



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.
- An April 15, 2020 contribution deadline for the 2019 tax year.
- 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 70½.
- You may contribute up to the tax year you turn 70½, 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 contribute after the age of 70½, provided you have earned income.
- You may choose to convert your Traditional IRA to a Roth IRA (be sure to ask 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.

For more information, stop by a Member Center, call 1.800.633.7077, or visit CEFCU at [cefcu.com](https://www.cefcu.com).

Comparison of IRA Plans

2020 Tax Year	Traditional IRA	Roth IRA
Contributions	Tax Deductible ¹	Not Deductible
Income Limits	Can be opened by anyone with earned income under age 70½	\$124,000/Single Taxpayer ² \$196,000/Joint Filers ²
Contribution Limit (Annual) [*]	\$6,000 ³ (Less any contributions to a Roth IRA.)	\$6,000 ³ (Less any contributions to a Traditional IRA.)
Qualified Withdrawals	Taxable	Tax-Free
Qualified Distribution Reasons	Any one of: • Age 59½ • Death • Disability • 1 st home purchase (up to \$10,000) • Higher Education	Account held 5 years AND any one of: • Age 59½ • Death • Disability • 1 st home purchase (up to \$10,000)

¹ The deduction available to active participants in employer-sponsored retirement plans is phased out on a sliding scale for single taxpayers with modified adjusted gross income between \$65,000 and \$75,000, and for joint filers with modified adjusted gross income between \$104,000 and \$124,000.

² The contribution is phased out on a sliding scale for single taxpayers with modified adjusted gross income between \$124,000 and \$139,000, and for joint filers with modified adjusted gross income between \$196,000 and \$206,000. Contributions must be made from earned income.

³ Per tax year, effective beginning with the 2007 tax year, individuals age 50 and older may make a "catch-up" contribution of an additional \$1,000 per year. The maximum contribution a 50-year-old may make for the 2020 tax year is \$7,000.

^{*} The maximum IRA contribution for 2020 is limited to the lesser of 100% of your compensation or the contribution limit for the year.

CEFCU Investment Services & Wealth Management

When you're making important financial decisions about your future, you want sound, objective advice from people you know, at a financial institution you trust. We can help with a specific need, such as investing for retirement, or we can provide comprehensive wealth management services covering all aspects of your financial life.

- Whether your goal is saving for retirement, creating retirement income, saving for education, or building tax deferred assets[†], CEFCU Investment Services Representatives can provide investment planning and financial services that are focused on looking out for you and your best interests. To get started today, call 1.800.356.7865, ext. 32571.
- Enjoy trust and investment management services tailor-made to fit your needs and goals with CEFCU Wealth Management. Plus, receive personalized and responsive attention to meet your specialized needs with the help of the Private Member Group team. Call 1.800.633.7077, ext. 33836 to get started today.

There's never been a better time to review your financial goals and plans. Call 1.800.356.7865, ext. 32571 for more information or to schedule a no-obligation appointment today.

[†]Representatives are not tax advisors. For information regarding your specific tax situation, please consult a tax professional.

CEFCU

Not a bank. Better. ®

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®

Investment Services &
Wealth Management

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CEFCU Investment Services & Wealth Management is a marketing name used by CEFCU. The CEFCU Investment Services Advisors are registered representatives of CUNA Brokerage Services, Inc. Securities sold, advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member FINRA/SIPC, a registered broker/dealer and investment advisor. CBSI is under contract with the financial institution to make securities available to members. Trust services available through Members Trust Company, a federal thrift regulated by the Office of the Comptroller of the Currency. **Not NCUA/NCUSIF/FDIC insured, May Lose Value, No Financial Institution Guarantee. Not a deposit of any financial institution.**
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