ICS® and CDARS®
Frequently Asked Questions

Why use ICS or CDARS?

With the ICS, IntraFi Cash Service®, and CDARS services, you can enjoy the safety and simplicity that comes with access to millions of dollars in aggregate FDIC insurance across network banks. You can choose to place your funds in demand deposit accounts and money market deposit accounts using ICS, CDs using CDARS, or any combination that offers the returns and access to funds you seek.

A list identifying IntraFi network banks appears at https://www.intrafi.com/network-banks. Certain conditions must be satisfied for "pass-through" FDIC deposit insurance coverage to apply. To meet the conditions for pass-through FDIC deposit insurance, deposit accounts at FDIC-insured banks in IntraFi's network that hold deposits placed using an IntraFi service are titled, and deposit account records are maintained, in accordance with FDIC regulations for pass-through coverage.

With ICS and CDARS, you can have

Peace of Mind. Through economic ups and downs, no depositor has ever lost a penny of funds placed through ICS or CDARS.

Flexibility. Multiple liquidity options are available to meet your needs. Enjoy daily access to funds placed through ICS into demand deposit accounts and money market deposit accounts. CDARS offers placement of funds in CDs with a range of maturities between 4 weeks and 3 years.

Favorable Returns. Risk-averse depositors do not have to sacrifice safety for returns. ICS and CDARS can offer returns that compare to those earned from Treasuries and government money market mutual funds.

Time Savings and Transparent Reporting. Forego the need to manage multiple bank relationships. See account balances and accrued interest for ICS and CDARS, 24/7, with an online dashboard. Also, for ICS, see online which banks hold your funds. For both services, receive regular statements with detailed reporting provided by your local bank.

Reduced Collateralization Burden. Save time by eliminating the need to track changing collateral values on an ongoing basis or having to footnote uninsured deposits in financial statements.

Community Support. The full amount of your funds placed through IntraFi's services can stay local to support lending opportunities that build a stronger community.[1]

How can deposits greater than the standard FDIC insurance maximum be eligible for insurance by the FDIC?

The FDIC insures up to $250,000 of a customer's deposit accounts in a given insurable capacity at each FDIC-insured depository institution. Banks that offer IntraFi's services are members of IntraFi's network of financial institutions. When your funds are placed through the services, they are divided into amounts under the standard FDIC maximum of $250,000 and placed with other network members—each an FDIC-insured institution. Your deposits are placed in a manner that makes them eligible for FDIC insurance at each member bank. By working directly with one network member, you can access insurance through many.

Who has custody of my funds?

Funds placed through ICS and CDARS are deposited only at FDIC-insured institutions. We act as custodian for your deposits placed, and The Bank of New York Mellon acts as subcustodian.

Who provides the additional FDIC insurance when my funds are placed using ICS and CDARS?

Through ICS and CDARS, funds are placed in deposit accounts in amounts less than the FDIC insurance maximum at members of IntraFi's network of financial institutions, and those network members provide you with access to the additional FDIC insurance coverage. Working directly with just one bank, you can access coverage through many FDIC-insured institutions.

Is my account information safe?

Your confidential information remains protected; your relationship remains between you and us.

[1] When deposited funds are exchanged on a dollar-for-dollar basis with other banks in the IntraFi network, our bank can use the full amount of a deposit placed through ICS and CDARS for local lending, satisfying some depositors' local investment goals or mandates. Alternatively, with a depositor's consent, the institution placing funds 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.

Deposit placement through ICS and CDARS is subject to the terms, conditions, and disclosures in applicable agreements. Deposits that are placed through ICS and CDARS at FDIC-insured banks in IntraFi's network are eligible for FDIC deposit insurance coverage at the network banks. The depositor may exclude banks from eligibility to receive its funds. To meet conditions for pass-through FDIC deposit insurance, deposit accounts at FDIC-insured banks in IntraFi's network that hold deposits placed using ICS and CDARS are titled, and deposit account records are maintained, in accordance with FDIC regulations for pass-through coverage. Although deposits are placed in increments that do not exceed the FDIC standard maximum deposit insurance amount ("SMDIA") at any one bank, a depositor's balances at the institution that places deposits may exceed the SMDIA before settlement for deposits or after settlement for withdrawals. The depositor must make any necessary arrangements to protect such balances consistent with applicable law and must determine whether placement through an IntraFi service satisfies any restrictions on its deposits.