

Insured Deposit Program

Product Description

INTL FCStone Insured Deposit Program

Investment Objective

Seeks to provide current income while maintaining liquidity and preserving capital

Strategy

Deposit funds in bank accounts to the extent of available FDIC insurance coverage, thereby securing the full faith and credit of the U.S. Government²

Credit and Risk Considerations

Full faith and credit of the U.S. Government²

Product Highlights

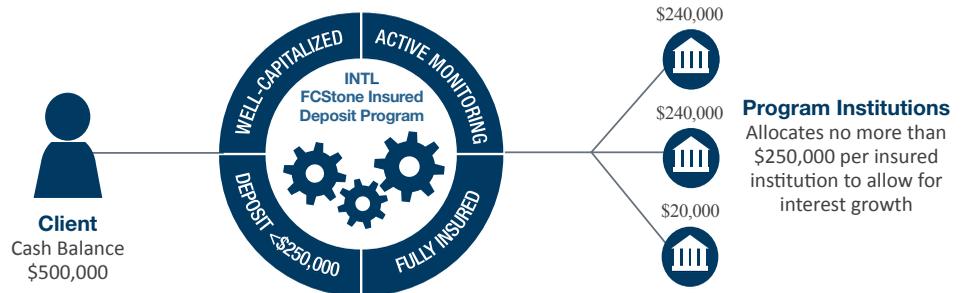
- No counterparty or credit risk²
- Same day liquidity³
- Depository network includes only well-capitalized, pre-screened depository institutions
- Seamlessly integrated with your brokerage account
- Eligible for most account types
- High levels of FDIC insurance

About INTL FCStone

Your brokerage firm uses INTL FCStone Financial Inc. (IFCF) as their clearing firm. IFCF is a clearing broker-dealer registered with the Securities Exchange Commission and member FINRA/SIPC, and provides execution, clearing and custody solutions for US Broker-Dealers, Investment Advisers and Foreign Financial Institutions. IFCF is a wholly owned subsidiary of INTL FCStone Inc., a diversified financial services organization providing clearing and execution, risk management and advisory services, and market intelligence across asset classes and markets around the world. A Fortune 500 financial services organization with a 100-year track record, INTL FCStone Inc. is listed on the NASDAQ under the ticker symbol "INTL".

WWW.INTLFCSTONE.COM

How It Works



Learn More

For more information on the INTL FCStone Insured Deposit Program, please contact your broker.

All information contained herein is for informational purposes and should not be construed as investment advice. It does not constitute an offer, solicitation or recommendation to purchase any security.

INTL FCStone Insured Deposit Program satisfies the FDIC's requirements for agency pass-through deposit insurance coverage. Program banks in the INTL FCStone Insured Deposit Program network are FDIC-insured banks and savings associations as those terms are defined in the Federal Deposit Insurance Act. The FDIC Limit is \$250,000 per depositor per bank, per account ownership category.

The program administrator, StoneCastle Cash Management, LLC ("StoneCastle"), an affiliate of StoneCastle Partners, LLC, is not a bank, nor does it offer bank deposits and its services are not guaranteed or insured by the FDIC or any other governmental agency. StoneCastle is an investment adviser registered with the United States Securities and Exchange Commission (SEC). For more information regarding the firm, please see its Form ADV Part 1 and 2A on file with the SEC. Registration with the SEC does not imply a particular level of skill or training.

- 1 StoneCastle is not a member of the Federal Deposit Insurance Corporation (FDIC), however, each of the depository banks where your money is placed are FDIC members. The FDIC is an independent agency of the U.S. government that protects the funds depositors place in FDIC insured institutions. FDIC deposit insurance is backed by the full faith and credit of the U.S. government.
- 2 Deposits in the program are guaranteed by the full faith and credit of the U.S. Government to the extent they are covered by FDIC Insurance. When determining FDIC coverage, deposits made on your behalf through the Program are combined with deposits you make outside of the Program. You are responsible for assuring that sum total of those deposits does not exceed FDIC Insurance limits. Further, in the event your total amount of deposits in the Program exceeds the FDIC Insurance available through the Program (presently \$5 million per customer per account ownership category), the excess deposits will be held at our intermediary bank, Cadence Bank, even though they exceed available FDIC Insurance. Such excess deposits are subject to the credit risk of Cadence Bank and do not have the full faith and credit of the U.S. Government.
- 3 Subject to internal operating procedures (wire cutoff times, etc.). Federal regulations require banks to reserve the right to require seven days written notice of an intended withdrawal for "savings deposits" and "negotiable order of withdrawal," or NOW, accounts. We do not anticipate any bank will exercise this right, but such exercise would have an adverse effect on liquidity of funds deposited in such accounts.

Insured Deposit Program Summary Sheet

Background

INTL FCStone has made the strategic decision to replace its current FDIC cash sweep administrator with [StoneCastle Cash Management, LLC](#) (“StoneCastle”). StoneCastle is well-known for its institutional and family office cash management expertise. StoneCastle has one of the largest bank networks in the country (700+), a team dedicated to bank analysis and ongoing monitoring, the latest sweep technology, and marketing/sales communication support focused on helping advisors attract new business and grow wallet share of existing clients.

INTL FCStone Insured Deposit Program Attributes

- \$5 million FDIC insurance per customer, per ownership category | \$10 million for joint accounts
- Daily liquidity | Competitive rate | No credit or counterparty risk

What is an FDIC Insured cash sweep program?

An FDIC insured cash sweep program is similar in nature to a money fund sweep program. The difference being that excess client cash, including deposits, dividends, and proceeds from trade settlements is swept daily into pre-screened, well-capitalized FDIC insured institutions. To ensure that client balances (plus accrued interest) receive full insurance coverage, the Program limits the principal amount of cash held at any one institution to slightly less than \$250,000 per tax ID. Following this process, client cash is allocated to as many banks in the Program as necessary to fully insure client cash balances up to the Program maximum. Unlike money market funds, there is no principal risk through the Program². Cash is available daily for trading, transfer, and/or withdrawal while maintaining full FDIC protection³.

Account Types

The Program is available to all account types that accept FDIC insured deposits, such as individual, corporate/business, trust, self-directed IRA, fiduciary, joint accounts, etc. The Program does not accept investment from 403(b) retirement accounts.

Program Banks

A list of Program banks is made available to investors 24/7. It is solely the responsibility of the investor to know where they hold funds or accounts outside of this program in order to ensure that their funds at any particular Network institution do not exceed the FDIC insurance maximum threshold. Investors may “opt-out” of as many Program banks for any reason (note: if the investor opts-out of one or more banks it may affect the amount of insurance to which they are entitled through the Program).

The Program as an Asset Gathering Tool

FDIC insured cash sweep programs are a proven asset gathering tool for brokers and advisors.

Facts:

- Avg. household cash balances are approximately 15%. Average brokerage cash positions are approximately 8%. That means there is approximately 7% more cash that may be available for investment from existing clients.
- According to the FDIC, there is approximately \$4.7 trillion in uninsured deposits held at banks, which is the equivalent of 20% of an average banks’ deposits being uninsured

The Program’s \$5 million in FDIC insurance enables brokers to elevate the value of the service they provide to clients;

- HNW individuals (domestic or offshore), clients that have sold a business or home or have received a lump-sum transfer of wealth, business or public funds accounts, clients that maintain excess cash balances at the bank, e.g.;

Married Couple with Deposits at the Bank

Spouse 1: \$250,000
 Spouse 2: \$250,000
 Joint Account: \$500,000
 Total Family Insurance: \$1,000,000

Married Couple with accounts through INTL FCStone

Spouse 1: \$5 million
 Spouse 2: \$5 million
 Joint Account: \$10 million
 Total Family Insurance: \$20 million

Difference of \$19 million in FDIC insurance