

Investment Sweep Account

An Investment Sweep Account is an automatic investment* service that moves excess balances out of your checking account into selected internal investment accounts and back into your accounts as they are needed. Your company gains investment earnings without sacrificing liquidity of funds.

How does Investment Sweep work?

Together, we determine the appropriate “peg” balance to be maintained in your checking account(s) to cover daily account activity and/or offset bank service charges. Each day, collected balances in excess of the peg balance are transferred into an internal investment account of your choice. As your cash needs require, money is swept from the investment account back to your checking account.

Who can use Investment Sweep?

- Businesses that often have idle, excess account balances
- Businesses that want to earn higher returns on their available cash
- Businesses that need liquidity of funds
- Businesses that lack the time or staff to actively manage their accounts on a daily basis

Features:

- Money is swept into and out of your investment account automatically
- Excess balances are invested
- Funds are returned to your checking account as needed
- Daily account balance information is available through Merchants Online Banking
- May also be used in conjunction with “loan sweep” or target-balance accounts

Benefits:

- Time and Cost Savings—you don’t have to dedicate staff time to monitoring your accounts or incur wire transfer fees in order to invest your available balances
- Increased Investment Earnings—your excess balances earn interest each day they are invested
- Excellent Liquidity—invested funds are transferred to your checking account as needed to prevent overdrafts
- Easy Access to Information—know the prior day activity of your investment holdings

*Not a deposit • Not FDIC insured • Not insured by any federal government agency • Not guaranteed by the bank (or savings association) • May go down in value