A Letter to Our Members

The KCT Difference

Dear Members,

In this edition of The KCT Difference, I wanted to touch base on a few things that you might not know about KCT!

KCT Digital Card App
Protecting you and your money is something we think about everyday here at KCT. Fraud and Identity Theft is a big problem in our nation and around the world. No one is immune to this happening to them, but KCT has developed a mobile app to help.

Mortgages
In this raising rate environment, it might be your last chance to save money on your mortgage! If you haven’t refinanced your mortgage in the last few years, you owe it to yourself to make sure you are getting the best rate possible. It could save you thousands of dollars!

Student Loans
Student loan debt is a heavy burden for many Americans and KCT is finding ways to help. KCT will be launching a Student Loan Product that will help members refinance their current student loans into one easy to manage payment.

Stay tuned to kctcu.org for more information!

Select Employee Groups
Did you know the business you work at could become a partner with KCT? KCT prides itself in working with businesses in the community to enhance the financial wellness of their employees. By working closely with our Select Employee Groups, KCT develops products and services to enhance employee benefit programs.

Thanks again for your support of KCT!

Best regards,

Mike
Services Offered at KCT Financial Services:

- Comprehensive Wealth Management
- Investment Management
- Financial Planning
- Estate Planning
- Trust Services (offered through The Private Trust Company)
- Charitable Giving
- Insurance Services (Life and Long Term Care)
- Employee Benefits (Defined Contribution and Benefit Plans)
- Executive Benefits
- Business Succession Planning
- 401k Rollovers
- Retirement Planning
- Education Planning
- IRA’s
- 403b’s

For more information, please contact your KCT Financial Services Wealth Advisor Team at:

847.289.3297
ecarter@KCTFinancial.org
dkujawa@KCTFinancial.org
28 N. 5th St.
Geneva, IL 60134

Erin K. Brown-Carter
KCT Financial Services Wealth Advisor

Erin has spent the last decade in the financial services industry. Prior to working at KCT Financial Services, Erin was a Private Banker working with business owners, medical professionals, entrepreneurs, high net worth individuals and families. She brings a well-rounded and deep understanding to her client’s financial picture. Erin strives to build strong relationships with her clients and believes the most solid foundation is built upon trust, communication, confidentiality and continuity.

A graduate of Indiana University with a Bachelor of Science degree in Psychology, Erin has both Series 7 and Series 66 registrations, held through LPL Financial, as well as her Life, Health and Long Term Care Licenses. The majority of her career has been spent in the Fox Valley where she has taken an active role in volunteerism and participation in a multitude of organizations such as Literacy Volunteers Fox Valley, CASA Kane County, and Junior Achievement. Erin lives with her husband, Ryan and their daughter, Francesca in Plano, IL.

David Kujawa, ChFC®, CFP®
KCT Financial Services Wealth Advisor

Over the past 10 years, at his highest value, David has been assisting families and business owners build respected Financial Strategies. David’s key role is to become the Financial Consultant and Coach providing motivating action alongside each of his clients to pursue their goals.

After 5 years of advanced study and preparation, David recently achieved the advanced planning designation of Chartered Financial Consultant (ChFC®). In addition, David recently was awarded the highly sought after Certified Financial Planner (CFP®) designation. These are two of the most advanced designations earned by financial planners and wealth management advisors. Through these certifications, combined with over 10 years’ experience, David continues to enhance his knowledge and applications of advanced financial planning for both families and business owners.

David strives to guide clients with the heart of a teacher. David’s goal is to assist clients see how balance with life is important and live within key financial principles in order to maintain and enhance their overall Financial Plan and Strategies—but most importantly focus on their family.
Why refinance my student loans?
Take control of your student loans by refinancing with KCT Credit Union! With our solution you can refinance and consolidate both private and federal student loans, setting up one convenient payment and potentially lowering your rate*. With low rates and flexible repayment options, you’ll be able to simplify your life while amplifying your funds!

Who’s eligible?
College graduates who are:
• U.S. citizens or permanent residents who have graduated from an approved public or private not-for-profit school**
• In repayment or grace period on one or more outstanding private or federal student loans
• Able to pass a credit check (a cosigner may be necessary in order for you to meet credit criteria, and may also help you qualify for a lower rate)
• Eligible for credit union membership (you may apply without being a member of the credit union, but you will need to become a member in order for the loan to be funded)

How do I apply?
Visit our Student Choice website to quickly and easily apply online. Applicants can receive conditional approval in just a few minutes, and will then receive detailed instructions on additional documentation that must be submitted in order to complete the loan process.

Frequently asked questions
Can I consolidate my federal loans?
Yes! You can refinance and consolidate both private and federal (including PLUS) student loans. Keep in mind that by refinancing student loans you may lose certain borrower benefits from your original loans.

Do I need a cosigner?
A cosigner is not required for this loan. However, due to a minimum income requirement and credit criteria, having a cosigner may help you be approved and/or attain a lower interest rate.

What will be my rate?
You will be quoted a rate after your application has been reviewed and conditionally approved.

The credit union difference
KCT Credit Union exists for a single purpose – to serve our members. As a not-for-profit financial cooperative, our credit union can offer a fair-value loan that has your best interest in mind.
If you are not already a member, visit our website to find out how easy it is to open an account. You can even apply for your refinance loan at the same time.

IMPORTANT NOTICE: By refinancing federal student loans, you may lose certain borrower benefits from your original loans, including interest rate discounts, principal rebates, or some cancellation benefits that can significantly reduce the cost of repaying your loans.

*Subject to credit qualification and additional criteria, including graduating from an approved school.
**Approved schools subject to change without notice.
1. Mortgage payments are made up of interest and principal repayment. Which of the following is true?
   a. The mix of interest and principal repayment remains the same over the life of the mortgage.
   b. In the early years of a mortgage, most of the payment is interest.
   c. You pay all the interest first, then pay off the principal.
   d. In the early years of a mortgage, most of the payment is principal.

2. Which $100,000 mortgage will have the highest monthly payments?
   a. A 30-year fixed mortgage
   b. A 20-year fixed mortgage
   c. A 15-year fixed mortgage

3. With a $150,000 15-year mortgage with an interest rate of 3.5%, you will pay less than one half as much interest over the life of the loan than what you would pay with a 30-year mortgage with the same 3.5% rate.
   True
   False

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<th>Comparing a 15-year mortgage with a 30-year mortgage</th>
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<td>Mortgage amount</td>
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<td>Total principal paid over the life of the mortgage</td>
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<td>Total interest paid over the life of the mortgage</td>
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A fresh start to your spring

**KCT can help you purchase or refinance your home.**

Apply today at kctcu.org or call us 24/7 at 847.741.3344, prompt 2.

We do business in accordance with Federal Fair Housing Law and Equal Credit Opportunity Act.

Membership and credit requirements apply.
Introducing the KCT Digital Card app!

This new app allows you to receive email, text and push notifications whenever your KCT debit or credit card(s) are used.

• Transactions
• Card not present
• Foreign transactions
• Gas stations
• Card declined
• ATM withdrawal

Simply create a login and add your cards to help protect yourself from fraud with the KCT Digital Card app.

Future updates will include:
• Consumer Transaction Controls – With this function enabled, you can block your card if it is lost or stolen, and turn it back on when you find it.
• Mobile Location Confirmation – This roadmap function will allow you to use your phone’s location service to help reduce your threat for fraud. For example, if your phone is in Chicago and a purchase is made in New York with your card, the transaction will not go through.
Why businesses should partner with KCT Credit Union

Employer Benefits:

- Enhances your employee benefits package.

- **KCT provides on-site visits & enrollments.**
  - Credit Union Days: Gives your employees an opportunity to speak with the credit union and learn how KCT can help them reach their financial goals.
  - On-site enrollment: Employees have the opportunity to join the credit union without visiting one of our branch locations. Instead, KCT will come to your location to make the credit union more convenient for your employees.

- Increasing an employee’s financial literacy leads to a more productive employee.

- **KCT provides at no cost:**
  - Financial Fitness Seminars focusing on topics like:
    - Identity Theft
    - Wise use of credit cards
    - Building a basic budget
    - and more
  - Financial Counseling
    - One-on-one counseling provided by appointment on-site or at any KCT branch.

To learn more, please call Yvonne Irving, VP of Business Development, at 847-289-3290.
1. B) The great majority of mortgage payments in the early years is comprised of interest. It is in the later years when more and more of your payments are used to pay down the mortgage.

2. C) Each mortgage payment is part interest and part principal. If you are paying off the mortgage faster, each payment will have a larger amount of principal included. For example, a $100,000 30-year mortgage with an interest rate of 3.5% will have monthly payments of $449.04, while a 20-year mortgage would have payments of $579.96 and a 15 year mortgage would have payments of $714.88. However, with a 15-year mortgage, you would pay about $33,000 less total interest over the life of the mortgage. When investigating mortgages, be sure to consider the different interest rates on different term mortgages. Usually, mortgages with shorter terms have lower rates.

3. True) While the monthly payments will be higher with a 15-year mortgage, the total interest paid over the life of the loan will be substantially less.