

# Navy Federal® IRA Additional Account Opening

Individual Retirement Arrangement Additional Account Opening

Please return this completed form through one of the following methods:

- Digital Banking: Attach signed form to eMessage
- Fax Number: (703) 206-4250
- Visit your local branch
- Mail: PO Box 3001, Merrifield, VA 22119-3001

|            |   |
|------------|---|
| Access No. | Toll-Free Number<br><b>(888) 842-6328</b> |
|------------|---|

**IMPORTANT:** Only use this form to open an *additional* product under your existing IRA plan. If you do not have an existing plan, you must complete the appropriate IRA plan application prior to submitting this form.

## A. Member Information

|                          |                           |                |                   |
|--------------------------|---------------------------|----------------|-------------------|
| Name: First              | MI                        | Last           | Suffix            |
| Date of Birth (MM/DD/YY) | Social Security No. (SSN) | Home Phone No. | Daytime Phone No. |

## B. Navy Federal Existing IRA Plan Type Use a separate form for each plan type.

Open (an) IRA product(s) under my existing IRA plan type: (Select one)

- Traditional     Roth     SEP

## C. Navy Federal Products

|   |   |   |                                 |
|---|---|---|---------------------------------|
| <b>Please open an IRA Account:</b><br><input type="checkbox"/> IRA Savings Account<br><input type="checkbox"/> IRA MMSA<br><input type="checkbox"/> IRA Jumbo MMSA<br><input type="checkbox"/> \$50 Min. IRA EasyStart <sup>SM</sup><br>Select Term: <input type="checkbox"/> 12 months <input type="checkbox"/> 18 months <input type="checkbox"/> 24 months<br><input type="checkbox"/> \$50 Min. IRA <b>Special</b> EasyStart* 12 months—Limit 1 per member, \$3,000 maximum contribution<br><small>*See important Special EasyStart disclosures on next page.</small><br><input type="checkbox"/> Other _____ | <b>Or, choose an IRA Certificate minimum and term:</b><br><b>Minimum:</b><br><input type="checkbox"/> \$1,000 min. <input type="checkbox"/> \$20,000 min. <input type="checkbox"/> \$100,000 min.<br><b>Short Term:</b><br><input type="checkbox"/> 3 months <input type="checkbox"/> 12 months <input type="checkbox"/> 18 months<br><input type="checkbox"/> 24 months<br><b>Long Term:</b><br><input type="checkbox"/> 3 years <input type="checkbox"/> 5 years <input type="checkbox"/> 7 years |   |                                 |
| <b>Apply Remittance as Follows:</b>   | <b>Contribution/Transfer Amount</b>   | <b>Contribution(s) for Tax Year</b><br><i>(if no selection is made, will default to current tax year)</i> |                                 |
| Transfer from Savings, Checking, or MMSA  | \$ _____  | <input type="checkbox"/> Current  | <input type="checkbox"/> Prior* |
| Transfer from Savings, Checking, or MMSA  | \$ _____  | <input type="checkbox"/> Current  | <input type="checkbox"/> Prior* |
| Transfer from existing IRA  | \$ _____  | N/A—internal IRA transfer   |                                 |
| <b>Total:</b>   | <b>\$ _____</b>   |   |                                 |

\*Per IRS regulations, financial organizations are required to report SEP IRA contributions under the current year's taxes regardless of whether or not the contribution is requested as a prior year contribution. Please seek tax advice for guidance on reporting SEP prior year contributions to the IRS. Traditional and Roth IRA contributions made from January 1 through tax filing due date (normally April 15) of the current year may be credited as a prior year contribution.

## D. Signatures

### Important: Please read before signing.

I understand the eligibility requirements for the type of IRA deposit I am making, and I state that I do qualify to make the deposit. I have an open IRA plan for this IRA type and received copies of the Application, Plan Agreement, Financial Disclosure, and Disclosure Statement. I agree to be bound by those terms and conditions.

### I assume complete responsibility for:

1. determining that I am eligible for an IRA each year I make a contribution;
2. ensuring that all contributions I make are within the limits set forth by the tax laws; and
3. the tax consequences of any contribution and distributions.

|                         |                 |
|-------------------------|-----------------|
| Member's Signature<br>► | Date (MM/DD/YY) |
|-------------------------|-----------------|

Over Age 50 Catch-Up Contributions Confirmation     I certify that I am eligible to make catch-up contributions.

|                         |                 |
|-------------------------|-----------------|
| Member's Signature<br>► | Date (MM/DD/YY) |
|-------------------------|-----------------|

**Additional information on next page.**



## Navy Federal IRA Investment Information, Fees, and Penalties

Navy Federal has no annual service fee for maintaining your IRA.

### IRA Disclosure Statement

**IRA Savings and IRA Money Market Savings Account (MMSA) Dividends:** The IRA MMSA does not earn/accurse dividends on days when the account balance falls below \$2,500. The IRA Jumbo MMSA will earn dividends at the IRA savings rate on balances from \$0-\$99,999.99. Balances of \$100,000 or greater will earn the IRA Jumbo MMSA rate. Dividends are a division and distribution of earnings among members after all expenses have been paid and the required amount has been set aside for reserves. Navy Federal also provides the APY for each dividend rate declared by the Board. Rates are subject to change weekly. Payment of all dividends is dependent on the availability of earnings at the end of the period. Dividends at Navy Federal are earned on deposits from day-of-deposit to day-of-withdrawal at the specified rate. Dividends for IRA Savings Accounts and IRA MMSAs are credited the last day of the period they are earned and are compounded monthly.

**IRA Certificate Dividends:** The dividend rate is set as of the date the certificate is purchased and funded. The IRA Certificate has a minimum balance requirement and will earn dividends for each monthly dividend period at the dividend rate and APY specified. Dividends are a division and distribution of earnings among members, after all expenses have been paid and the required amount has been set aside for reserves. Payment of all dividends is dependent on the availability of earnings at the end of the period. Dividends are earned from day-of-deposit to day-of-withdrawal at the specified rate. Dividends are computed using the daily balance method by applying the daily periodic rate for the full amount in your account at the end of each day. Dividends are credited on the last calendar day of each month in which they are earned unless another dividend distribution option has been chosen. The APY assumes dividends remain in the account until maturity. Early withdrawals reduce earnings. Rates for three-year Variable Rate Certificates may change on the Certificate's anniversary dates (*at 12 and 24 months*) and are based on the one-year Constant Maturity Treasury (CMT). Navy Federal guarantees that the Certificate's dividend rate will never decrease more than one-half percentage point (0.50%) below the dividend rate at the time the Certificate was purchased or renewed, and there is no upper limitation on dividend rate changes.

**Penalties for Early Withdrawal:** (a) If the Certificate/IRA term is one year (*or less*), the amount forfeited is equal to the lesser of: (1) all dividends for 90 days on the amount withdrawn, or (2) all dividends on the amount withdrawn since the date of issuance or renewal. (b) If the Certificate/IRA term is greater than one year, the amount forfeited is equal to the lesser of: (1) all dividends for 180 days on the amount withdrawn, or (2) all dividends on the amount withdrawn since the date of issuance or renewal. (c) If the Certificate/IRA term is five years or greater, the amount forfeited is equal to the lesser of: (1) all dividends for 365 days on the amount withdrawn, or (2) all dividends on the amount withdrawn since the date of issuance or renewal. (d) In the case of an early withdrawal that brings the remaining Certificate balance lower than the minimum balance requirement, the Certificate will be (1) closed to an existing Certificate/IRA certificate; (2) closed and funds transferred to your IRA savings or IRA MMSA account, if one exists; otherwise, a new IRA savings will be opened for the funds; or (3) adding funds (per member's request) to bring the account balance back to the required minimum. Penalties may apply. You consent to the opening of such an account if necessary. (e) In accordance with Federal Reserve Regulation D, withdrawals made within the first six days of a new Certificate purchase (*not renewed*) are subject to a seven-day, early-withdrawal dividend penalty. (f) There are no IRA Savings or IRA MMSA penalties for early withdrawal. (g) The IRS imposes penalties for withdrawals prior to age 59½ for Traditional/SEP IRAs and for non-qualified withdrawal purposes for Roth IRAs, unless an exception applies (see "Federal Tax Penalties").

**Open New IRA Account:** If your IRA/ESA is reduced below the minimum, the remaining funds will be transferred to an open and active IRA/ESA Savings account. If no active account exists, NFCU will open a new IRA/ESA Savings account for the funds to be transferred to. You hereby consent to the opening of such an account.

**Special EasyStart Certificates:** Limit one Special EasyStart Certificate per product type per member. Product types include Share, IRA (*either Traditional, Roth, or SEP*), and ESA. The Special EasyStart Certificate has a \$50 minimum balance and a \$3,000 maximum contribution limit. Additional deposits are allowed at any time subject to the maximum contribution limit. Certificate owner(s) age 18 and older must have a direct deposit\* and a Navy Federal checking account within 90 days of the certificate issue date. If these requirements have not been satisfied by the 90th day, your Special EasyStart Certificate dividend rate will be adjusted to the prevailing dividend rate of the 12-month EasyStart Certificate for the remainder of the certificate's term.

At maturity, the Special EasyStart Certificate will automatically renew and any amount exceeding the \$3,000 maximum contribution limit will be transferred to your Membership Savings Account unless instructed otherwise.

\*You may qualify for direct deposit if you have (1) a recurring ACH from employer, military pay, or certain government agency pay or benefits in your name that is deposited into a Navy Federal deposit account where you are Primary or Secondary Owner; OR (2) Mobile deposits, ATM deposits, Branch deposits, or payments from the FedNow® Payment network, the Real Time Payment network or third party services that facilitate payments to your debit card using the Navy Federal Credit Union Debit Card, totaling at least \$500 and recurring for at least three out of four consecutive months that are deposited into Navy Federal deposit accounts where you are Primary Owner; OR (3) monthly Non-payroll ACH or payroll allotment totaling at least \$500 and recurring for at least three out of four consecutive months that are deposited into Navy Federal deposit accounts where you are Primary Owner; OR (4) monthly Non-payroll ACH or payroll allotment totaling at least \$500 and recurring for at least three out of four consecutive months that are deposited into Navy Federal deposit accounts where you are Secondary Owner.

**Special and Limited Offerings:** Navy Federal may offer "Limited-Time or Special Certificate Offerings". Navy Federal will provide a notice to the owner specifying the terms, conditions, or any additional requirements.

**Penalty Exceptions:** Penalties will not be applied to any of the following: (a) withdrawals of dividend payments only, (b) withdrawals subsequent to the death of any owner of the IRA Certificate, (c) withdrawals made as a result of the voluntary or involuntary liquidation of the Credit Union, or (d) withdrawals of Required Minimum Distributions (RMDs) (*Traditional and SEP IRAs only*).

**Maturing Certificates:** At least 20 days prior to each IRA Certificate's maturity, Navy Federal will provide a notice specifying the terms under which the Credit Union proposes to renew the IRA Certificate or otherwise make the funds available to the owner. Each IRA Certificate will be automatically renewed as specified in the maturity notice unless the owner notifies Navy Federal to the contrary on or before the maturity date.

**Grace Period:** You have 21 calendar days from the maturity date to change the conditions under which the IRA Certificate will be renewed. During this period, the balance in the IRA Certificate will earn dividends at the prevailing offering rate. If no changes are made within this period, your IRA Certificate will be renewed as specified in the renewal notice and will continue earning at the prevailing rate.

**Insurance:** Separate from your share accounts, IRA Savings Accounts and IRA MMSAs combined with IRA Certificates are insured up to \$250,000 by the National Credit Union Administration (NCUA), a U.S. government agency.

**Governing Laws:** Your Navy Federal accounts are maintained and governed in accordance with federal law and the laws of the Commonwealth of Virginia, as amended. Property may be transferred to the appropriate state if there has been no activity within the time period specified by state law.

**Transferability:** Navy Federal IRA Certificates are not transferable, are not negotiable, and may not be pledged as collateral on a loan.

**Final Payment:** All non-cash purchases will be credited subject to final payment.

**Change in Terms:** Navy Federal reserves the right to discontinue or change the terms of IRA Certificate offerings within 30 days prior notice; however, once issued, the terms of an IRA Certificate may not be changed without the owner's consent.

**Note:** This account is subject to all terms and provisions defined in NCU 602 (*for Traditional*), 602A (*for Roth*), or 602C (*for SEP*). Unless otherwise noted, any beneficiary designation(s) currently on file will remain in effect.

**Deposits:** You may make additional deposits to IRA Savings Accounts or IRA MMSAs at any time. If your IRA Certificate accepts additional deposits and the IRA Certificate has not exceeded its maximum balance, additional deposits can be made by cash, check, or periodic transfer(s) from a Navy Federal savings account, checking account, or MMSA. Deposits may be held for up to five business days.

**Current Rates:** Dividend rates and APY may be obtained by calling Navy Federal toll-free in the U.S. at 1-888-842-6328 or visiting us online at [navyfederal.org](http://navyfederal.org). For toll-free numbers when overseas, visit [navyfederal.org](http://navyfederal.org). Use 1-703-255-8837 for collect international calls.

**How We May Contact You:** If you provide a mobile telephone number, Navy Federal has your permission to place automated non-marketing calls and text messages at that number. Message and data rates may apply. You also expressly consent that we may send email messages regarding your account to your email address.

**Further Information:** If you would like additional information regarding legal requirements and regulations of IRAs, you may contact any local office of the Internal Revenue Service (IRS). For further information regarding Navy Federal's IRA program, please call toll-free in the U.S. at 1-888-842-6328. For toll-free numbers when overseas, visit [navyfederal.org](http://navyfederal.org). Use 1-703-255-8837 for collect international calls. An Account Specialist will be happy to assist you. Please visit our website at [navyfederal.org](http://navyfederal.org). For toll-free numbers when overseas, visit [navyfederal.org](http://navyfederal.org).