

**Early redemption.** There are some unique differences between a traditional bank CD and a brokered deposit. If you purchase your CD directly from a bank, you may face an interest penalty if you need to withdraw your money before the maturity date. With a brokered certificate of deposit, your certificate cannot be redeemed back to the institution prior to maturity. Though CDs of all types are most suitable for purchasing and holding until they mature, Cetera Investment Services, though not obligated to do so, may in its sole discretion maintain a secondary market, which means that we would attempt to sell your CD to other investors. The selling price of a CD is based on a number of factors, such as interest rate movement, time remaining until maturity, and other market conditions. For these reasons, early redemption or liquidation prior to maturity may result in an amount less than your original investment.

**Insurance coverage.** The money that you invest in CDs is insured up to the Maximum Applicable Deposit Insurance amount, both principal and interest, as described by the FDIC within their applicable limits. If you maintain deposits directly with a depository institution or with another agent/broker-dealer, you should monitor the total amount of deposits in the same capacity so as to maintain your insurance coverage. Your investment can be allocated among several CD issuers to insure your investment fully. CDs, as direct obligations of depository institutions, may be subject to liquidations at any time by FDIC regulators, depository management/boards, or early release clauses. Please be aware that Cetera Investment Services does not guarantee the term of the CD. If you have further questions about FDIC coverage, you can contact your financial professional or the FDIC at [www.fdic.gov](http://www.fdic.gov).

**Estate benefit.** In the unfortunate event of your death, your beneficiaries may redeem your CD at its face value plus accrued interest. Most issuers have the estate feature available in the event of death. Please check with your financial professional for details. Some restrictions may apply. Proceeds from this benefit generally take 45 to 60 business days and carry a small fee to process.

**Convenience.** Once you have purchased your CD, interest and principal payments can be credited to your account when due. Because brokered CDs are in book entry form only, you will receive our confirmation detailing your transaction. Your CD positions will be consolidated onto one brokerage statement. Monthly statements are sent for record keeping of all your transactions.

**Fees.** You will not be charged any commissions in connection with the purchase of a new CD issue. Cetera Investment Services will receive a placement fee from the issuer for arranging the purchase. When CDs are bought or sold as a secondary issue, the price may include a mark up or mark down.

**Exceptional service.** Finding the CD that best fits into your financial objectives is just as important as finding the CD with the highest rate of return. Our staff of professionals will help customize your portfolio by discussing your appropriate investment needs for each maturing CD that you hold.

*Please consult your tax professional as to your specific circumstances. To find out more about the Cetera Investment Services Brokered Certificates of Deposit Program, or which type of CD would best suit your investment style, please contact your financial professional today!*

Your Photo:  
Optional

Your Name  
Your title

Located at:

**Your Institution's Name**

Street Address  
City, State Zip  
Phone number  
Email address

Your logo may appear here.

# Brokered Certificates of Deposit

Safety, Yield and Choices



Your logo may appear here.

## Certificate of Deposit

### A Good Investment For Your Money

#### What is a Certificate of Deposit?

A certificate of deposit (CD) is a time deposit that a financial institution issues for a set dollar amount. When you purchase a CD, you are actually depositing your money with the issuing institution for a specified period of time. Generally, CDs are issued in maturities ranging from three months to several years. In return, you receive interest payments. At the end of the specified time, your principal is returned to you. Brokered CDs are CDs issued by banks via a "Master CD" to a nationwide brokerage community for distribution.

All CDs have a stated maturity date and interest rate or rates. Because of the variety of features available with brokered certificates of deposit, you can select both the investment period and the rate of return that best suits your income needs. Minimum deposit amounts are usually \$10,000, with \$1,000 increments thereafter.

Your Broker-dealer disclosure will appear here.

#### Types of CDs Available

Today, you have a greater selection of CD varieties available to you. You will find the traditional fixed-rate type of CD in a range of maturities and interest payment types, or you can choose from the less traditional types that offer variable rates and callable features. More options provide flexibility to select the type of CD that best fits your investment choices.

#### Weigh Your Options

More choices give you flexibility to select the type of CD that best fits your investment objective:

- **Traditional CDs**

Traditional or non-callable brokered CDs feature a set maturity date and a fixed interest rate. This type of CD is probably the most popular because of competitive rates and maturities ranging from three months to 10 years.

- **Index CDs**

Index CDs give the investor the power of money in the market and the comfort of FDIC insurance. This sort of CD structure offers the potential for market appreciation, without the loss of principal if held to maturity. Investors should be able to understand and bear the associated risks of market, liquidity and yield before purchasing an index CD. Linked to the performance of the participating stock market index, investors can participate in the potential gains.

Although holders will not receive any income during the life of the issue, they are subject to annual taxable income. This type of CD has special tax consequences.

For a comprehensive review of your personal situation, always consult with a tax or legal financial professional. Neither Cetera Investment Services or any of its representatives may give legal or tax advice.

- **Callable CDs**

Callable CDs present different investment considerations than a non-callable or traditional CD. A call feature means that the issuing bank may choose to terminate (call) the CD at a predetermined time period. This gives the issuing institution the right to redeem at the full principal value (par) prior to its stated maturity at their sole discretion. This callable feature has considerable value, which means the institution typically pays a higher interest rate than would be paid on a traditional non-callable CD. However, a call date does not change the final maturity date. Usually, these types of CDs have maturities of five years to 20 years.

*Because of the call feature, you may be subject to reinvestment risk if the CD is called and interest rates have fallen since the original purchase. Keep in mind that although these types of CDs offer certain advantages over traditional or non-callable CDs, they may not be appropriate for every investor.*

Fixed-rate callable CDs offer a fixed rate of return to maturity, while step-rate CDs offer a schedule of progressively increasing or decreasing predetermined interest rates.

#### Expand Your Investment Choices

Cetera Investment Services, LLC offers a wide selection of CDs issued by financial institutions around the country. Brokered CDs available through Cetera Investment Services, acting as your agent, carry the same FDIC insurance as the CDs that you may purchase directly from your financial institution. Purchasing a brokered deposit from Cetera Investment Services can offer additional benefits not often available to you if you purchase your CD directly from the financial institution.

**Competitive rates.** The nationwide scope of Cetera Investment Services' CD offerings allows you to choose from many issuers, giving you the option of investing at higher interest rates that may be available in other geographical areas, not just in your community. Cetera Investment Services calculates the annual interest rate by dividing the actual number of days by a 365-day basis.

Other interest rates must be converted to the same terms in order to make a valid comparison. You should compare rates of return and other features of CDs to other investments before deciding to purchase a CD. When comparing interest rates, be sure that you are looking at the "Annual Percentage Yield" (APY), a uniform calculation method used for CDs and required by federal regulations to help consumers compare. Another method commonly used is to calculate interest that you would earn during the life of the CD. Whatever method that you choose, the important question to ask is, "How much interest will I have received at maturity?"