HOME LOAN STATE BANK

205 NORTH 4TH STREET GRAND JUNCTION, CO 81501

**TRUTH IN SAVINGS DISCLOSURE**

***FOR TIME ACCOUNTS***

Terms following a 0 apply only if checked. Acct:6 MTH, 1 YR . 2 YR Hybrid CD

Acct#:

Date:

IZI The interest rate and annual percentage yield stated below are accur ate as of the date printed above. If you would like more current rate and yield information please call us at ( 97 0) 2 4 3

- 6600 This disclosure contains the rules which govern your deposit

account. Unless it would be inconsistent to do so, words and

phrases used in this disclosure should be construed so that the singular includes the plural and the plural includes the singular.

0 FIXED RATE:

0 The interest rate for your account is ---------% with an annual percentage yield of %. We will pay this rate

0 The interest rate and annual percentage yield for your account depend upon the applicable rate tier. We will pay these rates

IZJ VARIABLE RATE:

IZI The interest rate for your account is -------------- %

with an annual percentage yield of %.

Your interest rate and annual percentage yield may change.

0 The interest rate and annual percentage yield for your account depend upon the applicable rate tier. The interest

rate and annual percentage yield for these tiers may change.

*Determination of Rate:*

IZI At our discretion, we may change the interest rate on your account.

0 The interest rate for your account -------------------

0 The interest rate will not be less than ------------- %

or more than %.

0 The interest rate will not --------------------------- the interest rate initially disclosed to you.

COMPOUNDING AND CREDITING:

IZI *Frequency* - Interest wi ll be compounded quarterl y

Interest will be added to balance monthl y.

1ZJ *Withdrawal of Interest Before Maturity.* The annual percentage yield assumes that interest remains on deposit until maturity. A withdrawal of interest will reduce earnings.

0 *Required Interest Distribution.* This account requires the

distribution of interest and does not allow interest to remain in

the account.

IZI *Effect on Closing an Account.* If you close your account before interest is credited, you will receive the accrued interest.

MINIMUM BALANCE REQUIREMENTS:

IZI *To Open the Account.* You must deposit at least

$ 10 0 • 0 0 to open this account.

IZI *To Obtain the Annual Percentage Yield Disclosed.*

0 You must maintain a minimum balance of

$ in the account each day to obtain

the disclosed annual percentage yield.

IZI You must maintain a minimum average daily balance of

$ 10 0 • 0 0 to obtain the disclosed annual percentage yield. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

The period we use is.:.o.u...a......\_t,""e....,r..s.,..

BALANCE COMPUTATION METHOD:

0 *Daily Balance Method.* We use the daily balance method to

0 The fixed initial rate is not determined by this rule.

0 The initial interest rate on your account --------------

calculate the interest on your account. This method applies a

daily periodic rate to the principal in the account each day.

IZI *Average Daily Balance Method.* We use the average daily balance method to calculate interest on your account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

Subsequent rates

The period we use is o....u..a.....r..,t""e....,.r..s, .. \_

ACCRUAL OF INTEREST ON NONCASH DEPOSITS:

IZI Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

*Frequency of Rate Change:*

1ZJ We may change the interest rate on your account £L

our discretion

0 Your initial interest rate will not change

We may change the interest rate on your account at that time and at our discretion thereafter. *Limitations on Rate Changes:*

0 The interest rate for your account will not

by more than each -----------------

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0 Interest begins to accrue -----------------------------

you deposit noncash items (for example, checks). MATURITY DATE:

IZI Your account wiII mature on -------------------------

0 Your account will mature in \_

IZI We may accelerate the maturity or call this account, at our option, at our discretion at an y time

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0 Your account has no definite maturity date. To withdraw any or part of this deposit without penalty, we must receive at least written notice from

lXI You may make unlimited deposits into your account.

0 You may not make any deposits into your account until maturity.

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m a7k\_e\_a\_ w..i,'t"h-' d7 r\_a\_wal. The notice must

specify the exact amount and date of the intended withdrawal. Interest will no longer accrue after the withdrawal date specified in your notice on the amount specified in your notice. We may terminate this account by mailing a notice to you of our intention

to terminate at least ten days before the termination date. The date of intended withdrawal of the last funds in the account, or the termination date, is considered to be the maturity date.

TIME DEPOSIT WITHDRAW AL LIMITATIONS:

0 *Principal:- - -- -----------------*

lXI The minimum amount you can deposit is $ 0·:...:0 .

lXI The maximum amount you can deposit is $ 9 9 9 9 9 9 . 9 9 .

0

RENEWAL POLICY:

0 *Single Maturity:* This account will not renew automatically at

maturity. If you do not renew the account, - ------ - -

lXI *Interest:* AFTER IT HAS BEEN CRED TIED

0 *Interest Timing:* You can withdraw interest --- -- --

lXI *Automatic Renewal:* This account will automatically renew at maturity.

lXI You will have 10 calendar days after the maturity date to withdraw funds without penalty.

lXI *Exceptions to Automatic Renewal:* This account will not renew if you withdraw the funds on the maturity date or if we receive written notice from you on or before the maturity date of

your intention not to renew.

0 There is no grace period following the maturity of this account to withdraw funds without penalty.

EARLY WITHDRAWAL PENALTY:

A penalty 0 may 0 will be imposed for withdrawals before maturity. The penalty will be an amount equal to:

0 Seven days' interest on the amount withdrawn if the

withdrawal is made within the first six days after the deposit.

0 180 days' interest on the amount withdrawn

0 90 days' interest on the amount withdrawn

0 30 days' interest on the amount withdrawn

lXI 90 DAYS INTEREST

RENEW AL TERMS:

lXI *Same Term As Original:* Each renewal term will be the same as the original term, beginning on the maturity date.

0 *Different Term:* Each r enewal term will be ------ -­

-- -------, beginning on the maturity date. RENEWAL INTEREST CALCULATION:

lXI *Same Interest Calculation:* Interest will be calculated on the same basis as during the original term.

0 *Different Interest Calculation:* The interest rate will

0 The interest rate we will use to calculate the interest

forfeiture will be:

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BONUSES:

0 You will --------- ------- ---

We will charge the penalty first against any interest then in the account, and any excess will be deducted from the amount you withdraw.

0 If you withdraw some of your f unds before maturity, the

interest rate for the remaining funds in your account will be

as a bonus

0 You must maintain a minimum

of$

to obtain the bonus.

0 To earn the bonus.--- ------------ ---

% with an annual percentage yield of

%.

lXI *Minimum Balance Accounts.* We reserve the right to treat any withdrawal which would reduce the balance remaining in the account below the requir ed minimum initial deposit or minimum balance as a Withdrawal of the entire account balance and calculate the amount of the penalty accordingly.

In certain circumstances, such as the death or incompetence of an account owner, the law permits, or in some cases requir es, the waiver of the early withdrawal penalty. Other exceptions

IXJ PRE-MATURITY NOTICE: Your account will mature on

---- --------- . If the account renews, the new maturity date will be - --------------- -

0 The interest rate for the renewed account will be

--- ---- -- % with an annual percentage yield of

may also apply, for example, if this is par t of an IRA or other %.

tax-deferred savings plan.

ADDITIONS TO ACCOUNT:

0 You may make no more than ---- ---- deposits

lXI The interest rate and annual percentage yield have not

yet been determined. They will be available on

into your account each------------- -- -

0 You may only make deposits into your account ------

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Please call ( 97 0 l 2 4 3 - 6 60 0 to learn the interest r ate and annual percentage yield for your new account.

0 ADDITIONAL TERMS:

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