

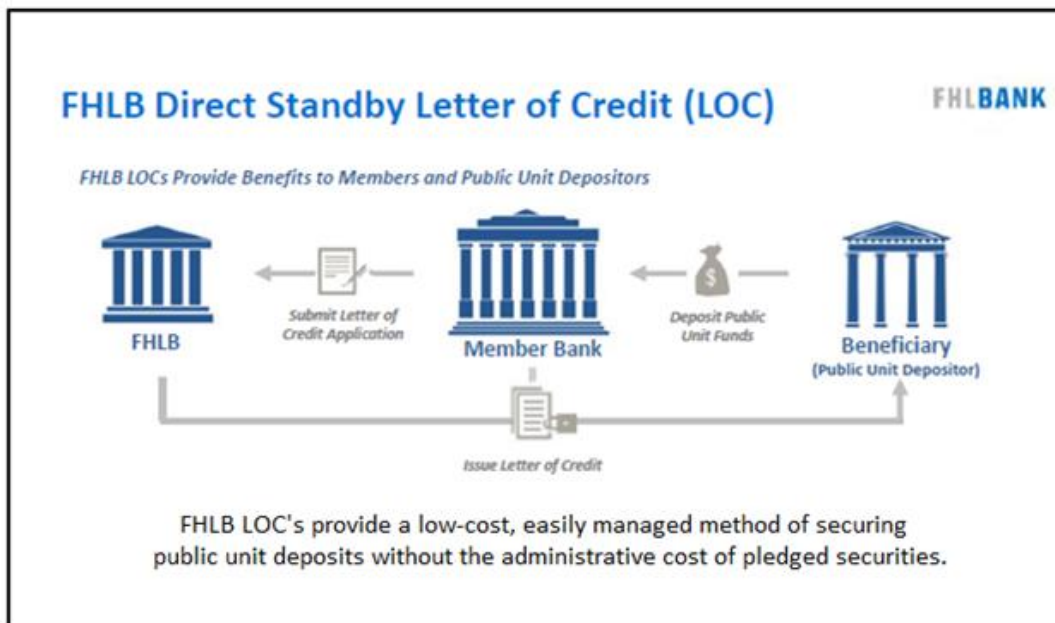
## ANOVA's "US Government Guaranteed Deposit Program"

ANOVA offers depositors with very large liquid balances above FDIC Insurance limits an alternative US Government Guaranteed investment account that is secured by pledged collateral or up to 102% collateral through an Irrevocable Standby Letter of Credit (LOC) from the Federal Home Loan Bank (FHLB).

### **Bond Sale Proceeds / Large Cash Balances**

FHLB Irrevocable Standby Letters of Credit (LOC) provide a cost-effective, easily manageable method for collateralizing public unit deposits (PUD) and other large balance deposits that exceed the amount insured by the Federal Deposit Insurance Corporation (FDIC), while providing member banks the flexibility to keep their securities portfolio unencumbered and available for liquidity and other purposes.

LOC's protect depositors by paying, upon demand, if a member bank defaults under its depository arrangement with these depositors. FHLB LOCs are widely accepted by public units and are administratively easier to manage than pledged securities. Unlike securities, LOC's are not subject to market value fluctuations or call provisions; therefore, public units need only monitor the LOC's expiration dates.



### **Government Guaranteed Deposit Program (GGDP)**

The Government Guaranteed Deposit Program is for very large deposits, particularly bond sale proceeds and large seasonal tax revenues held in reserve in excess of FDIC insurance limits. Utilizing only the highest rated banks within our participating bank network (superior or investment grade banks) an Irrevocable Standby Letter of Credit from the Federal Home Loan Bank for up to 102% of all accrued interest and principal for the term of the deposit (MMDA or CD) in the name of the Depositor requiring the collateralized deposit. We will tailor the LOC to the client's specific needs depending on the draw schedule and/or maturity requirements for the funds held on deposit through our network banks. The

LOC will be issued two days prior to the funding date and the original will be sent overnight to the Depositor for next day delivery so the LOC is in the Depositor's possession one day prior to funding.

For more information on ANOVA's Government Guaranteed Deposit Program please contact us [click here](#) or call 888.266.8293 (1-888-ANOVA-YES) to speak with an **ANOVA** representative.

