

# SAVINGS AND CLUB

March 25, 2008

This disclosure contains information about terms, fees, and interest rates for some of the accounts we offer.

## SAVINGS ACCOUNT

This is a passbook savings account which allows up to six (6) pre-authorized transfers per month. Interest is paid semi-annually on June 30 and December 31.

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account Weekly. Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks). Interest will be compounded semi-annually and will be credited to the account semi-annually.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$0.01 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$25.00 to open this account. You may make six (6) transfers from your account each four (4) week or similar period, if by preauthorized or automatic transfer, or telephone (including data transmission) agreement, order or instruction. Three (3) of these transfers may be made by check, draft, debit card or similar order (including POS transactions), made by the depositor and payable to third parties. Transfers and withdrawals made in person, by messenger, by mail or at an ATM are unlimited.

**Account Fees:** The following fees apply to this account: Unclaimed Statement Fee: \$10.00 per statement cycle.; Returned Deposited Item Charge: \$2.00 per item charged back.; Excess Withdrawal Fee: \$1.00 each over 20 withdrawals per statement cycle; Additional Statement Fee: \$10.00 for each additional statement cycle per month if the statement is mailed.; and Dormant Account Fee: \$2.00 per statement if account balance falls below \$25.00.

## CHRISTMAS CLUB ACCOUNT

Save for next year's Christmas with this account!

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect until November 15, 2008. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will not be compounded on the account. Interest will be credited to the account at maturity. If the account is closed before interest is credited, you will not receive the accrued interest. At the end of the club account period November 15, 2008, the funds in the account will be mailed to you by check.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$25.00 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$25.00 to open this account. You may not deposit more than \$3,000.00 to this account. You must have an existing account with us in order to open this account. The amount you open the account with is the amount you agree to deposit every month. You must be enrolled and the first payment made by May 15, 2008 with the last payment due by October 31, 2008. If a monthly payment is missed or you fail to make the deposit amount you contracted for, the account will default to the interest rate of our regular savings account. If you close the account before the maturity date of November 15, 2008, all accrued interest will be forfeited. You may not make withdrawals from your account until the maturity date.

## FRONTIER ACCOUNT

This account is a monthly savings plan which requires monthly electronic deposits and restricts withdrawals in return for a higher interest rate. Statements are cycled and interest is paid semi-annually on June 30 and December 31.

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account semi-annually. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded semi-annually and will be credited to the account semi-annually.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$25.00 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$25.00 to open this account. Monthly electronic deposits must be made in order to earn the stated Annual Percentage Yield. Additional deposits are allowed, but at least one electronic deposit must be made per month. If two monthly deposits are missed within a statement cycle, the account will be closed and transferred to a regular savings account. Withdrawals are allowed for transfer to any Kit Carson State Bank Certificate of Deposit or Individual Retirement Account up to three per statement cycle. ACH payments on overdrawn accounts will not be allowed.

**Account Fees:** If you close this account without transferring to a Kit Carson State Bank Certificate of Deposit or Individual Retirement Account, you will forfeit any interest that has accrued since the last statement cycle.

## OTHER ACCOUNT FEES

The following fees apply to all of your accounts with us:

Garnishment/Levy Fee:	\$25.00 per levy/garnishment served.
Research Fee:	\$15.00 per hour.
Microfilm Copy Fee:	\$.25 per copy.

The following fee applies to all of your accounts with us except Certificates of Deposit and Time Deposit Accounts:

Account Closure-Within 90 Days of Opening:	\$20.00
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The following fee applies to Savings Account; Christmas Club Account; and Frontier Account Accounts:

Snapshot Statements:	\$1.00 per page.
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## MISCELLANEOUS FEES AND CHARGES

Miscellaneous

