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BANK CUSTOMERS TO NOW ENJOY
\$10 MILLION IN FDIC INSURANCE COVERAGE

New York, NY (October 5, 2004) – Promontory Interfinancial Network today announced that it has doubled to \$10 million the level of FDIC coverage its member banks can offer a customer.

“With Promontory’s premier service CDARS, member banks can offer a customer up to \$10 million – twice the \$5 million coverage per customer we have been providing over the past year,” Promontory Chairman and CEO Eugene Ludwig told the annual convention of the American Bankers Association (ABA). The ABA has endorsed the CDARS service.

“We began CDARS just 20 months ago, with just a handful of member banks,” said Ludwig, “but as the Network grew we were able to raise the level – first to \$1.5 million, then last October to \$5 million, and now to \$10 million. Our member banks asked for the higher limit to meet customer demand – and we are delighted that the Network is now large enough to deliver. As the Network grows, coverage will continue to rise.”

Donald G. Ogilvie, ABA President and CEO, said: “We have been partners with Promontory since CDARS was first offered because we immediately saw the benefits that the service would bring to bank customers – increased safety and convenience -- and to banks. With twice the coverage, bankers will find CDARS to be an even more effective way to attract and retain businesses, nonprofit organizations, local governments, and high net worth individuals as customers.”

CDARS is a deposit placement service. To offer CDARS, a bank must be a member of Promontory Interfinancial Network, a nationwide network of 600 banks. When a customer places a large deposit with a Network member, the bank arranges for the placement of funds into certificates of deposit issued by other Network banks – in increments of less than \$100,000 to ensure that both principal and interest are eligible for full FDIC protection. Deposits placed through CDARS meet the pass-through insurance coverage guidelines established by the FDIC. CDARS – pronounced “cedars” – is short for “Certificate of Deposit Account Registry Service.”

Promontory member banks have offices in all 50 states, the District of Columbia, and Puerto Rico. The Network was founded in the wake of a large increase in uninsured bank deposits three years ago. Today, about one-third of the deposits in the banking system are uninsured. Congress last raised deposit insurance in 1980, to \$100,000 per depositor per institution.

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“The purchasing power of \$100,000 is less than half of what it was when the current FDIC insurance limit was set almost a quarter of a century ago – less than \$45,000,” said Alan Blinder, Princeton University economist, former Vice Chairman of the Federal Reserve Board and one of Promontory’s founders. “Simply put, \$100,000 isn’t worth what it used to be.”

Mark Jacobsen, President and COO of the Network, and a former FDIC chief of staff, noted: “The largest financial institution in the country cannot offer anything safer than CDARS. There are few guarantees in life – FDIC insurance is one of them. And with interest rates rising, CDs are becoming a more attractive cash management and investment option.”

From the customer point of view, CDARS is one-stop shopping. Regardless of the number of CDs they receive, the customers work with only one bank, sign only one agreement, and receive one interest rate, and one account statement. Personal accounts receive one 1099 tax form.

“We’ll soon think about CDARS in the same way we think about credit cards and ATM machines – as one of the great advances in banking,” said Ludwig.

About Promontory Interfinancial Network: Based in Arlington, VA, Promontory Interfinancial Network was founded in 2002 by former Comptroller of the Currency Eugene Ludwig and other leading figures in the banking industry to develop and provide creative solutions to issues confronting bank management. To learn more about Promontory, go to www.promnetwork.com. To learn more about CDARS, go to www.cdars.com.