NAVY FEDERAL Credit Union

Complimentary Life Insurance

Speak to a representative Weekdays 8:00 am to 4:30 pm 1-800-883-3323 In metro DC 703-255-7363

TDD for the hearing impaired Weekdays 7:30 am to 7:30 pm 1-888-869-5863

Write: Navy Federal Credit Union PO Box 3000 Merrifield VA 22119-3000

Online at navyfcu.org

Or visit a member service center

Certificate of Insurance

Your membership in Navy Federal enables you to enjoy numerous benefits at no direct cost to you. One of these is Life Savings Insurance.

This document is your official Certificate of Insurance. We suggest that you file this certificate with your other important personal papers.

Life Savings Insurance

Navy Federal has purchased Life Savings Insurance on the lives of all its members. The insurance is based on a member's savings in the credit union. Navy Federal pays the premium for the group policy with no charge to its members for their insurance.

Q. Who is insured?

A. All members under the age of 70 qualify for insurance and need not sign up—they are covered automatically. If an account is held jointly, only the member whose name appears first on the account is insured. For trust accounts, the member named as the trustee is the one insured. For custodial accounts, the minor is the one insured.

Q. How much insurance do you receive?

A. The amount of insurance is based on the combined balances of a member's savings and IRA Accounts on the date of death and the member's age on that date as shown in the following chart.

Age of Member at Time of Death	Amount of Insurance (% of Share Balance)	Maximum Insurance Benefit
Less than 6 mos.	25%	$ 500
6 mos. – 54 yrs.	100%	2,000
55 – 59 yrs.	75%	1,500
60 – 64 yrs.	50%	1,000
65 – 69 yrs.	25%	500
70 yrs. and over	none	0

Q. Are there any restrictions?

A. Yes, a member must have a combined (savings and IRA) minimum savings balance of $100 for coverage to be in effect. Coverage starts the day the total account balances reach $100. The maximum combined savings balance upon which insurance can apply is $2,000. Funds in a trust account may also be used to supplement the combined savings amount to obtain the Life Savings Insurance coverage, but only if the maximum amount has not already been attained. Therefore, a member whose regular savings balances are less than $2,000 at the time of death will have savings from their IRA, Money Market Savings Account and/or the trust added to determine the base (up to a maximum of $2,000) on which Life Savings Insurance coverage is calculated.

Q. If members earn Life Savings Insurance coverage based on the balances in their savings accounts, what happens when the balances decrease?

A. When a member's total savings account balances fall below $2,000, the coverage decreases accordingly. If the total balances drop below $100, coverage ceases until the balances again total the $100 minimum. Later savings increase coverage up to the maximum provided under the terms of Navy Federal's current policy.

Q. What happens if a member leaves the credit union or if the complimentary insurance is discontinued or changed so as to terminate coverage?

A. If members leave the credit union, they have the right to convert the insurance to any permanent individual life policy then customarily issued by the insurer at the members' current ages and for the amounts to be converted. Members must apply to the insurer and pay the first premium for the permanent policy within 31 days after the Life Savings coverage stops. The permanent policy will then be issued without medical examination. The premium for the permanent policy will be at the insurer's rate then in effect, which applies to the form and amount of the permanent policy, to a member's class of risk and to their attained age on the effective date of the permanent policy.

If a member's Life Savings coverage is terminated because the group policy is discontinued or changed, the same conversion rights and rules described above shall apply except: (1) any insurance which has not been in force for at least five years prior to termination may not be converted; and (2) the amount of the permanent policy will not exceed the smaller of the amount of the Life Savings coverage ceasing or $2,000, less the amount of any similar life insurance which the member has or becomes eligible for within 31 days after such termination. If members die during the 31-day conversion period without converting the insurance to a permanent policy, the amount of insurance which they would have been eligible to apply for will be paid as a Life Savings claim.

Q. To whom are the Life Savings Insurance benefits paid in the event of the member's death?

A. To the payee, if one has been designated on the membership application. Otherwise, to the joint owner of the account if designated "with survivorship." If there is no payee or joint owner, or a joint owner "with no survivorship," the insurance benefits are paid to the member's estate.

Q. How does the payee apply for the Life Savings Insurance proceeds when a member dies?

A. The payee should send the member's account number and a "raised seal" copy of the member's death certificate or a casualty report to Navy Federal. A claim will then be filed with the insurer in the member's name. The proceeds will be sent to Navy Federal and paid to the payee.

Please Note

Life Insurance is not Deposit Insurance

The Life Savings coverage discussed in this document should not be confused with the share insurance program of the National Credit Union Administration. Under the share insurance program, each Navy Federal member is insured up to $100,000 on any individual accounts (those owned solely by the member), and $100,000 per name on any joint accounts up to a maximum of $100,000 per member by the National Credit Union Administration (NCUA), a U.S. goverment agency. This insurance protects the savings of members in the event the credit union fails because of insolvency or bankruptcy.