

Certificate Pledged Loans

A safe, smart way to borrow

The program

Borrow your own money. Use the principal in your Navy Federal Share Certificate(s) as collateral on a low-interest-rate loan. The loan's annual percentage rate (APR) is just 2 percentage points higher than the certificate rate and the certificate continues to earn dividends at the rate at which it was purchased.

The loan term can be any number of months up to the maturity date of the certificate.

Eligibility

You must be 18 years or older and be the owner or joint owner of the certificate. The Navy Federal certificates that can be pledged as collateral are:

- 1-, 5- and 7-year \$1,000 and \$20,000 minimum Share Certificates
- Money Market and Jumbo Share Certificates

Accounts **not** eligible are:

- 3-year Variable Rate Certificates
- EasyStartSM Share Certificates
- Custom Club Accounts
- Custodial Accounts
- All IRA/ESA accounts

There is a maximum of one loan per certificate.

Third Party Certificate

You can pledge the funds in your own certificate and co-sign the loan for a friend or family member who is a Navy Federal member so that they can qualify for a low-interest-rate loan. You must provide written consent, which can be faxed to 703-206-4250.

Repayment terms

The term of your loan will be determined by the maturity date of the certificate. Your Certificate Pledged Loan must be fully repaid on or before the maturity date of your certificate. Minimum term for the loan is 6 months.

Receiving the funds

You can choose to have the funds:

- deposited into your Navy Federal savings, checking or MMSA
- disbursed to you at a Navy Federal branch
- mailed to you as a draft
- bank-wired to another financial institution

Payments

For terms over one year, a monthly repayment amount will be provided. There is no penalty for paying off your loan early. For loans with terms between 6 and 12 months, a one-time full balance payment is available.

You can choose to make payments through:

- Direct Deposit or allotment
- automatic transfer from checking or savings
- *Navy Federal Online*[®]
- a Navy Federal ATM or branch
- by mail

Dividends earned on your certificates can be used toward your loan repayments.

Payment Protection Plan

Navy Federal offers three affordable Payment Protection Plan options to:

- Make payments on your Navy Federal loan in the event of your death
- Cover the monthly payments on your loan should you become disabled or involuntarily unemployed—including being honorably discharged from the military

To review the Payment Protection Plan options and apply, visit navyfederal.org or call 1-888-842-NFCU(6328).

A payment example for a \$10,000 loan for 36 months at 5.5% APR would have a monthly payment of \$302.10.



Apply by phone
1-888-842-NFCU(6328)
For toll-free numbers
when overseas, visit
navyfederal.org/overseas/

Collect internationally
1-703-255-8837

TDD for the
hearing impaired
1-888-869-5863

Online at
navyfederal.org

Or visit a branch