

Oregon State Credit Union difference



Is it time to invest in CDs?

If you have money to invest but the current stock market makes you hesitate, consider parking your funds in a certificate of deposit, also called a CD. CDs allow you to earn a return on your money without having to endure the volatility of an unsettled market. This can be an especially attractive option if you don't have a high tolerance for risk, or if you need to withdraw the money in the next five years.

To open a CD, you must meet a minimum balance requirement and agree not to make a withdrawal from the account for a specified length of time, called a term. Terms are usually 6 to 60 months. There

are no monthly fees, and interest accrues beginning the first day of the term, making a CD a very attractive, higher-earning form of savings. At Oregon State Credit Union, you can open a CD account with as little as \$500, or \$250 for a Scottie or Teen account.

A CD will typically earn a higher interest rate than a money market or savings account, and that rate will be fixed, meaning it will not fluctuate with the market. You can earn even better interest by opening the CD with more money or holding the CD for a longer term.

There is a penalty if you withdraw funds from a CD account before the certificate matures, although Oregon State Credit Union allows you to withdraw your earned interest before maturity without penalty. Once the CD has matured, you can roll over the entire balance or a portion of the balance into a new CD. If you do not wish to roll over to a new CD account, you can transfer all or a portion of your funds to another account, like a savings account, or you can withdraw the funds. A simple roll-over or transfer can be set up to occur automatically, saving you time and worry.

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Spring Car Sale



Join us for our 2019 Spring Car Sale, May 17-19, at the Benton County Fairgrounds, 110 SW 53rd Street in Corvallis. Five dealers will be presenting hundreds of new and used cars, all in one spot. To learn more about the annual Spring Car Sale, visit oregonstatecu.com/car-sale.

May 17-19

- 9 a.m. – 7 p.m. Friday and Saturday
- 11 a.m. – 5 p.m. Sunday

Get ready to shred



If you have sensitive documents to be shredded, mark June 15 and September 21 on your calendar for this year's final two shred events. Bring up to three boxes of outdated documents and let us do the shredding for you.

Albany: Saturday, June 15, 10 a.m. – 1 p.m. at the Linn County Expo Center, 3700 Knox Butte Road

Keizer: Saturday, September 21, 10 a.m. – 1 p.m. at the Volcanoes Stadium parking lot, 6700 Field of Dreams Way NE



This free community service is open to all – anyone can just drive and drop at the shred location! Learn more at oregonstatecu.com/shred-days.

There are numerous scenarios where CDs may be more attractive than the stock market.

- **Nervous investors** may find the CD an attractive investment vehicle.
- CDs are insured by the National Credit Union Association (NCUA).
- You can't lose the money you initially put into a CD, even if you withdraw early and have to pay a penalty.
- CD rates are currently on the rise, making them an increasingly attractive savings vehicle.
- CDs are a low-risk investment; stocks fluctuate in value, but CDs pay a fixed rate on a fixed term.
- Oregon State Credit Union CDs allow you to name a "Pay on Death" beneficiary. In the event of death, your beneficiary can redeem the CD without penalty before the CD matures.
- CDs are ideal for people who anticipate a **large purchase in the near future**. If you plan to buy a vehicle in a year or two or make a down payment on a house, and you know you'll need the funds, putting that money in a 12- or 24-month CD guarantees you'll have the money when you need it plus interest.
- If you've tried saving money before but always end up spending it, a CD can lock-in your money and discourage you from using it knowing you'll have to pay an early-withdrawal penalty.

One way to build that emergency fund, and inject partial liquidity into your CDs, is to build a CD ladder. There are many ways to create a CD ladder, but one simple way is to deposit your money into five CDs with varying length terms. As each CD reaches maturity, you can re-deposit them into a new CD, possibly at an even higher rate.

Let's say you have \$5,000 to work with. You could invest:

- \$1,000 in a 12-month CD
- \$1,000 in a 24-month CD
- \$1,000 in a 36-month CD
- \$1,000 in a 48-month CD
- \$1,000 in a 60-month CD

At the end of the first year when your 12-month CD matures, you reinvest that money into a new five-year CD. When the second CD matures the next year, you do the same, and so on until you have five, 60-month CDs with one maturing every year. If you run into hard times, that represents a source of income for each of five years. And if you don't need the money, you can keep re-investing it into your CD ladder.

CDs are attractive because of their security and guaranteed returns, and saving your money in a CD or a series of CDs can be a savvy financial move. It's an excellent way to make your money do more for you.

The credit union difference

A credit union is a cooperative – a not-for-profit financial cooperative. It's a community of borrowers and savers working together. When you deposit funds into a credit union, you're contributing to the strength and stability of the credit union community. You're helping to make it possible for your neighbor to get a loan to remodel their kitchen, a teenager to buy their first car, or a young family to buy their first home to name just a few.

Like any community, we're better when we work together. So whether you're borrowing or saving, you know you're helping to make the cooperative stronger. Working together, we can help make everyone's financial goals into fantastic realities.

Lock in your rate with a certificate of deposit

CDs are a secure way to grow your money at a guaranteed rate. Open a CD account with as little as \$500. Stop by a branch today.

For more information, visit oregonstatecu.com/certificate-accounts.

We're hiring!

Are you looking for a rewarding career with a great company?

Check out our job openings at oregonstatecu.com/careers.

Stop by

There's an Oregon State Credit Union branch in your neighborhood, offering:

- Convenient location
- Local decisions
- Personal service
- Visa® credit and debit cards
- Auto loans
- Home loans
- Signature loans
- Free Checking
- Home equity lines of credit
- Business loans and lines of credit

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