

CDARS® deposit products are now called IntraFi® Network Deposits™

# Smart Investing for Public Funds.

**Access millions in FDIC insurance while earning CD-level interest.** Through the IntraFi Network Deposits CD option (formerly known as CDARS), we can provide your public unit with easy access to multi-million-dollar FDIC protection on CD investments.



## One bank.

Make deposits eligible for multi-million-dollar FDIC insurance by working directly with just us—a bank you know and trust.

## One rate.

Agree to one rate with our bank for each CD maturity and enjoy the option of reinvesting funds through a simple process.

## One statement.

Receive one easy-to-read statement from us summarizing all your CD holdings.



I have found participation in [IntraFi Network Deposits] to be simple and a time saver. We earn very competitive interest rates on our investments while freeing up staff time. We were in [IntraFi Network Deposits] program during our last audit and passed with flying colors!

**Christine J. Johnson**

Treasurer, Dekalb County, IL

## How does it work?

We are part of a special network. When you place a large deposit with us, we place your funds into CDs issued by other banks that participate in the same network. This occurs in increments below the standard FDIC insurance maximum so that both principal and interest are eligible for FDIC protection. With help from a sophisticated matching system, we exchange deposits with other members of the network. These exchanges, which occur on a dollar-for-dollar basis, bring the full amount of your original deposit back to our bank.

As a result, we can make the full amount of your deposit available for lending in the local community, and your public unit can access FDIC insurance coverage through many banks [while working directly with just us and receiving just one regular statement.<sup>1</sup>

## What else should you know?

By providing access to FDIC insurance, IntraFi Network Deposits can help your public unit comply with investment policy mandates and eliminate tracking changing collateral values on an ongoing basis. This means you can devote more time to other activities in support of your public unit's mission.

## Want to learn more?

Nina E. Luongo

SVP & Government Banking Officer

Lakeland Bank

(973) 404-2229

[1] When deposited funds are exchanged on a dollar-for-dollar basis with other institutions that use IntraFi Network Deposits, our 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, 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.

Placement of funds through IntraFi Network Deposits is subject to the terms, conditions, and disclosures in the program agreements, including the Deposit Placement Agreement ("DPA"). 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 settlement for a deposit or after 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 IntraFi Network Deposits satisfies those restrictions. Network deposits is a service mark, and IntraFi, the IntraFi logo, ICS and CDARS are registered service marks, of IntraFi Network LLC.

# Using IntraFi Network Deposits for Public Funds In the State of New Jersey



## Title 40A. Municipalities and Counties Chapter 5. Local Fiscal Affairs Law § 40A:5-14.

a. Each local unit shall adopt a cash management plan and shall deposit, or invest, or both deposit and invest, its funds pursuant to that plan. The cash management plan shall include:

(1) the designation of a public depository or depositories as defined in section 1 of P.L.1970, c.236 ([C.17:9-41](#)) and may permit deposits in such public depository or depositories as permitted in section 4 of P.L.1970, c.236 ([C.17:9-44](#)) or in subsection i. of this section;

i. The cash management plan may provide for the purchase of certificates of deposit in accordance with the following conditions:

- (1) the funds are initially invested through a public depository as defined in section 1 of P.L.1970, c.236 ([C.17:9-41](#)) designated by the local unit;
- (2) the designated public depository arranges for the deposit of the funds in certificates of deposit in one or more federally insured banks or savings and loans associations, for the account of the local unit;
- (3) 100 percent of the principal and accrued interest of each certificate of deposit is insured by the Federal Deposit Insurance Corporation;
- (4) the designated public depository acts as custodian for the local unit with respect to the certificates of deposit issued for the local unit's account; and
- (5) at the same time that the local unit's funds are deposited and the certificates of deposit are issued, the designated public depository receives an amount of deposits from customers of other banks and savings and loan associations, wherever located, equal to the amount of funds initially invested by the local unit through the designated public depository.

## § 40A:5-2. Definitions

As used in this chapter and any act amendatory to and supplementary thereto unless the context indicates otherwise: "local unit" means any **county, municipality, special district or any public body corporate and politic created or established under any law of this State by or on behalf of any one or more counties or municipalities, or any board, commission, department or agency of any of the foregoing having custody of funds, but shall not include a school district;**