



Bump Up CD FAQs

▶ What is a bump option on a CD?

For a limited time, we are offering a Bump Up CD special for the 24-month and 36-month terms that grants a “bump up” option. This feature is a rate increase option that allows you to request a one-time increase - a bump up - on your interest rate and Annual Percentage Yield (APY) during the life of the certificate, if a higher rate is available.

▶ When can I increase the rate on my Bump Up CD?

The rate increase option is allowed after six months from the date the account is opened, up until three months before the end of your term.

▶ How will the new “bumped-up” rate be determined?

Should you decide to bump your rate, your new interest rate and APY will be equal to the interest rate and APY for the current standard CD with the term equal to - or closest but shorter than - the remaining number of days left on your certificate. For example, if you have a 24-month CD and you choose to bump 12 months and 1 day after opening your account, you will receive the rate and APY for the 9-month CD.

▶ How do I know if I should exercise my bump up option?

Most importantly, watch for increases in interest rates. For example, if you open a 24-month Bump Up CD starting at 1.60% APY, and in one year (12 months remaining in your term), the 12-month rate rises to 2.20% APY, it would be a good time to bump your rate. If in one year, the 12-month rate lowers to 1.20% APY, you would not bump your rate.

▶ What happens if interest rates decline?

If rates decline, there would not be a benefit to activate the bump-up option so you will continue to earn the initial rate when the CD was opened.

▶ I have fewer than three months left on my Bump Up CD. Can I still increase my rate?

No, our standard rates do not include any products fewer than three months.

▶ Am I able to open more than one CD account?

Yes. You can open multiple accounts and our team can discuss account structures in effort to obtain maximum FDIC insurance coverage.

▶ Are my funds insured?

Deposits, including principal and interest, are insured by the Federal Deposit Insurance Corporation (FDIC) up to the legal limits. The standard insurance amount is \$250,000 per depositor, per insured bank, for each account ownership category. The FDIC provides separate coverage for deposits held in different account ownership categories. Depositors may qualify for coverage over \$250,000 if they have funds in different ownership categories and all FDIC requirements are met. Our team can discuss account structures with you, or you can use the FDIC calculator at <https://edie.fdic.gov/calculator.html>.

▶ How long are the rates and specials valid?

Bump Up CDs are a limited time offer. Rates are subject to change. For current rates, visit www.seattlebank.com.

▶ How can I open a CD account at Seattle Bank?

We offer several convenient ways for clients to open a CD account. Visit our website to open an account online, or through your online banking account by selecting “New Account.” You may also call us or visit us in-person at our office.

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