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PROMONTORY INTERFINANCIAL NETWORK ANNOUNCES NEW CDARS SERVICE FOR BANK IRAs AND LONGER DURATION CDs

Arlington, Va. – (June 24, 2003) -- In response to requests from its member banks, Promontory Interfinancial Network announced today that it now can accept orders to place funds held in individual retirement accounts (IRAs) at banks and thrifts.

Using the Certificate of Deposit Account Registry Service, or CDARS, banks can place funds over \$100,000 from a customer's IRA account into certificates of deposit (CDs) at other banks, where they are eligible for full Federal Deposit Insurance Corporation (FDIC) insurance coverage.

At the same time, Promontory announced that starting July 16, banks also will be able to use CDARS to provide their customers with two- and three-year CDs that are eligible for full FDIC insurance coverage. Until now, banks could use CDARS for CDs with maturities of four, 13, 26 and 52 weeks. Member banks also requested this enhancement.

“We responded quickly and efficiently to requests from our bank members to give them more ways to use the CDARS tool to serve their customers,” said Gene Ludwig, chairman and chief executive officer of Promontory Interfinancial Network. “The tax-neutral IRA CDs and two- and three-year CDs help banks expand the benefits of their bank franchise in the community.”

For IRA customers concerned with safety and income, FDIC-insured CDs purchased through CDARS are an important option. The longer duration CDs permit customers to capture a little more current income in this very low interest rate environment. As with all CDARS services, IRA funds sent through the service are placed in other banks, and an equal amount of funds are sent back through CDARS to the original bank. Net-net, it is as if the money never left the bank; it remains available as bank funding for local lending and investing in the community.

“The breakthrough of CDARS is its sophisticated matching engine, which allows banks offering their individual CD interest rates at various maturities to work together to provide FDIC insurance to all their customers with large accounts,” said Mark Jacobsen, president and chief operating officer of Promontory.

Based in Arlington, Va., Promontory Interfinancial Network is committed to developing secure, consumer-friendly solutions that strengthen the banking system. CDARS is based on proprietary technology and intellectual property owned by Promontory. ###