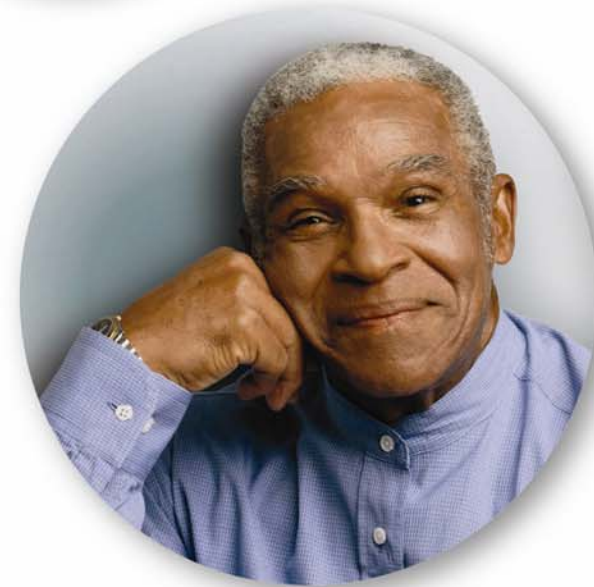
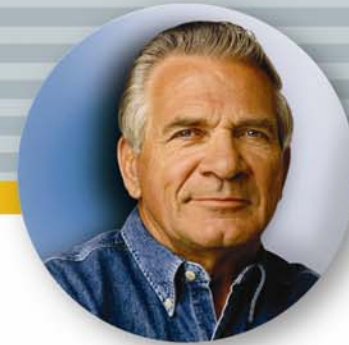


# CDARS<sup>®</sup>

Certificate of Deposit Account Registry Service<sup>®</sup>



# Why CDARS?

**It's Everything  
in One Place**

**CDARS is the smartest, most secure and convenient way to invest in large dollar FDIC-insured CDs.**

Why is that? With the CDARS service, you can have it all.

- Earn CD-level returns.
- Access multi-million dollar FDIC insurance.
- Save time – enjoy significantly *less* paperwork.
- Put your money to work – not just financially, but in the local community.<sup>1</sup>

<sup>1</sup>This benefit applies to some, but not all types of CDARS transactions. Let us know if this benefit is important to you, so that we can explain the relevant terms and conditions in more detail.



# Why CDARS?

CD-level Returns  
Peace of Mind

## **CD-level Returns**

Earn rates that may compare favorably with other investment alternatives, including U.S. Treasuries and money market funds.



## **Peace of Mind**

Enjoy the security associated with access to up to \$50 million in FDIC insurance on CD investments.



**BN** BANK  
NORTH

# Why CDARS?

**Time-saving  
Conveniences**



## **Capitalize on the ease:**

- Work with our bank to obtain full FDIC insurance.
- Earn one interest rate per maturity.
- Receive just one regular statement from us.



# Why CDARS?

**Time-saving  
Conveniences**

## **Forego the hassles of:**

- Opening accounts at different banks and/or under different insurable capacities.
- Requiring collateralization or surety bonds (and potentially being offered a lower interest rate as a result).



# Why CDARS?

**Time-saving  
Conveniences**

**Forego the hassles of:**

- Manually consolidating account statements. Calculating blended rates and manually consolidating interest disbursements.
- Tracking and “marking to market” changing collateral.
- Footnoting uninsured investments in financial statements.



# Why CDARS?

## Community Investment



Feel good knowing that ***the full value*** of your money ***stays local*** to support lending opportunities that build a stronger community; with CDARS, you invest not just in CDs, but in your own backyard.<sup>2</sup>

<sup>2</sup>This benefit applies to some, but not all types of CDARS transactions. Let us know if this benefit is important to you, so that we can explain the relevant terms and conditions in more detail.

# What MATURITIES are available?

Investing is Flexible to  
Match Your Needs

Choose from seven convenient options:

- 4 weeks
- 13 weeks
- 26 weeks
- 52 weeks
- 2 years (104 weeks)
- 3 years (156 weeks)
- 5 years (260 weeks)

If desired, you can also ladder your CDs or combine maturities to effectively create a customized term.



# How does CDARS<sup>®</sup> work?

**We Make It Easy**

**Banks that offer CDARS are members of a special network.**

When you place a large amount with us, we place your funds into CDs issued by other banks in the network – in increments of less than \$100,000 – so that both principal and interest are eligible for complete FDIC protection. As a result, you can receive coverage from many banks while working with just one.



# How does CDARS<sup>®</sup> work?

Investing is Simple

<b>1</b>	You sign a CDARS Deposit Placement Agreement and deposit money with us.
<b>2</b>	Your funds are placed using the CDARS service.
<b>3</b>	Your CDs are issued by other banks in the CDARS network.
<b>4</b>	You receive confirmation from our bank of your CDs.
<b>5</b>	You receive consolidated interest payments and statements from us.



# How does CDARS<sup>®</sup> work?

Reporting is  
Straightforward

## Sample New Account Notice

ABC Bank P.O. Box 1000 Chicago, IL 60649		Date	11/10/05
JOHN SMITH 1 MAIN STREET 2ND FLOOR BOSTON, MA 02108		Account	9999999999
		Page	1 of 1
Subject: New Account Notice			
<p>Thank you for purchasing certificate(s) of deposit through the ABC Bank. These deposit(s) have been placed by us, as your agent and custodian, through CDARS with one or more FDIC-insured depository institutions. If any of the following information is incorrect, or if you have any questions, please contact us at 888-888-8888 or send an email to <a href="mailto:customerservice@abcbank.com">customerservice@abcbank.com</a></p>			
Account Number	9999999999	Principal Balance	500,000.00
Effective Date	11/10/05	Interest Rate	3.80%
Maturity Date	12/08/05	Annual Percentage Yield	3.87%
Interest Payment Frequency	At Maturity		
Interest Disbursement Instructions	Credit to Principal		
Maturity Disbursement Instructions	Check		
Your certificate(s) of deposit were issued by the following FDIC-insured depository institution(s):			
Bank A	Edwardsville, IL	96,000.00	
Bank B	Archbold, OH	69,500.00	
Bank C	Hutchinson, KS	96,000.00	
Bank D	Wisconsin Dells, WI	96,000.00	
Bank E	Winston-Salem, NC	46,499.40	
Bank F	MT. Pleasant, SC	96,000.00	
		<hr/>	500,000.00
Below is the depository institution(s) where you do not wish your funds placed, as you indicated at the time you re-submitted your funds to us for placement through CDARS.			
Bank G	Savannah, GA		
Bank H	Atlanta, GA		
Bank I	Atlanta, GA		
Bank J	Portland, OR		
Bank K	Winston-Salem, NC		
Thank you for your business.			



# How does CDARS work?

Reporting is Straightforward

ABC Bank  
P.O. Box 1000  
Chicago, IL 60649

Date 11/30/05  
Page 1 of 2

JOHN SMITH  
1 MAIN STREET  
2ND FLOOR  
BOSTON, MA 02108

Subject: CDARS Customer Statement

Below is a summary of your certificate(s) of deposit, which we are holding for you as your custodian. These certificate(s) of deposit have been issued through CDARS by one or more FDIC-insured depository institutions. Should you have any questions, please contact us at 888-888-8888.

Summary of Accounts Reflecting Placements Through CDARS

Account ID	Effective Date	Interest Rate	Maturity Date	Opening Balance	Ending Balance
9999999999	11/10/05	3.8%	12/08/05	\$0.00	\$500,000.00
<b>TOTAL</b>				<b>\$0.00</b>	<b>\$500,000.00</b>

Sample Monthly Statement

Date 11/30/05  
Page 2 of 2

**ACCOUNT OVERVIEW**

Account ID: 9999999999  
Product Name: 4-WEEK PERSONAL CD  
Interest Rate: 3.8%  
Account Balance: \$500,000.00  
The Annual Percentage Yield Earned is 3.87%

Effective Date: 11/10/05  
Maturity Date: 12/08/05  
YTD Interest Paid: \$0.00  
YTD Interest Accrued: \$1,094.26

**CD Issued by Bank A**

YTD Interest Paid:	\$0.00	11/10/05	OPENING BALANCE	\$0.00
YTD Interest Accrued:	\$210.10	11/10/05	Deposit	96,000.00
		11/30/05	ENDING BALANCE	\$96,000.00

**CD Issued by Bank B**

YTD Interest Paid:	\$0.00	11/10/05	OPENING BALANCE	\$0.00
YTD Interest Accrued:	\$210.10	11/10/05	Deposit	96,000.00
		11/30/05	ENDING BALANCE	\$96,000.00

**CD Issued by Bank C**

YTD Interest Paid:	\$0.00	11/10/05	OPENING BALANCE	\$0.00
YTD Interest Accrued:	\$210.10	11/10/05	Deposit	96,000.00
		11/30/05	ENDING BALANCE	\$96,000.00

**CD Issued by Bank D**

YTD Interest Paid:	\$0.00	11/10/05	OPENING BALANCE	\$0.00
YTD Interest Accrued:	\$210.10	11/10/05	Deposit	96,000.00
		11/30/05	ENDING BALANCE	\$96,000.00

**CD Issued by Bank E**

YTD Interest Paid:	\$0.00	11/10/05	OPENING BALANCE	\$0.00
YTD Interest Accrued:	\$152.10	11/10/05	Deposit	69,500.60
		11/30/05	ENDING BALANCE	\$69,500.60

**CD Issued by Bank F**

YTD Interest Paid:	\$0.00	11/10/05	OPENING BALANCE	\$0.00
YTD Interest Accrued:	\$101.76	11/10/05	Deposit	46,499.40
		11/30/05	ENDING BALANCE	\$46,499.40

Thank you for your business.



# What else DO YOU NEED to know?

## Confidential Information Remains Protected

Your confidential information remains protected. We don't share the information with other banks in the network other than our service provider.

Let us know if you would like to learn more about our privacy policy.



# Learn MORE

We're Here to Answer  
Your Questions

Let's talk about how CDARS  
can work for you.



## Additional Information

### Disclosures

The CDARS service has been designed to satisfy the FDIC's requirements for pass-through deposit insurance coverage.

If you are subject to restrictions with respect to the placement of funds in depository institutions, it is your responsibility to determine whether the placement of your funds through CDARS satisfies those restrictions.

When funds are exchanged on a dollar-for-dollar basis with other banks in the network, we can use the full amount of a deposit placed through CDARS for local lending, satisfying some depositors' local investment goals/mandates. Alternatively, with your consent, our bank may choose to receive fee income instead of deposits from other banks. Under these circumstances, deposited funds would not be available for local lending.

Funds may be submitted for placement only after entering into a CDARS Deposit Placement Agreement with us. This agreement contains important information and conditions regarding the placement of funds.

CDARS and Certificate of Deposit Account Registry Service are registered service marks of Promontory Interfinancial Network, LLC.

