



Early Withdrawal Penalty

A time deposit savings account, certificate of deposit (or CD) is a special type of time deposit generally offered with a fixed rate return for a specified period of time. CDs are one of the safest investment routes out there. These accounts pay interest to you on the money invested, much like a regular savings account, however the rate of return is much higher because you agree to keep this money invested for a certain period of time.

Getting a CD is fairly easy; just consult with your banking institution or credit union. You just need to inform them that you would like to buy a CD, fill out some paper work, and then let your CD mature.

Should you decide to withdraw from this account prior to the mature date, a penalty is charged.