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PROMONTORY INTERFINANCIAL NETWORK ANNOUNCES NEW DEPOSIT PLACEMENT SERVICE

The Certificate of Deposit Account Registry Service_{SM} (CDARS_{SM})

Arlington, Va. – (Jan. 21, 2003) -- Promontory Interfinancial Network, a company that provides services to banks, today announced it has launched its inaugural service, Certificate of Deposit Account Registry Service (CDARS), which is being used by community and regional banks to improve their access to deposit funding.

“CDARS extends to community and regional banks a decades-old savings option that is widely offered by the largest money-center banks, brokerage firms and Internet-based services,” said Eugene A. Ludwig, chairman and chief executive officer of Promontory and former U.S. Comptroller of the Currency. “CDARS simply makes this savings option more convenient by allowing small banks to better serve the needs of consumers, small businesses, school boards, local governments and non-profit organizations.”

Using CDARS, smaller banks can now do what only the largest banks and brokerage firms have been able to do for decades – spread out customer funds into FDIC-insured Certificates of Deposit (CDs) at different banks. But CDARS goes one important step further: Whenever customer deposits are sent out of the bank, an equal amount of deposits are brought back into the bank from other institutions in the network. And each bank sets its own interest rates, according to its own local market.

By matching CDs from different banks, as directed by the customer, CDARS diversifies customer holdings among insured institutions while allowing the customer to manage the accounts through one primary bank relationship. And no confidential financial information is transferred to the secondary institutions.

“CDARS enables banks to offer their customers both the convenience of local relationship banking and the economies of scale usually afforded only to customers of large money-center banks and brokerage institutions. And by helping improve the funding positions of local banks, CDARS helps make credit available to local consumers, small businesses, school boards, local governments and non-profit organizations,” said Dr. Alan S. Blinder, vice chairman of Promontory and former vice chairman of the Federal Reserve System Board of Governors.

CDARS is patent-pending technology of **Promontory Interfinancial Network**, based in Arlington, Va. Promontory is committed to developing secure, consumer-friendly investment solutions that strengthen the banking system and help community banks serve the economic well being of their customers. Promontory can be reached at 1-866-PROM-426 or www.promnetwork.com.

Board of Directors

- **Eugene A. Ludwig**, Chairman and Chief Executive Officer of Promontory Interfinancial Network; former U.S. Comptroller of the Currency and later, Vice Chairman of Bankers Trust/Deutsche Bank.
- **Alan S. Blinder**, Vice Chairman of Promontory Interfinancial Network, and Gordon S. Rentschler Memorial Professor of Economics at Princeton University; former Vice Chairman of the Board of Governors of the Federal Reserve System.
- **Mark P. Jacobsen**, President and Chief Operating Officer of Promontory Interfinancial Network; former Chief of Staff at the FDIC, Managing Director at Bankers Trust, and Chief of Staff at the OCC.
- **James M. Culberson, Jr.**, Chairman Emeritus, First National Bank and Trust, Asheboro, NC, and former President of the American Bankers Association.
- **Kenneth M. Duberstein**, CEO of the Duberstein Group and former Chief of Staff to President Ronald Reagan.
- **Edward W. Kelley, Jr.**, former member of the Board of Governors of the Federal Reserve System.
- **Frank N. Newman**, Chairman Emeritus, Bankers Trust Company, and former Deputy Secretary of the U.S. Treasury Department.
- **Warren B. Rudman**, Partner, Paul, Weiss, Rifkind, Wharton & Garrison. Former U.S. Senator, Chairman of the Senate Ethics Committee and co-author of the Gramm-Rudman-Hollings deficit reduction act.
- **L. William Seidman**, Chief Commentator of CNBC-TV and former Chairman of the FDIC.
- **J. Michael Shepherd**, Executive Vice President and General Counsel, The Bank of New York, and former Senior Deputy Comptroller of the OCC.



- **O. Jay Tomson**, CEO of First Citizens National Bank, Mason City, Iowa, and former President of the Independent Community Bankers of America.
- **Frank G. Zarb**, Chairman, Frank Zarb Associates, and former CEO and Chairman of the NASD and NASDAQ.

Additionally, **William Isaac**, Chairman of the Secura Group and former FDIC Chairman, is Chairman of the Promontory Bank Advisory Board. The Council is made up of 30 community and regional banks from around the country that are members of the network.

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