

INDIVIDUAL RETIREMENT ACCOUNTS

Smart solutions for financing your retirement

What's an IRA?

Individual Retirement Accounts (IRAs) were developed to give people a tax-advantaged way to save for retirement. This investment option is a way to save for your future while earning either tax-deferred or tax-free interest. At Fulton Bank, we're committed to helping you make informed decisions about all of your investments. We want you to know some IRA basics before you decide which retirement option is best for you.

Different Types of IRAs

TRADITIONAL IRA

The earnings in a Traditional IRA grow tax-deferred until they are withdrawn. Depending on your income, contributions to Traditional IRAs are also tax-deductible up to the full amount of the contribution.

ROTH IRA¹

A Roth IRA is similar to a Traditional IRA in many ways, the major difference being that the contributions to a Roth IRA are not tax deductible. Also, the interest earned accumulates tax free. The Roth IRA must be specified as such when the account is opened.

SPOUSAL IRA

According to the IRS, you are eligible to contribute to a Spousal IRA if all the following conditions are met:

- You must be married at the end of tax year
- Your spouse must be under the age of 70 ½ at the end of the tax year
- You must file a joint return for the tax year
- You must have taxable compensation for the year
- Your spouse must either have no compensation or choose to be treated as having no compensation for the tax year

COVERDELL EDUCATION SAVINGS ACCOUNTS

The purpose of this account is to provide people with a tax-advantaged savings instrument for educational needs. The funds contributed to this account are viewed as a gift to the designated beneficiary under the age of 18. It is extremely important that the funds contributed to this account be coordinated with other educational payment plans.

FULTON BANK'S IRA PLANS

We offer a variety of IRA plans to meet your individual needs. All of our IRAs feature competitive interest rates, and some allow you to choose your own term. There is absolutely no fee to open your IRA. Your IRA at Fulton Bank is insured up to \$250,000 by the Federal Deposit Insurance Corporation. (FDIC).

IRA MONEY MARKET ACCOUNT

This IRA money market account allows you to take advantage of fluctuating interest rates. With just a \$10 minimum deposit, you can begin saving for a secure retirement. The account features are:

- Rates are subject to change
- Interest is compounded daily and credited on a daily basis
- Minimum opening balance is \$10
- Deposits can be low as \$10
- There is no term, so money can transferred to a different retirement account at any time

FIXED-RATE IRA CERTIFICATE OF DEPOSIT (CD)

When you open a Fulton Bank fixed rate IRA CD, you can choose from a wide variety of terms. Interest is compounded daily and credited monthly.

Questions?

This sheet is intended to provide general information about Individual Retirement Accounts. If you have any additional questions, call 1.800.FULTON.4. If you prefer, stop by any of our branch offices or visit our website at fultonbank.com

Fulton Bank

Fulton Bank, N.A. Member FDIC. Consult your tax advisor. Owners must be 59½ or older before tax-free withdrawals are permitted.

¹Unless certain criteria are met, Roth IRA owners must be 59½ or older and have held the IRA for five years before tax-free withdrawals are permitted.