



JOSH MANDEL

STATE TREASURER OF OHIO

SANDUSKY - State Treasurer Josh Mandel announced today that the STAR Plus local government investment program has surpassed \$100 million in local government deposits and continues to add new accounts each day. The announcement was made at the Community Bankers Association of Ohio Annual (CBAO) Convention in Sandusky, in which Treasurer Mandel encouraged more community banks to become part of the STAR Plus deposit network. The STAR Plus program, which was publicly launched in May and started receiving deposits in early June, has received very positive feedback from Ohio local government entities and community banks.

"We are very pleased with the strong response to STAR Plus in such a short period of time. Surpassing \$100 million in local government deposits into a program that has been live for just eight weeks is a very positive sign," said Treasurer Mandel. "STAR Plus is a win-win-win that provides full security on deposits, competitive yield over other similar investment options, and strives to keep public funds in Ohio community banks that fuel our local economies."

Over 50 Ohio government subdivisions have established STAR Plus accounts, enabling them to provide security for cash reserves, while maximizing yield to stretch public funds. The competitive yield offered by STAR Plus provides opportunities for local governments to fund projects and improve services, while also providing safety for public funds.

"STAR Plus is a safe investment alternative that will benefit Cleveland Metroparks by allowing us to generate additional interest that we can use to fund projects and programs across the Park District," said David Kuntz, Cleveland Metroparks Treasurer, after they deposited \$10 million into STAR Plus. "The program is the perfect investment option for Cleveland Metroparks, providing the liquidity we need to meet 2012 cash flow requirements."

"Greenfield schools intend to utilize the revenues generated by STAR Plus to invest in projects and initiatives that will improve the learning environment for our local students, and to continue our tradition of excellence in education," said Joe Smith, Greenfield Schools Treasurer, after the district deposited \$9 million into STAR Plus.

"The City of Powell is excited to participate in STAR Plus, because it is a safe investment alternative that can help us to generate additional interest we can use to fund our local priorities," said Debra Miller, City of Powell Finance Director, after the city deposited \$937,500. "STAR Plus is a great investment program for us because there is no risk on the investment, it adds diversification and it provides weekly liquidity while earning a very high investment yield."

Treasurer Mandel chose the CBAO conference as the location to announce surpassing the \$100 million milestone in local government deposits because CBAO has been an important partner on the STAR Plus program since the beginning. The program has a goal of helping to keep Ohio taxpayer dollars in Ohio community banks. According to data compiled by the FDIC, community banks hold less than 25% of all deposits in the banking system nationally, but make more than 50% of the small business loans.

"The Community Bankers Association of Ohio is proud to partner with the Ohio Treasurer's office in support of the STAR Plus program that can keep Ohio taxpayer dollars in local community banks that support small business growth. STAR Plus, which differs from the STAR Ohio program, makes local government deposits more attractive and viable for many community banks by leveraging FDIC insurance to eliminate the need for expensive collateral," said Robert L. Palmer, President and Chief Executive Officer of the CBAO. "STAR Plus strengthens the relationships between local governments and community banks across Ohio because it is designed to be a cost effective investment alternative that benefits both parties and allows the deposits to remain in Ohio to promote economic growth."

STAR Plus is available to STAR Ohio participants and is endorsed by the Ohio Treasurer's office. The program provides safe and competitive returns on cash deposits for Ohio local governments. It is modeled after established private-sector programs and will



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allow government fund managers to place deposits in a carefully-screened network of hundreds of Federal Deposit Insurance Corporation (FDIC) insured banks via a single convenient account. Funds will be deposited in multiple banks to provide the maximum deposit insurance amount as set by the FDIC, currently \$250,000, providing the backing of the full faith and credit of the U.S. Government. Public funds deposited in the program are fully FDIC insured[1] with no credit or market risk while earning a competitive yield, currently 25 basis points (0.25%)[2]. The minimum amount required to open a STAR Plus account is \$500,000, and the current maximum amount is \$15 million per depositor. The program offers daily deposit capability and weekly liquidity with penalty-free withdrawals for public funds managers.

For more information on STAR Plus, please visit: www.STAROhioPlus.com or www.OhioTreasurer.gov.

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1 FICA® is not a member of FDIC, but the banks where money is deposited are FDIC members. The FDIC is an independent agency of the U.S. government that protects the funds depositors place in FDIC insured institutions up to \$250,000 per institution. FDIC deposit insurance is backed by the full faith and credit of the U.S. government.

[2] Performance quoted represents past performance, which is no guarantee of future results. Current yield and maximum FDIC insurance coverage is indicative for STAR Plus and may change without notice due to changes in market or business conditions. Current yield is the net yield to client based on APYE for the prior month. For current yield call 1 (855) 648-PLUS (7587). If a participant has cash at any depository institution that is in the FICA® network then they may not receive full FDIC insurance coverage on deposits at those institutions. Funds may be submitted for deposit only after a depositor enters into an administrative agreement. The account documents contain important information and conditions regarding the depositing of funds; these documents can be found at www.STAROhioPlus.com.