



What is a Certificate of Deposit?

C.D.'s or a certificate of deposit is a certificate issued by the FDIC to bank when you put your money into a fixed time/interest rate savings account. Interest rate options vary depending on the deposit amount. When you put your money into a C.D. you should be sure that you will not need it while it is sitting in the bank. If you need to withdraw your money before the time span is up you may need to pay a very substantial fine. C.D. accounts are most useful if the amount of money is very large. The longer the amount of time that the C.D. account is active for the higher the interest rate. Keep in mind that in a bank failure your money is only insured up to 250,000 dollars.



CIT Bank



DISCOVER
BANK

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CERTIFICATE
OF DEPOSIT



CERTIFICATE OF DEPOSIT

A Certificate of Deposit is a great way to make money on money that you do not often touch. It is safe and secure, allowing you to profit almost effortlessly.

Pros

- Higher interest rates than conventional savings accounts
- Insured up to 250,000 dollars for bank failure
- Can yield more money over a shorter time span

Cons

- Only insured up to 250,000 dollars
- Cannot withdraw until term ends without penalty fees



DEPOSIT AMOUNT	INTEREST RATE	TIME	YIELD
\$1,000	0.61%	6 months	\$1,003.03
\$1,000	0.97%	1 year	\$1,009.75
\$1,000	1.58%	5 years	\$1,082.25
\$500,000	0.61%	6 months	\$501,514.74
\$500,000	0.97%	1 year	\$504,873.53
\$500,000	1.58%	5 years	\$541,124.66

CD Interest Earnings

