

MANAGING YOUR MONEY



Online Lender Introduces New Use For CDs

(NAPSA)—Few things are certain when it comes to investing. However, an IRA may bring peace of mind for investors who are planning their retirement.

That's because a company known primarily as an online mortgage banker now offers a traditional Individual Retirement Arrangement that uses a high-yielding CD—or Certificate of Deposit—to generate wealth.

An IRA is a type of account, not a type of investment. Investments, such as stocks, mutual funds or certificates of deposit, are deposited in an IRA.

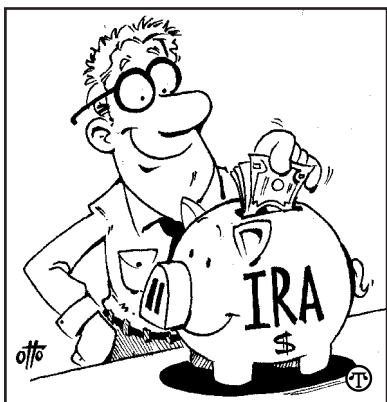
Since CDs are purchased for a particular rate of return over a specific period of time, some investors feel CDs are a more secure way to plan for retirement.

There are several kinds of IRAs, including an Education IRA. With what is called a traditional IRA—also known as a Contributory IRA—earnings on your IRA are tax-deferred until you withdraw them.

So in this case, the earnings on a CD would likely be tax-deferred. Plus, depending on income, the annual contributions to the account may also be fully or partially tax-deductible.

With a few exceptions, withdrawals before age 59 1/2 are subject to a 10 percent federal tax penalty and any applicable state tax penalties. Annual withdrawals must begin at age 70 1/2.

Any individual who has received taxable earned compensation during the year and who will not be 70



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1/2 by the end of the year may open an IRA.

In 2002, the amount that can be deposited in an IRA will increase from \$2,000 to \$3,000 per year. With this increased opportunity based on a larger deposit comes greater risk, particularly when the funds invested are earmarked for retirement.

Another reason some investors believe using a CD in an IRA is a safer investment is that CDs are FDIC-insured.

IndyMac Bank is FDIC-insured and offers a full array of Web-enhanced banking services in addition to its core mortgage products and services.

The company offers specially trained IRA experts available to answer your questions. To learn more, call 877-905-4639 or visit the special IRA service center at www.indymacbank.com.