

# Insider guide to certificates

**Overview:** Certificates are a fixed-rate, time-based deposit that typically offer a higher interest rate than a savings account. By locking in a high rate, you can grow your money faster while avoiding the volatility some investments provide.

## Certificate Requirements:

- ✓ Alliant membership
- ✓ \$1,000 or more minimum deposit
- ✓ Know the term length and deposit amount you want

## Certificate Uses:

- Grow savings faster
- Alternative to investments
- Short-, medium- and long-term savings goals



## Lock-in extra savings

Example based on Alliant rates and bank national average as of 1/26/24.



### Average savings account

**Starting balance:** \$50,000  
**Rate:** 0.22% APY<sup>1</sup>

**Balance after one year:**  
**\$50,110**

**Interest earned:**  
**\$110**

### Alliant High-Rate Savings

**Starting balance:** \$50,000  
**Rate:** 3.10% APY<sup>2</sup>

**Balance after one year:**  
**\$51,550**

**Interest earned:**  
**\$1,550**

### 12-month certificate

**Starting balance:** \$50,000  
**Rate:** 5.40% APY<sup>3</sup>

**Balance after one year:**  
**\$52,768**  
(+\$2,658 vs average savings)

**Interest earned:**  
**\$2,768**  
(+\$1,218 vs Alliant savings)



### Insider Scoop:

*"Certificates come with various term options, ranging from a few months to several years, allowing you to choose the timeframe that best fits your financial goals and needs."*

- Sarah Hussain  
Sr Prod Manager - Deposit Products | Alliant Credit Union

## Key certificate factors to consider

### Pros

- ✓ Higher interest rate than savings accounts
- ✓ Lock in a high rate for a fixed period of time
- ✓ Guaranteed growth when held through full term period

### Cons

- ✗ Funds not accessible until maturity date
- ✗ Early withdrawal penalties may apply before maturity
- ✗ Rates cannot increase on certificates already opened



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# Become a member and lock in a high certificate rate now

Learn more at [www.myalliantcreditunion.com](http://www.myalliantcreditunion.com)



Get  
started  
now

1. APY= Annual Percentage Yield. Comparison based on Alliant Credit Union 3.10% APY as of the 1/26/2024 dividend declaration date vs. the bank national average savings rate of .22% APY as of 1/1/2024 sourced from National Association of Federal Credit Unions in cooperation with SNL Financial and Datatrac Corp.

2. The savings dividend provides an Annual Percentage Yield (APY) of 3.10%. The APY is accurate as of the 1/26/2024 dividend declaration date. Dividends are paid on the last day of the month to accountholders who have maintained an average daily balance of \$100 or more. Savings dividend may change after account is opened and is subject to change at any time. Dividend applies to Savings, Supplemental Savings, Emergency Savings, Kids Savings Accounts, UTMA Custodial Accounts, Trust Accounts and IRA. Fees may reduce earnings on the account.

3. APY= Annual Percentage Yield. The APY is accurate as of the 1/26/2024 dividend declaration date. A \$1000.00 minimum deposit is required to open a Regular Alliant Certificate. A \$75,000 minimum deposit is required to open an Alliant Jumbo Certificate. If you open an Alliant Jumbo Certificate with a minimum deposit of \$75,000, but later withdraw funds from the account and bring the balance below \$75,000, the Alliant Jumbo Certificate will convert to a Regular Alliant Certificate, which may pay a lower rate. You must be an Alliant member. Alliant Certificates are available as Regular Share Certificates and, Jumbo Share Certificates. Both Regular and Jumbo Certificate types are also offered as Traditional IRA Certificates, Roth IRA Certificates, and SEP IRA Certificates. In addition, prior to opening an IRA Certificate (Traditional, Roth and SEP), you must have or establish an IRA with Alliant. You may not add any additional money to your Certificate after opening. Dividends compound monthly and are paid on the last day of the month and at maturity. A penalty will be imposed for early withdrawal of any principal amount. There are no penalties for monthly dividend withdrawals. Early withdrawal penalties do apply if the Certificate is closed before the maturity date unless the Certificate funds are moved to Alliant Retirement and Investment Services. If you wish to move your Certificate funds to Alliant Retirement and Investment Services, you must wait until 7 days after your Certificate has been opened. Other exceptions to early withdrawal penalties may be allowed. Monthly dividend withdrawals are not eligible on IRA Certificates if owner is under age 59 1/2. Any monthly withdrawals or transfers reduce earnings. If you change the term of your renewed Certificate, the beneficiary(ies) need(s) to be reestablished by completing a Beneficiary Add/Delete Form. (Not applicable to IRA Certificates). The joint owner designated at the time of Certificate opening will remain as joint owner if you renew your Certificate with Alliant. Neither the primary account owner or joint owner may be a beneficiary on the Certificate account. You are not locked into a rate until you open or renew your Alliant Certificate. Alliant Certificate rates may change daily. Fees may reduce earnings on the account.

## 12-17 months

Regular Share Certificates with a term between 12 and 17 months provide a Dividend Rate of 5.27% - Compounded Annual Percentage Yield of 5.40% APY on balances between \$1,000 and \$74,999.99. Jumbo Share Certificates with a term between 12 and 17 months provide a Dividend Rate of 5.32% - Compounded Annual Percentage Yield of 5.45% APY on balances \$75,000 or greater. IRA Certificates with a term between 12 and 17 months provide a Dividend Rate of 5.27% - Compounded Annual Percentage Yield of 5.40% APY on balances between \$1,000 and \$74,999.99. Jumbo IRA Certificates with a term between 12 and 17 months provide a Dividend Rate of 5.32% - Compounded Annual Percentage Yield of 5.45% APY on balances \$75,000 or greater.