Reggie White, a corporate treasurer, is trying to decide which of two 1-year securities to purchase: a negotiable CD with a nominal yield of 6 percent of a municipal security with a nominal yield of 6% or a municipal security with a nominal yield of 4.25%. The issuing municipality is not in the same state as Reggie’s company, but he recognizes that the muni’s interest is exempt from federal income taxation. His company’s marginal federal tax rate is 39%. Which security should the treasurer select, assuming the securities have equal default risk?