



IDC Favorably Resolves Legal Action By Intrasweep and Island IP

Contact: William Burdette
Chief Executive Officer
866-724-4432

ATLANTA, June 28, 2010 - William Burdette, Chairman and CEO of Institutional Deposits Corp. ("IDC") announced that it favorably resolved a legal action initiated by Intrasweep, LLC ("Intrasweep") and Island Intellectual Property LLC ("Island IP") alleging patent infringement by IDC. Intrasweep and Island IP hold a US Patent (the "350 Patent") issued to Island IP for "reciprocal deposits" as described in their patent, which is not the same as the actual definition of "reciprocal deposits" established by the FDIC.

The legal action was resolved without any finding of infringement by IDC and with no finding of liability or assessment of damages against IDC. By entering a Consent Order, the parties documented their agreement of definitions of what each of their products offer, including a specific definition indicating that IDC's MMAX Program is an "exempt process" which is not subject to any injunction and is not an infringement of the 350 Patent. Through this process the lawsuit of Intrasweep and Island IP has been dismissed and IDC is free to continue to offer its MMAX program as an "exempt process." To the extent that the Consent Order refers to an injunction, it only enjoins offering our MMAX Program "with reciprocity" which would involve linking changes in the amount of funds deposited into a participating bank based on changes in customer balances. This is not an element of the IDC MMAX Program so IDC's MMAX Program is not a violation of the 350 Patent, which is why the lawsuit was settled with no finding of any infringement by IDC.

Mr. Burdette emphasized that it will be important for banks to become aware of the fact that there are different meanings for the phrase "reciprocal deposits" in the banking industry. The FDIC's definition of "reciprocal deposits" is *not the same* as the description of "reciprocal deposits" in the 350 Patent. Reference should be made to the applicable FDIC laws and regulations at 12 CFR § 327.9(d)(7) and 74 Fed. Reg. at 9532 which establish the FDIC's definition of "reciprocal deposits." "As far as we know" Mr. Burdette said, "there are only two programs in the marketplace that have received FDIC opinions indicating that they are 'reciprocal deposits' as defined by the FDIC - (1) the CDARS product offered by Promontory Interfinancial and (2) IDC's money market deposit program." IDC has a written opinion directly from the FDIC Legal Department on this issue. Mr. Burdette welcomed any calls to discuss this further, to obtain clarification of the FDIC definition or to gain more details on the difference between the IDC programs and other programs in the marketplace.

About Institutional Deposits Corp.

IDC provides **Investing, Funding, and Fee Income Solutions** through innovative money market deposit programs. We offer banks with excess funds an alternative to the fed funds sold option, increasing their yield without sacrificing risk or liquidity. Banks can also purchase deposits. IDC's MMAX product (Money Market Account Xtra) allows banks to offer IDC's expanded FDIC insurance to the bank's customers. FDIC coverage is created through IDC's Deposit Network[®] which is a number of well capitalized banks throughout the US. For more information, please visit our website at www.idcdeposits.com or call us at 866-724-4432.

Institutional Deposits Corp.
2103 Coral Way, Suite 202, Miami, FL 33145
Phone: (305) 856-4228 Fax: (305) 856-3371
www.IDCdeposits.com