

# Insured Deposit Sweep Product for Trusts

Trust advisors are bound by their fiduciary duty to act solely in the best interest of their clients. Total Bank Solutions' (TBS) Insured Deposit Program (IDP) offers fiduciary advisors and their clients the opportunity to obtain extended FDIC insurance, same day liquidity without the risk of NAV volatility or gates and fees, with net yields that have consistently outperformed government and treasury money market funds.

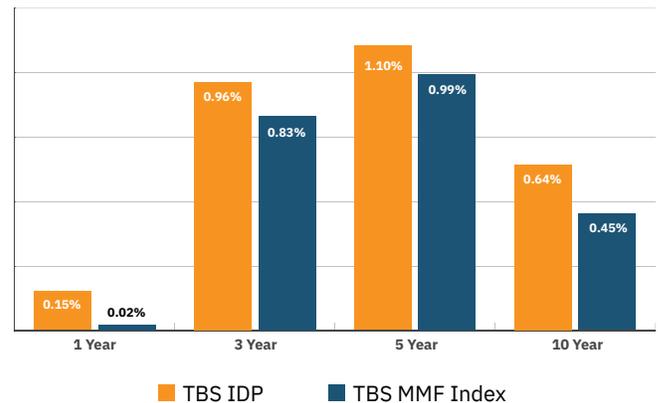
TBS' IDP offers trust advisors the flexibility to pay 100% of the rate to all/select client types, or elect to retain a service fee in an amount of their choosing. You can further maximize your revenue options by tiering rates across clients via flat fees, a percentage of net rate, or any combination thereof.

Trust companies with affiliate banks can sweep directly to these depository institutions, providing them with a cost-advantaged source of funding and, under certain conditions, allow for favorable regulatory treatment of these deposits. The resulting model can allow for additional business opportunities via the banks' clients in the form of referrals, estate planning, and other associated business lines.

## History of Success with Insured Deposit Programs

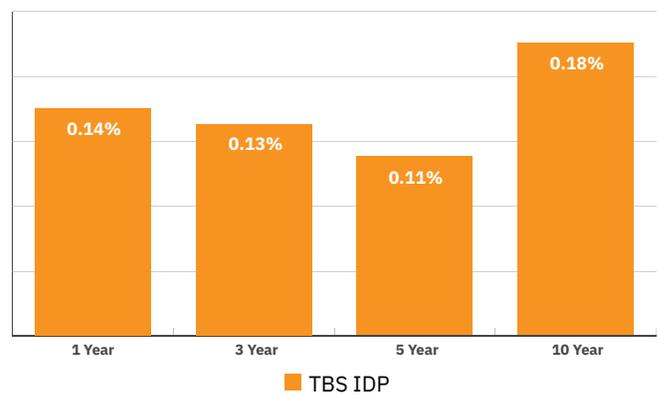
Since their inception in the early 1980s, insured deposit sweep programs continue to gain increased adoption across many financial intermediaries, including trusts, broker-dealers, clearing firms, custodians, municipalities, registered investment advisors, robo-advisors, banks, retirement plans, and emerging technology platforms.

## Performance Data



TBS MMF Index: TSTXX, DGCXX, GOFXX, GOTXX, TOIXX, FRGXX, FGTX, NITXX. All performance data net of fees as of 12/31/21. The TBS MMF Index represents 8 commonly used MMFs, sourced from the monthly Crane Money Fund Intelligence Report.

## Spread vs. TBS Index of MMFs





## Safety & Liquidity

By utilizing our Deposit Management System® (DMS), TBS ensures that all balances are optimally allocated and fully FDIC-insured at all times. 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 banks in TBS-administered IDPs allows clients daily access to their funds. With approximately 135 contracted depository institutions across multiple programs, and \$10MM of FDIC coverage per trust account<sup>2</sup>, you can offer your clients complete confidence that their funds are ideally placed and working to their full advantage.

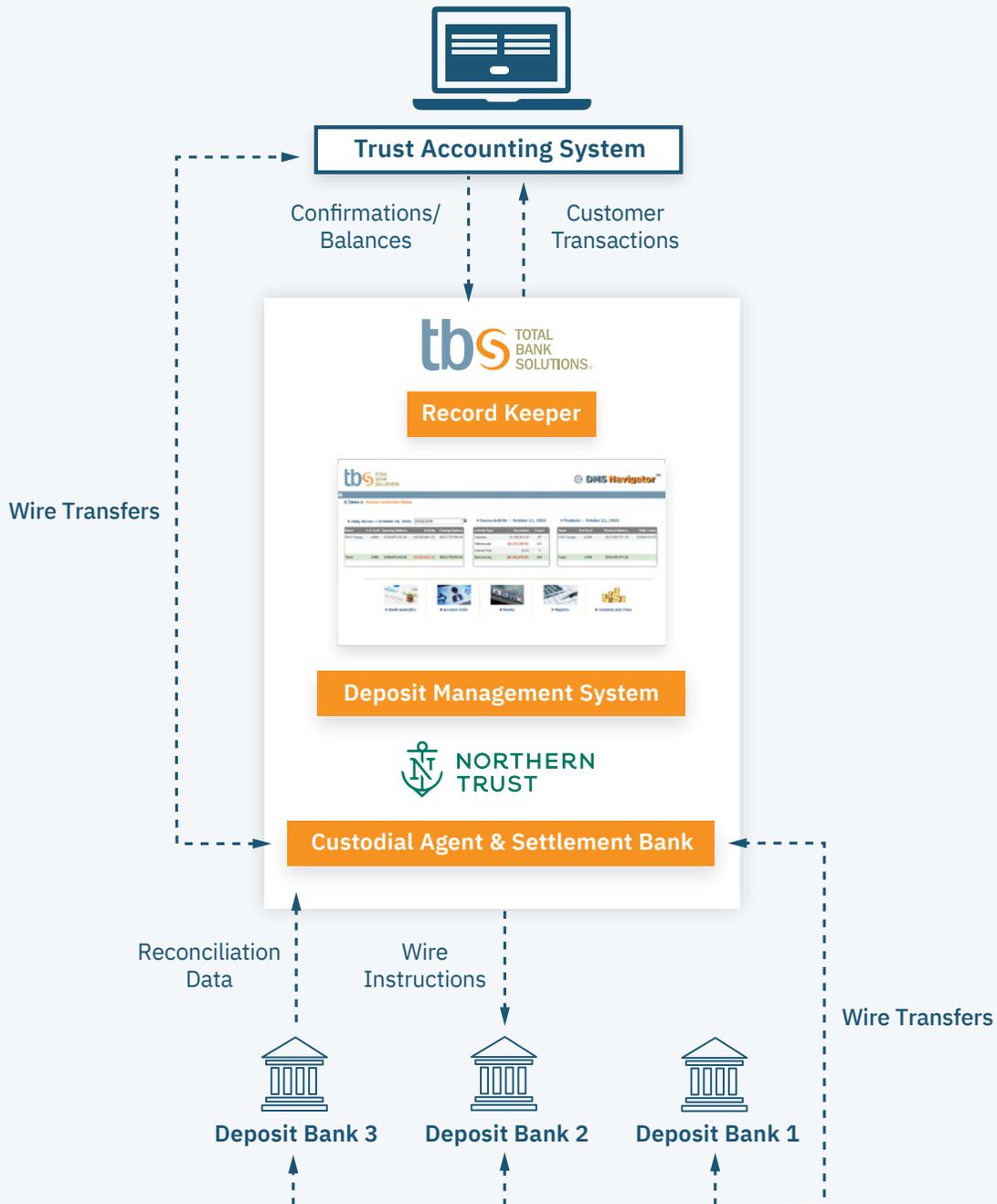
<sup>2</sup> FDIC insurance as of 12/31/21. FDIC Insurance is dependent upon the number of participating banks actively accepting deposits within each program. Deposit capacity is obtained on a "best efforts" basis and may change over time. For more details please refer to the program terms and conditions.

## Ease of Operations

- ✔ TBS' IDP allows for the seamless transition from MMF sweep processes.
- ✔ TBS's has automated interfaces with most major trust accounting platforms.
- ✔ TBS's technology is flexible and configurable, designed to meet your unique requirements.
- ✔ Everything can be accomplished within a single CUSIP or, for more sophisticated programs, via multiple CUSIP option (by location, client type, new business opportunities, etc.).
- ✔ TBS selects and on-boards banks tailored specifically to your program, and performs all counterparty risk assessment and monitoring.
- ✔ TBS Account Management, Operations and Implementations Teams are on standby to assist.
- ✔ You can integrate and prioritize the allocation of balances to affiliated banks or Direct Relationship Banks (DRBs). Bank capacity from DRBs can be exclusive to your program.



## Process Overview





## Actual Use Cases

### TBS IDP Creating, Value, Opportunities, and Diversification

- **Leverage partnerships with in-market depository institutions:**

A growing community trust company utilized TBS' technology to create a partnership with a local community bank. That bank now benefits by receiving a stable wholesale source of FDIC-insured deposits to help support and grow their funding book, while the trust benefits by receiving new client referrals and estate planning business from the bank's customers.

- **Rapid conversion from money market fund sweep process:**

A small community bank needed to convert out of an existing money fund in an expedited manner. From verbal agreement to funding with the TBS IDP, they were live in less than thirty days, prior to year end.

- **Extended FDIC coverage for large cash balances:**

A commercial bank with a trust department that includes a number of municipalities with large cash balances needed an insured solution. TBS provided them with extended FDIC coverage for these accounts up to \$10M in coverage.

- **Full FDIC coverage where money funds are not an option:**

A trust company needed to solve a problem whereby a number of their trust accounts were precluded from using money funds, or needed FDIC insurance per their trust document. They went live with the TBS IDP and have since expanded its use to address the needs of these clients.

- **Revenue optimization:**

A medium to large-sized trust company whose book of business consisted primarily of agency accounts is using the TBS IDP to optimize their firm's revenue by taking a fee on eligible accounts while providing the dual value of extended FDIC insurance and competitive rates to its clients.

- **Maximize FDIC coverage across multiple affiliates:**

A bank holding company with multiple FDIC charters needed a single solution to provide their banks with a consistent source of funding while providing millions of dollars in extended FDIC coverage to their clients.

- **Operational efficiency:**

A trust firm needing an FDIC solution with an earlier settlement time to ease their operational burden and settlement requirements. The TBS IDP provided their clients with full daily liquidity along with extended FDIC coverage and competitive rates.

- **Support asset growth:**

An innovative trust company is using the IDP to substantially grow its assets in new lines of business such as escrow accounts.

## 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:**

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