



UNITED STATES
SENATE FEDERAL
CREDIT UNION

Strategies for CD Savers

May 3, 2023



This Credit Union is Federally Insured by the NCUA.

What is a Share Certificate? & how does it work?



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A Share Certificate is a savings account issued by a credit union that holds a fixed amount of money for a fixed period, such as **3-months, 1-year, or 5-years.**



During this time, the credit union pays interest.

When you redeem your certificate, you will receive the original money you deposited along with any interest earned.



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Certificate Benefits

- Guaranteed Rate of Return
- Multiple Term Options
- Low Deposit Requirements
- Low-to-No Fee Structure
- Federally Insured



Compound Interest



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The interest earned on a Certificate is dependable, and it grows thanks to the power of compound interest.

Year 1

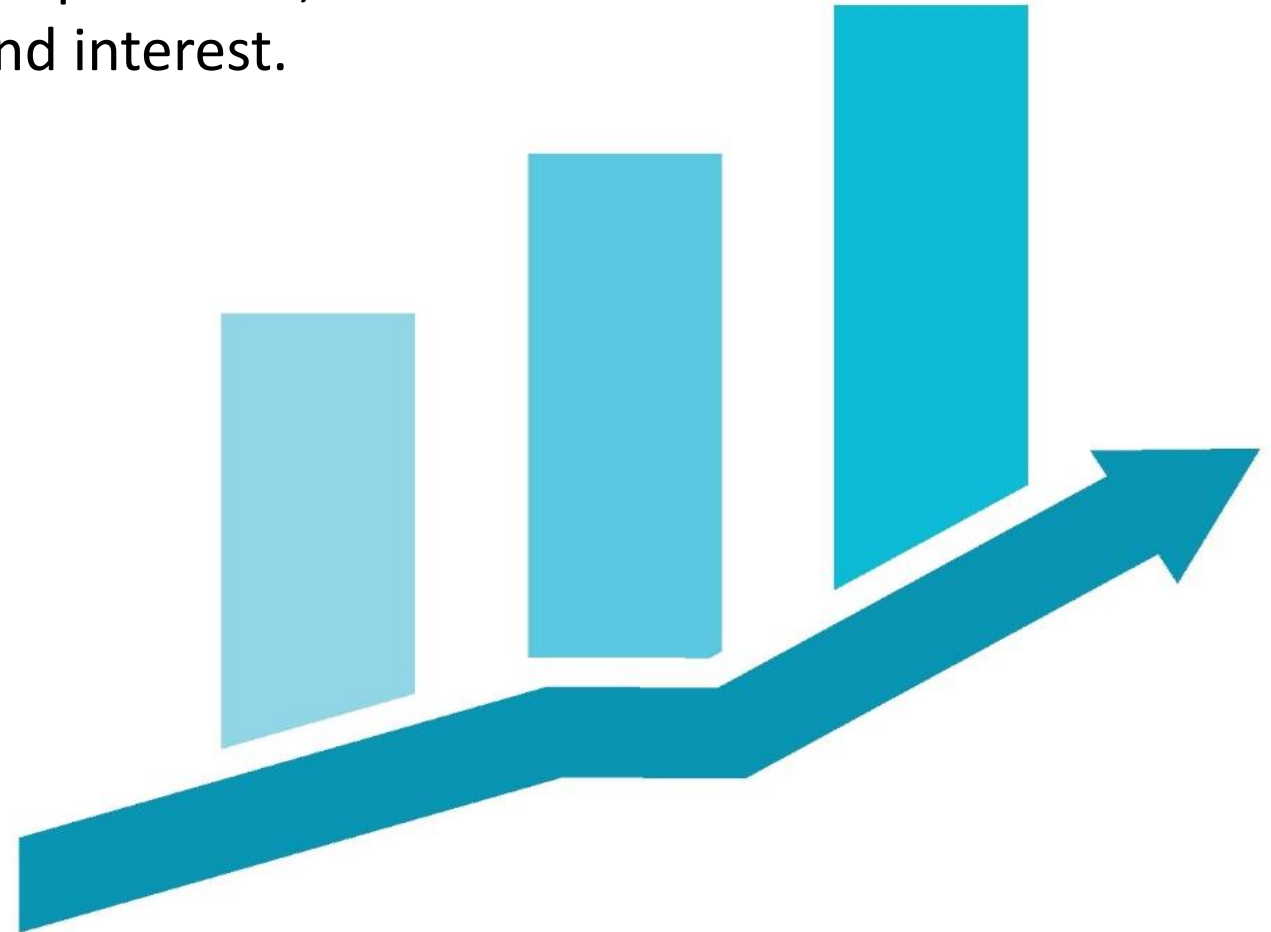
Interest Earned: \$408.08

Year 3

Interest Earned: \$1,274.89

Year 5

Interest Earned: \$2,213.89



Why Invest In a Certificate?



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- You have a **big purchase coming up** within a shorter time frame.
- You have **cash you don't need anytime soon** in a savings account.
- You have **savings you want to get out of sight** and out of mind.
- Rates are **high**.

3 Situations when Certificates Work Best



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1. Locking up savings for a near-future purchase
2. Keeping some savings at a distance
3. Ensuring returns without market risk

Types of Certificates



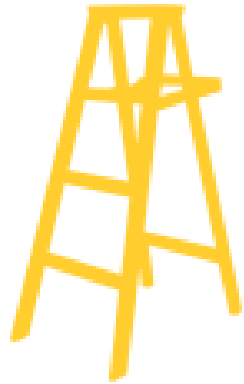
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- Fixed-rate
- Bump-rate
- Jumbo
- Individual Retirement Account (IRA)

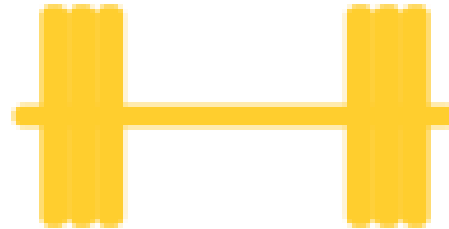


ussfcu.org/certificates

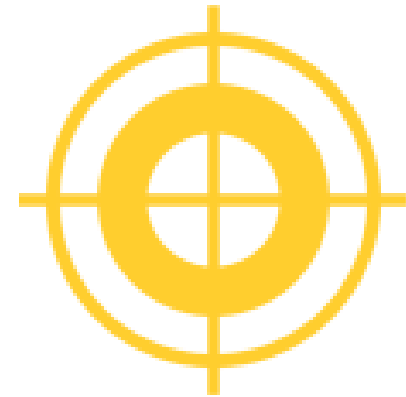
Certificate Investment Strategies



Ladder



Barbell



Bullet



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Certificate Ladder





Certificate Barbell



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Certificate Bullet



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Five -Year

Three -Year

One -Year

Choosing Your Certificate



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- ✓ What is your goal?
- ✓ How long will your money be tied up in the CD?
- ✓ What are the penalties for early withdraws?
- ✓ What yield can you expect to earn?

Mistakes to Avoid



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- Forgetting to account for inflation
- Choosing the first CD you see
- Failing to consider penalties and more flexible alternatives

USSFCU Certificate Suite



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TRAD

Avoid the ups and downs of the market with a traditional certificate. Yields are paying out at record highs.

IRA

Avoid the ups and downs of the market with a traditional certificate. Yields are paying out at record highs

BUMP

Secure a great rate now with the one-time option to bump it up to an even better rate during the term of your certificate.

BIZ

Avoid the ups and downs of the market with a traditional certificate. Yields are paying out at record highs

Open any of our certificates in the suite for as little as \$1,000

Terms ranging from 3-months to 5-years

Rates up to 4.97% APY*

ussfcu.org/certificates

Your Money is Safe at a Credit Union

Your savings are
**federally insured to
at least \$250,000** and
backed by the full faith
and credit of the United
States Government.

YOU CAN CONFIDENTLY SAVE AT A
FEDERALLY INSURED CREDIT UNION
BECAUSE **NO MEMBER HAS EVER
LOST A SINGLE CENT** FROM
ACCOUNTS INSURED BY THE NCUA.



Share Insurance
ESTIMATOR

Check your coverage at
mycreditunion.gov

*APY = Annual Percentage Yield. A 3-month term share certificate with a minimum balance of less than \$99,999 will earn 2.28% APY. A 24-month term share certificate with a balance of \$200,000 plus will earn 4.97% APY. Yield and Dividend rates as of May 1, 2023 and subject to change without notice. Early withdrawal fees may apply and may reduce earnings. See Fee Schedule at ussfcu.org/fees for more details. The APY assumes dividends will remain on deposit until maturity. The minimum balance required to open a share certificate is \$1,000. You will earn dividends for every day during the period that your account equals or exceeds the minimum daily balance requirement. The dividend period on your account begins from the date that your account is opened and ends on the maturity date unless renewed. Changes without penalty are allowed ten days from the maturity date. View current rates at ussfcu.org/rates. Membership eligibility is required. All deposits are Federally insured by NCUA up to \$250,000.



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For more information, or to open your certificate, visit any [USSFCU branch](#), send us a secure message using the Conversations feature within my.USSFCU.org or call 800.374.2758.

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