

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

## Cash management today for government finance officers

**Safety. Return. Freedom. Now you can access it all for your organization!** Through IntraFi Network Deposits (formerly known as ICS and CDARS deposit products), government depositors, like you, can make millions eligible for FDIC insurance while earning returns that may compare favorably with other government-backed options. You also save time, receiving detailed reporting that keeps you confidently in control. Funds can be placed into demand deposit accounts (using the demand option), money market deposit accounts (using the savings option), CDs (using the CD option), or any combination that fits your organization's cash management needs.

**Enjoy peace of mind.** With IntraFi Network Deposits, you can access millions of dollars in FDIC insurance – all through a single bank relationship with us, a bank you already know and trust.

**Earn a return.** Earn interest at a rate set by us. Funds placed through IntraFi Network Deposits may earn returns that compare favorably to Treasuries and government money market mutual funds and avoid the risks associated with prime money market mutual funds.

**Bank in the time-savings and ease.** By providing access to FDIC insurance, IntraFi Network Deposits can help your organization comply with investment policy mandates and avoid the hassles associated with ongoing collateral-tracking or having to footnote uninsured deposits in financial statements.

**Revel in the transparency.** Reporting shows balances, transactions, interest, and other important details associated with your accounts. Those using the demand and savings options also enjoy 24/7 access to information online.



**Manage liquidity.** Enjoy access to funds placed through IntraFi Network Deposits into demand deposit accounts and money market deposit accounts. With CD placements, select from multiple term options to meet your liquidity needs.

**Support the community.** Feel good knowing that the full amount of your funds can stay local to support lending opportunities that build a stronger community.<sup>1</sup>

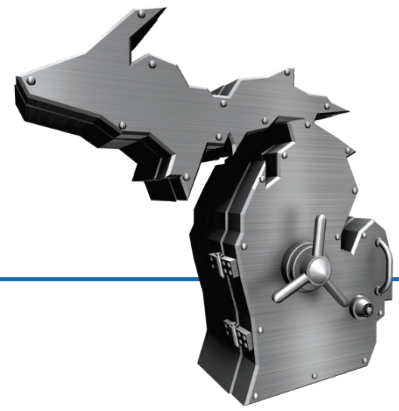
### How does IntraFi Network Deposits work?

We, like other institutions that offer IntraFi Network Deposits, are members of a special network. When we place your deposit through IntraFi Network Deposits, that deposit is divided into amounts under the standard FDIC insurance maximum of \$250,000. The amounts are then placed into deposit accounts at multiple, FDIC-insured banks. As a result, you can access FDIC coverage from many institutions while working directly just with us. Receive one statement from our bank for each product option you use and, as always, know that your confidential information is protected.

[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"). Limits apply and customer eligibility criteria may 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 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. IntraFi, Network Deposits, and the IntraFi logo are service marks, and ICS and CDARS are registered service marks, of IntraFi Network LLC.

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



## Chapter 129 Public Funds

### Act 20 of 1943 Investment of Surplus Funds of Political Subdivisions

MCL § 129.91. Investment of funds of **public corporations**; eligible depository; secured deposits; funds limitation on acceptable assets; pooling or coordinating funds; written agreements; investment in certificate of deposit; conditions; "financial institution" defined; additional definitions.

Sec. 1. (1) Except as provided in section 5, the governing body by resolution may authorize its investment officer to invest the funds of that public corporation in 1 or more of the following:

Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

Certificates of deposit, savings accounts, or depository receipts of a financial institution, but only if the financial institution complies with subsection (2); certificates of deposit obtained through a financial institution as provided in subsection (5); or deposit accounts of a financial institution as provided in subsection (6).

\* \* \*

(5) In addition to the investments authorized under subsection (1), the governing body by resolution may authorize its investment officer to invest the funds of the public corporation in certificates of deposit in accordance with all of the following conditions:

(a) The funds are initially invested through a financial institution that is not ineligible to be a depository of surplus funds belonging to this state under section 6 of 1855 PA 105, [MCL 21.146](#).

(b) The financial institution arranges for the investment of the funds in certificates of deposit in 1 or more insured depository institutions, as defined in [12 USC 1813](#), or 1 or more insured credit unions, as defined in [12 USC 1752](#), for the account of the public corporation.

(c) The full amount of the principal and any accrued interest of each certificate of deposit is insured by an agency of the United States.

(d) The financial institution acts as custodian for the public corporation with respect to each certificate of deposit.

(e) At the same time that the funds of the public corporation are deposited and the certificate or certificates of deposit are issued, the financial institution receives an amount of deposits from customers of other insured depository institutions or insured credit unions equal to or greater than the amount of the funds initially invested by the public corporation through the financial institution.

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(7) A public corporation that initially invests its funds through a financial institution that maintains an office located in this state may invest the funds in certificates of deposit as provided under subsection (5).

(8) As used in this section, "financial institution" means a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and that maintains a principal office or branch office located in this state under the laws of this state or the United States.

(9) As used in this act:

(a) "Governing body" means the legislative body, council, commission, board, or other body having legislative powers of a public corporation.

(b) "Funds" means the money of a public corporation, the investment of which is not otherwise subject to a public act of this state or bond authorizing ordinance or resolution of a public corporation that permits investment in fewer than all of the investment options listed in subsection (1) or imposes 1 or more conditions upon an investment in an option listed in subsection (1).

(c) "Investment officer" means the treasurer or other person designated by statute or charter of a public corporation to act as the investment officer. In the absence of a statutory or charter designation, the governing body of a public corporation shall designate the investment officer.

(d) "Public corporation" means a county, city, village, township, port district, drainage district, special assessment district, or metropolitan district of this state, or a board, commission, or another authority or agency created by or under an act of the legislature of this state.

Michigan House Bill 5287 amended MCL 380.622 and MCL 380.1223 and Michigan House Bill 5288 amended MCL 389.142 to provide investment authority for treasurers of **intermediate school boards, treasurers of school districts and treasurers of community college districts** similar to that authorized for public corporations under MCL 129.91 as set forth above.