



MONEY MARKET CERTIFICATE APPLICATION

OFFICE USE ONLY:
Member No. _____
Acct. No. _____

Date _____ Regular Share Account Number _____ - _____ - _____

Please issue a Pentagon Federal Credit Union (PenFed) Money Market Certificate in the amount of: \$ _____

for: 6 Months 1 Year 15 Months 2 Years 3 Years 4 Years 5 Years 7 Years

Name (First, MI, Last)	Member Owner			Joint Owner or Payable on Death-Beneficiary		
Mailing Address						
Birth Date	YR.	MO.	DAY	YR.	MO.	DAY
Evening Phone	()			()		
Day Phone	()			()		
Grade/Rank						
Occupation						
Social Security Number						

For more than one joint owner, attach a separate sheet with the joint owner(s) signatures and the same information as specified above.

If certificate is to be jointly owned, check one box: Joint ownership with survivorship. Joint ownership, no survivorship.
Joint Account with Survivorship: On the death of a party of the account, the deceased party's ownership in the account passes to the surviving party or parties of the account.
Joint Account without Survivorship: On the death of a party of the account, the deceased party's ownership in the account passes as a part of the party's estate under the party's will, trust, or by intestacy.

<p>I. Source of Funds \$ _____ is enclosed.* Transfer funds from my PenFed account to this certificate: Account No. _____ \$ _____ Account No. _____ \$ _____ (*Please make checks payable to PenFed or yourself with endorsement.)</p>	<p>II. Principal Payment at Maturity Select <i>one</i> option for payment of the principal at the maturity of your certificate: <input type="checkbox"/> 1. Use to renew my certificate. <input type="checkbox"/> 2. Transfer to (specify your Regular Share, checking, or Money Market Savings Account number only): # _____ - _____ - _____ <input type="checkbox"/> 3. Send me a check.</p>
<p>III. Periodic Dividend Payments Select <i>one</i> option for the payment of dividends. <input type="checkbox"/> 1. Add to my certificate. <input type="checkbox"/> 2. Transfer to (specify your Regular Share, checking, or Money Market Savings Account number only): # _____ - _____ - _____ <input type="checkbox"/> 3. Send me a check for the dividends. (Note: If option 2. or 3. is selected, your yield on certificates with terms greater than 6 months will be reduced.)</p>	<p>IV. Dividend Payment at Maturity Select <i>one</i> of these options <i>only</i> if you choose dividend payment option 1 in section III. <input type="checkbox"/> 1. Use to renew my certificate. (If this option is selected, you must select option 1 in the Principal Payment section) <input type="checkbox"/> 2. Transfer to (specify your Regular Share, checking, or Money Market Savings Account number only): # _____ - _____ - _____ <input type="checkbox"/> 3. Send me a check for the dividends.</p>

PenFed will establish a Money Market Share Certificate (certificate) in the name of the owner(s) listed on this application. PenFed will establish my certificate in accordance with the instructions set forth in this application as of the date it receives it, with the dividend rate then in effect, provided sufficient funds are available.

I understand the terms and conditions of my certificate are governed by the Money Market Share Certificate Agreement (agreement). I agree to sign and return the agreement within 45 days of the date my certificate is established. I understand unless PenFed receives further written directions from me within 45 days of the date my certificate is established, the ownership and other terms of the certificate shall be established pursuant to my instructions on this application and all other provisions governed by the terms and conditions of the agreement.

Signed: Date: _____

_____ Member Owner

_____ Joint Owner

_____ Joint Owner

_____ Joint Owner

Send to: Pentagon Federal Credit Union, Box 1432, Alexandria, VA 22313-2032.

MONEY MARKET AND IRA SHARE CERTIFICATE DISCLOSURE

The certificate is non-negotiable and is subject to the following terms and conditions:

a. Rate Information.

The dividend rate and Annual Percentage Yield (APY) are stated on the rate sheet provided separately with this disclosure. For purposes of this disclosure, this is the dividend rate and APY offered within the most recent seven-calendar days and is accurate as of the date on the rate sheet. You will be paid the dividend rate in effect on the issue date for the term of your certificate. Please call our member service line toll-free US: 800-247-5626 or visit us at www.PenFed.org to obtain current rate information.

b. Compounding and Crediting.

1) *Six-month Money Market Certificates.*

Dividends are computed at simple interest on a 365/365 day basis and are credited at maturity or may be transferred monthly to another PenFed account.

2) *Certificates Having a Term Greater Than Six Months.* Dividends are compounded daily on a 365/365 day basis and are credited monthly.

3) *Leap Year.* For all certificates, during a leap year, dividends are calculated on a 366/366 day basis.

c. Minimum Balance Requirement.

The minimum balance to open a certificate is \$1,000.00. An Education Savings Account has a minimum balance of \$500.00.

d. Balance Computation Method.

Dividends are calculated by the daily balance method, which applies a daily periodic rate to the principal in your account each day.

e. Accrual of Dividends.

Dividends will begin to accrue on the date the certificate is issued.

f. Transaction Limitations.

After the account is opened, you may not make deposits into the account until the maturity date stated on the certificate. Partial withdrawals are not permitted. For personal accounts, no withdrawal of funds shall be permitted during the first seven-calendar days from the issue date or any renewal date. For non-personal certificates, no withdrawal of funds shall be permitted during the first 30-calendar days from the issue date or any renewal date. A non-personal certificate is one held by an organization, public unit, or in the name of a member's estate where a beneficiary is not a natural person. For all certificates funded by ACH, funds cannot be withdrawn within the first 60 days of the account opening.

g. Maturity Date.

The maturity date is determined based on the particular certificate you are purchasing and is stated on the Certificate Agreement.

h. Early Withdrawal Penalties.

All requests for early withdrawal must be in writing. In the event of early withdrawal, one of the following penalties shall apply:

1) *Six-month Money Market Certificates.*

a) If redeemed within 90 days of the issue date or any renewal date, all dividends will be forfeited.

b) If redeemed thereafter, but prior to the maturity date, dividends for 90 days will be forfeited.

2) *Certificates Having a Term Greater Than Six Months.*

a) If redeemed within the first year, all dividends will be forfeited.

b) If redeemed thereafter, but prior to the maturity date, the early withdrawal penalty will equal 30% of what would have been earned if the certificate had been held to maturity, not to exceed total dividends earned

3) *Exceptions.* The penalties described above will not be applied if the redemption is made:

a) Subsequent to the death of any holder of the certificate;

b) As a result of the voluntary or involuntary liquidation of the credit union.

i. Withdrawal of Dividend Prior to Maturity.

The Annual Percentage Yield (APY) is based on an assumption that dividends will remain in the account until maturity. For certificates having a term greater than six months, a withdrawal or transfer of the dividends will reduce earnings and the APY. Dividends may be withdrawn or transferred if you selected the Periodic Dividend Payment Option; otherwise, the penalties in h. above will apply.

j. Renewal Policies.

At the time of establishing a certificate, you may elect to have your certificate automatically renew. You may change your renewal selection any time during the term of the certificate, but prior to the maturity date.

1) *Automatically Renewable Certificates.* If you selected this option, your certificate will automatically renew at maturity. There is no grace period during which penalty-free withdrawals may be received following the maturity of this certificate.

2) *Non-renewable Certificates.* If you selected this option, your certificate will not renew automatically at maturity. If you do not renew the certificate, the funds in the certificate will be transferred to your Regular Share account, checking account, or MMSA, according to your selection, and will earn dividends based on the

dividend rate then in effect for that account. If you elected to have your certificate funds paid to you, your certificate will no longer earn dividends after payment.

k. Federally Insured.

Pentagon Federal Credit Union is federally insured by the National Credit Union Administration, an agency of the United States Government.

l. Indebtedness.

PenFed is authorized, at any time, to charge against the funds on deposit any indebtedness or charge owing to it by any owner.

m. Notice of Withdrawal.

PenFed reserves the right to require a written notice of up to 60 days of the intention to withdraw funds pertaining to this certificate. Such a requirement, if imposed, may not extend the life of the certificate beyond the established maturity date.

n. Membership Termination.

Your membership may terminate upon maturity of this certificate, unless renewed, if the holder does not maintain a Regular Share account.

o. Collateral/Security Information.

1) *Money Market Certificates:* You may use 95% of the unencumbered principal amount of each certificate as collateral for a loan. Funds must be on deposit for over 30 days (90 days if funded by ACH) prior to a loan being granted.

2) *IRA Certificates:* You may not use funds in these certificates as collateral for a loan.