

Treasury Services



Since community financial institutions need access to the same expertise employed by larger institutions, Silvertown Bank offers a wide variety of treasury services to ensure that short- and long-term balance sheet needs are met.

Federal Funds Sweep Account

When utilized in conjunction with our clearing/cash management program and sweep account, excess funds are automatically invested in our Agent or Principal Federal Funds Program. We benefit from the efficiencies associated with large-scale funds trading, allowing customers to earn a competitive rate on overnight funds.

- Our Agent Program allows banks to place overnight funds with approved upstream purchasers. This strategy provides diversification of Federal Funds and eliminates the need to maintain accounts at multiple institutions.
- In our Principal Program, Silvertown Bank purchases excess funds in increments of \$1,000.

Regardless of the sweep program, each morning we provide customers with an electronic advice detailing the amount of Federal Funds sold to each approved institution.

Brokered CDs

Core deposit generation and retention has become increasingly difficult and financial institutions are relying on wholesale funding sources and making brokered CDs a larger part of their deposit mix.

- Brokered CDs are available in a variety of terms and structures with maturities ranging from one month to 10 years. This funding can be fixed-rate, floating rate or callable.
- Compared to retail deposits, brokered funds are often less expensive, have a stated final maturity and are not as "hot" as local deposits. Brokered CDs provide a mechanism that allows you to avoid a rate war with competitors.
- When compared to FHLB Advances, brokered funds are often available at comparable rates, plus no

collateralization is required for brokered CDs, freeing collateral for future liquidity needs.

- Brokered CDs are widely accepted by Federal and State regulators and Federal examiners do not require regulatory approval prior to issuance, if the issuing institution is well-capitalized.

Federal Funds Accommodations

In addition to meeting your long-term funding needs through our brokered deposit program, Silvertown Bank understands that institutions also have short-term borrowing needs. We offer a Federal Funds line that meets any short-term funding need. Borrowing under this program occurs automatically through our sweep feature at a competitive rate.

Repurchase Agreements

When circumstances create the need to exceed a Federal Funds line, our Repurchase Agreements allow customers to obtain additional funding by "selling" us their excess qualifying security collateral for the term of the agreement. Because our Repurchase Agreements reprice and mature weekly, they provide a flexible, secured funding alternative.

Derivative Instruments

Balance sheet complexity and interest rate risk is becoming more prevalent due to the increase in sophisticated product offerings and competitive pressures. Our treasury service professionals assist in reducing or eliminating excess interest rate and credit risk through off-balance sheet derivative instruments. Whether it is providing you with the ability to price a long-term fixed rate loan or allowing you to mitigate interest rate risk on a macro balance sheet basis, Silvertown Bank has the resources to help.

Corporate Cash Sweep Program

Our Cash Advantage Account is an off-balance sheet sweep account that offers community financial institutions a mechanism to pay interest to corporate customers. Commercial customers' excess balances are swept daily into repurchase agreements collateralized with U.S. government securities owned by Silvertown Bank. Your corporate customers earn a competitive interest rate on their excess balances while allowing you to generate fee income.