



## TRUTH IN SAVINGS DISCLOSURE

*Except as specifically described, the following disclosures apply to all accounts. Specific rates are enclosed on inserted rate sheets that may change from time to time. Current rates on all savings instruments are always available by calling (937) 558-9070 or on our website at [www.kmcfcu.com](http://www.kmcfcu.com)*

**1. Service Information:** In order to receive any services from KH Network Credit Union, the Member must open a savings account and maintain a \$5 minimum balance.

**2. Balance Information:** The minimum balance required to open each account and the minimum balance required to earn dividends is set forth in this packet. Dividends are calculated by the daily balance method that applies a daily periodic rate to the principal in the account each day.

**3. Nature of the Dividends:** Dividends are paid from current income and available earnings after required transfers to reserves at the end of the dividend period. The dividend rate and annual percentage yield (APY) are the prospective rates and yields that KH Network Credit Union anticipates paying for the applicable dividend period. The APY assumes all dividends remain and are not withdrawn from the account.

**4. Rate Information:** The dividend rate and APY on your account are set forth in this packet. All accounts are considered fixed rate accounts. The dividend rate and APY may change at any time as determined by the Board of Directors. The APY assumes all dividends remain and are not withdrawn from the account.

**5. Compounding and Crediting:** Dividends will be compounded and credited as set forth in the account description portion of this packet. The dividend period for all accounts is monthly beginning on the first calendar day of the month and ending on the last calendar day of the month. The exceptions to this are the certificates and the individual retirement accounts (IRAs), which are detailed below.

**6. Account Limitations:** For money market accounts, no more than six (6) preauthorized, automatic, or telephone transfers may be made from these accounts to another account of yours or to a third party in any month. No more than three (3) of these six (6) transfers may be made by check, draft, or debit card to a third party. If you exceed these limitations, your account may be subject to a fee or be closed. For savings and checking accounts, no account limitations apply.

**7. Accrual of Dividends:** Dividends will begin to accrue on the non-cash deposits (e.g., checks) on the business day you make the deposit to your account. If you close your account before accrued dividends are credited, accrued dividends will be paid.

**8. National Credit Union Administration:** All Member accounts in KH Network Credit Union are federally insured up to \$250,000 until December 31, 2013, by the National Credit Union Administration, an agency of the federal government. ([www.ncua.gov](http://www.ncua.gov))

## ACCOUNT DESCRIPTIONS

### PRIMARY SAVINGS AND OTHER SECONDARY SAVINGS

<b>DESCRIPTION:</b>	This is the primary credit union savings account. You must fill out a membership card and maintain a \$5 balance in a share account for a membership in the credit union. This allows you to vote at the annual meeting (if all voting requirements are met) and obtain other credit union benefits and service. Secondary Savings can be established to meet the Member's needs for separate savings accounts. This includes real estate escrow accounts. The real estate escrow accounts have restrictions for the withdrawals for other than tax or insurance purposes. (They all receive the same dividend rate and APY).
<b>DIVIDENDS COMPOUNDED:</b>	Monthly
<b>DIVIDENDS CREDITED:</b>	Monthly
<b>MINIMUM OPENING BALANCE:</b>	\$5 for primary savings account \$0 for secondary savings accounts
<b>MINIMUM MONTHLY BALANCE:</b>	\$5 for primary savings account \$0 for secondary savings accounts
<b>BALANCE COMPUTATION:</b>	Daily
<b>ACCOUNT LIMITATIONS:</b>	Dividends earned on a balance of \$1,000 or greater.
<b>FEES AND CHARGES:</b>	Transaction and access fees for ATMs may be charged as detailed in the KH Network Credit Union's Current Fee Schedule. NSF fees apply.

### BLUE RIBBON SAVINGS

<b>DESCRIPTION:</b>	This savings account offers you the convenience of withdrawing funds by cash, checks or other remote means.
<b>DIVIDENDS COMPOUNDED:</b>	Monthly
<b>DIVIDENDS CREDITED:</b>	Monthly
<b>MINIMUM OPENING BALANCE:</b>	\$2,500
<b>MINIMUM MONTHLY BALANCE:</b>	\$2,500
<b>BALANCE COMPUTATION:</b>	Daily
<b>ACCOUNT LIMITATIONS:</b>	Dividends are earned on a balance of \$2,500 or greater.
<b>FEES AND CHARGES:</b>	Transaction and access fees for ATMs may be charged as detail in the KH Network Credit Union's Current Fee Schedule. NSF fees apply.

### CHECKING

<b>DESCRIPTION:</b>	This checking account offers you the convenience of withdrawing funds by checks or other remote means.
<b>DIVIDENDS COMPOUNDED:</b>	Monthly
<b>DIVIDENDS CREDITED:</b>	Monthly
<b>MINIMUM OPENING BALANCE:</b>	\$50
<b>MINIMUM MONTHLY BALANCE:</b>	\$0
<b>BALANCE COMPUTATION:</b>	Daily
<b>ACCOUNT LIMITATIONS:</b>	Unlimited check writing. Dividends are earned on a balance of \$1,000 or greater.
<b>FEES AND CHARGES:</b>	Transaction and access fees for ATMs may be charged as detailed in the KH Network Credit Union's Current Fee Schedule. Overdraft fees apply.

### BLUE RIBBON CHECKING

<b>DESCRIPTION:</b>	This checking account offers you the convenience of withdrawing funds by checks or other remote means.
<b>DIVIDENDS COMPOUNDED:</b>	Monthly
<b>DIVIDENDS CREDITED:</b>	Monthly
<b>MINIMUM OPENING BALANCE:</b>	\$2,500
<b>MINIMUM MONTHLY BALANCE:</b>	\$2,500
<b>BALANCE COMPUTATION:</b>	Daily
<b>ACCOUNT LIMITATIONS:</b>	Unlimited check writing. Dividends are earned on a balance of \$2,500 or greater.
<b>FEES AND CHARGES:</b>	Transaction and access fees for ATMs may be charged as detail in the KH Network Credit Union's Current Fee Schedule.

### MONEY MARKET ACCOUNT

<b>DESCRIPTION:</b>	Our money market accounts, with a minimum balance, offer you premium rates and convenient withdrawal privileges. (Up to six withdrawals per month may be made with the use of checks, telephone, and online banking system).
<b>DIVIDENDS COMPOUNDED:</b>	Monthly
<b>DIVIDENDS CREDITED:</b>	Monthly
<b>MINIMUM OPENING BALANCE:</b>	\$5,000
<b>MINIMUM MONTHLY BALANCE:</b>	\$5,000
<b>BALANCE COMPUTATION:</b>	Daily
<b>ACCOUNT LIMITATIONS:</b>	Limitations do apply as detailed in the disclosure. Tiered dividend rates are paid on the entire daily collected balance of you account. The balance tiers are: Bronze Level        \$5,000 - \$9,999.99 Silver Level        \$10,000 - \$24,999.99 Gold Level         \$25,000 and over
<b>FEES AND CHARGES:</b>	See KH Network Credit Union's Current Fee Schedule

### CERTIFICATES (Regular, Years Ahead Plus, and Jumbo)

<b>DESCRIPTION:</b>	Certificate accounts offer a preferred rate in exchange for your commitment to leave funds on deposit for a set period of time. Early withdrawals are subject to a dividend penalty. We offer certificates with maturates of three, six, twelve and twenty-four, thirty-six, forty-eight and sixty months. A Member may get a quarter percent higher rate if they meet certain criteria of services used at KH Network Credit Union. The member will receive the premium rate if they have current membership in the Years Ahead Plus offered by Kettering Health Network. We offer a premium rate if the deposit is \$50,000 (Jumbo Certificate) or more. These relationships are assuming that the dividends earned are left in the investment and compounded. Withdrawal of the earned dividends will reduce future earnings.
<b>DIVIDENDS COMPOUNDED:</b>	Monthly on all new certificates. Some older, automatically renewable certificates have been allowed to continue, upon renewal, to have dividends compounded quarterly or upon maturity if the member chooses.
<b>DIVIDENDS CREDITED:</b>	Monthly on all new certificates. Some older, automatically renewable certificates have been allowed to continue, upon renewal, to have dividends credited quarterly or upon maturity if the member chooses.
<b>MINIMUM OPENING BALANCE:</b>	\$500
<b>MINIMUM MONTHLY BALANCE:</b>	\$500
<b>BALANCE COMPUTATION:</b>	Daily
<b>ACCOUNT LIMITATIONS:</b>	An early withdrawal penalty will be applied. Penalties for certificates of one year or less or closed prior to maturity – equivalent of 90 days dividends. Certificates will be

<b>ACCOUNT LIMITATIONS: (continued)</b>	automatically extended for successive, like maturity periods unless: a) upon or within seven days after such original or extended maturity date, this certificate is surrendered and presented for payment, b) the credit union elects not to extend such maturity, in which case the certificate amount and any dividend will be paid to the depositor. The member must notify the credit union within seven calendar days if he or she wishes to change the term or close the certificate; otherwise, the certificate will automatically renew to a like term. The account is nontransferable and nonnegotiable. The funds in the account may not be pledged to secure any obligation of an owner, except obligations with the credit union.
<b>FEES AND CHARGES:</b>	How the penalty works: The penalty is calculated as a forfeiture of part of the interest that has been or would be earned at the nominal interest rate on the account. It applies whether or not the interest has been earned. In other words, if the account has not yet earned enough interest or if the interest has already been paid, the penalty will be deducted from the principal.

### INDIVIDUAL RETIREMENT ACCOUNT (IRA) TRADITIONAL & ROTH

<b>DESCRIPTION:</b>	Individual Retirement Accounts (IRAs) are fixed rate savings investments set up for the purpose of accumulating fund for retirement. All IRAs are regulated by the Internal Revenue Service. IRAs are in certificate's instrument and will be automatically extended for successive, like maturity periods unless a) upon or within seven days after such original or extended maturity date, the IRA certificate is surrendered and presented for payment, b) the member takes a required minimum distribution (RMD), or c) elects not to extend such maturity, in which case the certificate amount and any dividend will be paid to the depositor. The member must notify the credit union within seven calendar days if the member wishes to change the term or close the IRA certificate; otherwise, the IRA certificate will automatically renew to a like term. This investment can be added to periodically for the purpose of accumulating funds to put into a fixed IRA. (Special rates and other terms apply).
<b>DIVIDENDS COMPOUNDED:</b>	Monthly
<b>DIVIDENDS CREDITED:</b>	Monthly
<b>MINIMUM OPENING BALANCE:</b>	\$500
<b>MINIMUM MONTHLY BALANCE:</b>	\$500
<b>BALANCE COMPUTATION:</b>	Daily
<b>ACCOUNT LIMITATIONS:</b>	Minimum payroll deposit amount it \$25. Early withdrawal penalties are the same as the penalties disclosed under the certificate section plus any penalties imposed by the IRS. IRS regulations apply.