

BNY Mellon
Securities Corporation

Dreyfus Insured Deposit Program



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Dreyfus Insured Deposit Program

In today's dynamic financial landscape, many investors are asking some critical questions before deciding where to put their liquid assets. How can I be sure my money will be safe? Will I have ready access to it in the event of a financial emergency? Will I receive dependable, ongoing interest income?

The Dreyfus Insured Deposit Program is a bank deposit sweep program that provides FDIC insurance on cash balances up to \$2.5 million. The program includes products that have variable yield configurations, including tiered interest rate products which base the yield on the net worth of the client's total net worth across all of their brokerage accounts introduced to Pershing by your firm that are registered under the same Social Security number.

BENEFITS FOR INVESTORS

- **\$2.5 Million FDIC Insurance¹:** Cash balances are swept daily into multiple "program" banks providing up to \$2,500,000 of FDIC coverage. These balances are not covered under SIPC.
- **Tiered Interest Rates:** Tiered rate products are available, in which your clients have the potential of earning interest at higher rates based on the growth of their brokerage account balances. As a client's total net worth increases in all of their accounts introduced to Pershing by your firm, so does the interest rate paid on their Dreyfus Insured Deposit Program positions in tiered rate products.
- **Leveraged Brokerage Balances:** In the tiered rate products, interest rates are determined by aggregating the net worth of all accounts held by a client in all brokerage accounts clearing at Pershing. All accounts are defined as the brokerage accounts registered under the same Social Security number. Using the combined net worth of all accounts can transition a client to a higher interest rate tier. All Dreyfus Insured Deposit Program activity, including bank balances and the

client's interest rate on their program balance will be included on the customer's brokerage account statement.

- **Easy Cash Management:** The Dreyfus Insured Deposit Program is offered exclusively through Pershing's Cash Management Choice platform and can be used with the check writing and debit card services that Pershing supports through its Corestone Account.

BENEFITS FOR INVESTMENT PROFESSIONALS

- **Six Product Choices:** The Dreyfus Insured Deposit Program contains multiple product options to provide flexibility. Please refer to the Dreyfus Insured Deposit Program Rate Sheet for detail on the available product choices.
- **Attract New Clients:** By using the multiple banks, the Dreyfus Insured Deposit Program offers customers a greater aggregate amount of FDIC coverage on cash balances as compared to a single bank product. This may allow your firm to more effectively compete for assets that require a guarantee of principal on deposits.

- **Seamless Process, Full Support:** The program is fully supported by Pershing for daily sweep of cash balances.

FLEXIBLE RATES — FLEXIBLE BENEFITS

- The Dreyfus Insured Deposit Program has five tiered rate products, each of which contains five interest rate tiers. Each interest rate tier represents an asset threshold (based on the total net worth of all brokerage accounts held at Pershing by the same broker-dealer registered to a single customer²), which determines both the client yield and the rate of the fee payable to your firm on a monthly basis. The monthly fee to your firm is calculated by applying the percentage of the fee payable to your firm for each tier in the program to the total of your customer's daily average balance in that tier.
- The Dreyfus Insured Deposit Program also has a single rate product where the fee payable to your firm is a fixed rate, one of which pays no remuneration to your firm.³
- Interest is accrued daily and credited to the customer's deposit account monthly. Interest rates are based on prevailing market conditions and the amount banks are willing to pay for deposits. Current rates are available.

¹ Subject to applicable limits. Please refer to the The Dreyfus Insured Deposit Program Disclosure Statement and Terms and Conditions for more detail.

² A customer's total net worth balance and its corresponding interest rate tier is determined by adding the total net worth of all brokerage accounts held at Pershing registered with the same Social Security Number (SS#) as of the interest reinvestment date (on or about the 15th of the month) to the total net worth of all accounts as of the interest posting date of the prior month, divided by two. (The interest rate tier for initial deposits into The Dreyfus Insured Deposit Program Account will be based on the amount of the initial deposit and not the total net worth of all linked accounts.)

³ In the event that market conditions or regulatory changes require the program administrator to waive a portion or all of the fees paid to Pershing, Pershing shall proportionately reduce or waive the portion of the fee payable to your firm. That reduced fee will represent the full payment of the fee due your firm.

Below is an example of how the tiered rate plan works.
See our Rate Schedule for complete program rate information.

Formula: Dreyfus Insured Deposit Program C Sweep ID: DIDC

Tier	Customer Yield	DIDC Gross Rate	IBD % of Gross Rate	Monthly Payment to IBD
1	0.18%	0.36	50%	0.18%
2	0.22%	0.36	40%	0.14%
3	0.25%	0.36	30%	0.11%
4	0.32%	0.36	10%	0.04%
5	0.35%	0.36	4%	0.01%

This chart is for illustrative purposes only. Monthly payment to IBD is based on the daily average balance in The Dreyfus Insured Deposit Program. The gross rate and customer interest rate may fluctuate daily.

How Does the Program Work?

THE “MULTI-BANK” INVESTMENT APPROACH

Today, FDIC insurance covers both the principal and accrued interest in each bank account up to \$250,000 per depositor for any member bank where money is deposited.

The Dreyfus Insured Deposit Program utilizes a multi-bank investment approach to significantly increase the aggregate FDIC insurance coverage on Program balances up to \$2.5 million on each eligible account type, as recognized by the FDIC (\$5,000,000 for joint accounts) by depositing a client's available cash balance in their account to multiple banking institutions participating in the Program (program banks). The Dreyfus Insured Deposit Program limits the principal amount of a customer's Program balances held at each bank to \$246,500 in order to ensure that a client's balance plus accrued interest receives the FDIC insurance coverage amount available in the Program.

ADDITIONAL NOTEWORTHY FEATURES

- **Bank “Opt Out” Option:** The Dreyfus Insured Deposit Program Customer Disclosure document includes a Priority List of available banks and the order in which customer assets are deposited. As clients may already have deposits at these banking institutions, The Dreyfus Insured Deposit Program allows a client the flexibility to designate a bank as ineligible to receive deposits at any time.⁴ Customer assets subsequently default to the next bank on the list so that a client's deposits have the ability to be fully insured up to the regulatory limit of \$250,000 per individual per bank.

- **Compliant with Federal Reserve Regulation D:** The Dreyfus Insured Deposit Program is compliant with Federal Reserve Regulation D, which limits the number of monthly withdrawals on interest-bearing Money Market Demand Accounts (MMDAs). The program uses a dual bank account design which links an MMDA account to a Transactional Account (TA) which will not restrict the number of withdrawals necessary to satisfy activity in the customer's brokerage account.

Example

Client's cash balance is \$500,000. After the nightly sweep process, assets are deposited into three banks the following business day for total FDIC insurance of \$500,000.



Please refer to the Dreyfus Insured Deposit Program Disclosure Statement and Terms and Conditions for additional account types and their deposit limits.

For illustrative purposes only.

⁴ A client is responsible for monitoring the total amount of deposits held with any one bank, directly or through an intermediary, in order to determine the extent of deposit insurance coverage available on their deposits, including The Dreyfus Insured Deposit Program. Neither Pershing nor BNY Mellon Securities Corporation is responsible for any insured or uninsured portion of The Dreyfus Insured Deposit Program accounts or any other deposits held outside the product.

The Dreyfus Difference

The Dreyfus Insured Deposit Program is available to clients of broker-dealers who clear through Pershing, LLC (Pershing) and operates through a private labeling arrangement with the Dreyfus Cash Solutions division of BNY Mellon Securities Corporation. With a robust history dating back to 1951, Dreyfus Cash Investment Strategies provides institutional investors and intermediaries with access to a broad array of cash investment solutions to help meet any cash management need.

Throughout its history, we have helped the investing public pursue its financial goals. Due to our strong client-focus culture, we strive for flawless delivery of our products and services. Even more important, we follow the highest possible ethical standards, enabling us to build a foundation of trust with investors and investment professionals.

Dreyfus and the lion have come to symbolize strength, confidence and leadership. This means offering a commitment to quality, performance, and service that our clients can depend on for their investment needs.

Learn More

For more information on **The Dreyfus Insured Deposit Program**, please contact your financial representative.

The Dreyfus Insured Deposit Program (the Program) is a product offered through a private labeling arrangement with the Dreyfus Cash Solutions division of BNY Mellon Securities Corporation (BNYMSC) and is available only to clients of broker/dealers who clear through Pershing, LLC (Pershing). BNYMSC and Pershing are wholly owned subsidiaries of The Bank of New York Mellon Corporation (BNY Mellon).