical to MMFs, offering direct access to deposit accounts from the custodian or through a collective trust traded through the NSCC. If you are sweeping to MMFs, you can transition seamlessly to an IDP.
- ✓ TBS' technology is flexible and configurable, providing seamless integration with plan sponsors, administrators and recordkeepers' unique requirements.
- ✓ Everything can be accomplished within a single CUSIP.
- ✓ TBS selects and on-boards banks and performs all counterparty risk assessment and monitoring.

Process Overview





Products & Services



Deposit Products

TBS Insured Deposit Program (IDP):
A deposit management system designed to provide cash sweep investors with the benefit of extended FDIC insurance and for banks, a cost effective source of stable funding. With over \$80 Billion in assets under administration (AUA), TBS is a leading provider of insured deposit programs.



Lending Products

TBS Securities-Based Lending (SBL):
A complete end-to-end securities-based lending origination, underwriting, collateral evaluation and monitoring platform designed to streamline the process for lenders, financial intermediaries and borrowers.



Risk & Analytics

TBS Bank Monitor™:
Online “safety and soundness” surveillance service covering all FDIC insured institutions.

Why Total Bank Solutions?

Deeply rooted in industry expertise and a focus on the customer, Total Bank Solutions empowers banks and wealth managers to compete to win with FDIC-insured cash sweep and securities-based lending solutions that deliver differentiating value to clients, create efficiencies and drive revenue growth. As recognized thought leaders, we keep the industry abreast of evolving market and regulatory developments. And our approach to service features highly knowledgeable, dedicated teams with one goal in mind: client success.

Contact us today for a demonstration of the Insured Deposit sweep product:

[1-888-809-9600](tel:1-888-809-9600)

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