

CEFCU® IRAs

IRA BENEFITS

CEFCU offers Traditional and Roth IRAs, both of which provide:

- ▶ **Competitive dividend rates.**
- ▶ **Investment flexibility** — with term and daily accounts available.
- ▶ **Up to \$250,000 federal insurance** by the National Credit Union Administration (NCUA), a U.S. Government Agency. This is *in addition* to the NCUA insurance on your other CEFCU accounts.

There's just a \$5 minimum balance requirement to open a CEFCU IRA. Dividends are computed daily and deposited monthly. The dividend rate is subject to change daily.

When your balance reaches \$500 or if you open your IRA with \$500 or more, you can select a fixed term from one to five years. Fixed-term IRA Certificates earn dividends at the rate in effect when the account is opened and compound monthly. At maturity, they automatically renew (unless you instruct otherwise) at the then-current rate for the same term. Jumbo IRA Certificates (which can earn a higher rate) are available for balances of \$100,000 or more.

TRADITIONAL IRAS

- ▶ You are **required to take minimum distributions** starting at age 73.
- ▶ You **may contribute at any age**, provided you have earned income.
- ▶ Distributions to beneficiaries upon your death are **subject to regular income taxes, but not additional penalties.**
- ▶ **Direct Rollover** — money from qualified retirement plans can be directly rolled into a Traditional IRA.
- ▶ **Your contributions may be tax deductible.** Consult with your tax advisor for details relating to eligibility, deductibility, and your specific situation.

ROTH IRAS

- ▶ You are **not required to take minimum distributions** at any age.
- ▶ You **may continue to contribute at any age**, provided you have earned income.
- ▶ You **may choose to convert your Traditional IRA** to a Roth IRA (be sure to consult your tax advisor first).
- ▶ You may withdraw original contribution funds at any time, **tax-free, without federal penalty.** However, IRA Certificate accounts may be subject to a separate CEFCU withdrawal penalty, based on the terms of the CEFCU IRA Certificate account.
- ▶ Your Roth IRA may be distributed to beneficiaries **tax- and penalty-free** upon your death, provided the IRA has been open for at least five years.
- ▶ **Consult with your tax advisor for details** relating to eligibility, deductibility, and your specific situation. Call CEFCU's 24-hour rate line for current rates and terms.

THE ADVANTAGE OF AN EARLY START

The earlier you start your IRA, the more time your money has to grow! For example, say you were to invest \$5,000 each year — less than \$14 per day — in an IRA at 1.74% APY, until you reach the age of 65. If you started the IRA at age 20, it would grow to over \$344,000 by age 65. However, if you waited until age 45 to start your IRA, you would only have around \$120,000 saved by age 65.

HAVE QUESTIONS? CEFCU IS ALWAYS READY TO HELP.

Visit cefcu.com for more information, or call **1.800.633.7077** to speak with a CEFCU representative.

You can also get current IRA rates by visiting cefcu.com/rates or calling **1.800.447.2478**.

You should always consult with your individual tax advisor regarding your eligibility for, contribution limits to, and tax consequences of an IRA.

CEFCU Not a bank. Better. ®

cefcu.com



Insured
by NCUA