



Flexible & Focused

Commencement Bank

A CASE STUDY FOR SUCCESS: THE DEMAND DEPOSIT MARKETPLACESM PROGRAM

Profile

Since being formed in 2006, Commencement Bank has focused on providing banking solutions to community businesses. With experienced bankers, flexible products, and local decision making, Commencement Bank prides itself on its ability to customize accounts and business loans to small to mid-size businesses. Commencement Bank utilizes Finastra as its core processing provider.

The Challenge

It was extremely important for the Bank to offer a full suite of services and products that small and medium sized businesses expect. Further, in 2008, the economy was in turmoil and many banks were closing. Commencement Bank's customer base required FDIC insurance on their large deposits to remain at the Bank. The Bank didn't want to lose these commercial deposits to "Too Big To Fail" institutions.

The Solution

The Demand Deposit MarketplaceSM (DDM) program. The DDMSM program is the most comprehensive FDIC-insured cash sweep solution available. Ranging from a flexible, total balance sheet management solution, to a complete cash management platform that enables all bank customers to receive high levels of FDIC insurance and earn interest. The DDM program provides community banks with the ability to fully insure large commercial deposits and in turn, receive reciprocal deposits from other banks within the DDM program.

The Result

"The DDM program was the perfect answer. We looked at DDM and one other product, but the ease of use for both the bank and customer of the DDM program made this the perfect solution for us," says Commencement's EVP Chief Retail-Business Banking Officer, Mary Ann Harshman. "We were able to provide a service the customer wanted, keep more customer deposits, and our customers did not have to go to other banks."

The New Standard in Sweep Programs

Over time the DDM program has evolved and become even more widely accepted with Commencement Bank's customers. The bank now utilizes this product for public funds as well as business and personal accounts. Commencement Bank continues to grow its DDM portfolio. Harshman adds, "We are able to address any customer concerns regarding FDIC insurance with this product. For some industries – that is a must. Providing the DDM program, which is integrated with our core system, is a great solution for our customers that is easy to implement, navigate and manage for all involved. With the recent passage of the 'Crapo' bill, the importance of having this sweep technology has only increased now that the deposits are no longer considered brokered funds."

"Even though the banking industry and the economy have settled down, being able to offer a fully insured sweep product with reciprocal deposits that is convenient and easy is a great product to offer our customers. From their perspective everything runs seamlessly and they have the protection they desire while earning interest on their deposits. The Bank is able to maintain our deposit levels through the reciprocal feature. It's a win – win for both the customer and the bank," concludes Harshman.

To learn more about Demand Deposit Marketplace, contact us today at:

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Commencement Bank

- Institution:** Commencement Bank
- Website:** commencementbank.com
- Headquartered:** Tacoma, WA
- Established:** December 11, 2006
- Chief Retail/Business Banking Officer:** Mary Ann Harshman, EVP
- Assets:** \$311mm
- Deposits:** \$269mm
- Branches:** 3
- Core Processor:** Finastra's Fusion Phoenix
- Sweep Solution:** Demand Deposit MarketplaceSM

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