

ACROSS THE CHAIRMAN'S DESK
JOHN C. DICUS, CHAIRMAN



The elections are over and we are in the midst of the busy holiday season. Regardless of whom we personally supported in the elections, it is time to join together as a united American nation and work to resolve a number of important issues.

Some manufacturing companies are choosing to move some of their production facilities and jobs from the United States to Asia, Europe and elsewhere. At both the national and state levels, government, business, labor and education need to work in concert to improve our climate for economic opportunity. We must reshape our economic policies to slow down the exodus of jobs which might be moved overseas by providing new incentives for companies to invest in American facilities and employee development and to rebuild our businesses upon a foundation of educated, skilled and motivated workers.

At the state level, the most pressing issue is how to balance the need for adequate education funding with a property tax burden that is spiraling upward. The best long-term solution is to broaden the tax base through economic development by making our state attractive to new businesses, bringing in new people, new jobs and investment in new facilities.

However, in the short term, our governor and legislators need to be courageous statesmen and do what may be politically unpopular: reallocate tax monies to provide needed funds for local school districts, the state regents' universities and the community colleges. Businesses invest in communities that will provide an educated workforce and a high quality of life. Unless we fully fund education at every level, businesses will locate elsewhere and future generations may be forced to seek opportunities in other states.

The international issue of terrorism appears to be with us permanently. Under the USA Patriot Act and related anti-money laundering laws, Capitol Federal and other banks are working with law enforcement agencies to deny terrorists and drug dealers access to money for their illegal activities. Even so, as a nation that guarantees many individual freedoms, America remains a target for terrorists since they also enjoy these same freedoms of movement and action. It is the price we will pay to remain free.

All of these issues provide challenges and no one person has the answer to every problem. However, with all of us putting aside our differences and working together, we can arrive at solutions that will insure a legacy of hope, freedom and security for future Americans.

As we enjoy the celebrations of the holidays with family and friends, let each of us also keep our thoughts and prayers with those who are far away from their own homes and loved ones in service to our nation - the soldiers, marines, airmen and sailors around the world who are in harm's way. On behalf of the directors, officers and employees of Capitol Federal, we wish you and your family a peaceful and prosperous New Year.

True Blue

R E V I E W

News & Financial Information from Capitol Federal Savings • Winter 2004 • Vol. 44, No. 4

SwipeStakes Continues...

There is still time to develop your winning swipe style! Whether you choose the behind-the-back swipe, the no-look swipe, two-fisted swipe or an original swipe of your own, you have until April 30, 2005 to use your True Blue Direct check card to enter your name in Capitol Federal's SwipeStakes.* Just by swiping your card during a signature transaction, your name automatically will be placed in a monthly \$1,000 cash drawing through April, 2005 and the 2005 Mazda3 grand prize drawing to be held after the campaign ends April 30, 2005.

If you do not have a Capitol Federal True Blue Direct check card, just stop by any Capitol Federal office or call the Customer Service Center at 1-888-8CAPFED (1-888-822-7333) to open your Capitol Federal checking account of choice and apply for your check card. Using the True Blue Direct check card allows you to pay for purchases right from your Capitol Federal checking account. You'll discover the convenience of using your check card instead of a check or cash to pay for almost anything. There's no checkbook to carry. No check to write. No I.D. to show. No waiting for check approval. It saves you time and hassles.

It's so easy - just present your True Blue Direct card at the time of purchase, sign

your receipt, and the amount is deducted automatically from your Capitol Federal checking account. It's that simple. You receive a receipt for easy record-keeping, and every transaction is detailed on your monthly checking statement.

Always welcome, your True Blue Direct card is accepted wherever you see the Visa® Debit logo. Pay right from your checking account at millions of locations worldwide - including places that don't take checks, and obtain cash at over 650,000 Visa/Star® ATMs in 120 countries. There's no annual fee and no charges for debit card transactions (without PIN).

Stop by any of our convenient offices and choose the checking account that's right for you. We'll be glad to tell you more about all our checking benefits and

other financial services designed to meet your personal needs. Then use the card that works like a check all over the world, and your name may be drawn in the Capitol Federal SwipeStakes for \$1,000 or that 2005 Mazda3. Sign up today!

*No purchase necessary. Complete contest rules available at any Capitol Federal office or at capfed.com. Visa® purchase must be approved. Excludes cash advances, checks, ATM transactions, POS transactions using a PIN, in-office transactions or other electronic transactions.



No Adults Allowed. . .



Capitol Federal invites all kids 14 and under to meet our True Blue friends Milo, Fancy, Earnie and Chloe and join the coolest savings club around - The Blue Bucks Kids' Club! As a member, you will have great fun with the monthly newsletters, its contests for prizes and a bunch of cool new gifts for the quarterly savings contests. Let the fun begin. Open your Blue Bucks savings account today!

True Blue

REVIEW

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A quarterly publication for Capitol Federal customers and communities.



True Blue® for over 100 years



MEMBER FDIC

CAPITOL FEDERAL LOCATIONS

<p>TOPEKA 785-235-1341</p> <p>700 South Kansas Avenue Home Office 1201 Topeka Boulevard 2100 Fairlawn Road 2901 South Kansas Avenue 29th & Wanamaker Road 3540 Northwest 46th</p>	<p>EMPORIA 620-342-0125</p> <p>6th Avenue & Commercial</p> <p>LAWRENCE 785-749-9000</p> <p>Iowa & Harvard 11th & Vermont 3210 Iowa SuperTarget 1026 Westdale Road* 4701 West 6th Street Dillon's</p>
<p>GREATER KANSAS CITY 913-381-5400</p> <p>95th & Nall 5251 Johnson Drive 75th & State Line 87th & Santa Fe 13500 Metcalf 5700 Nieman Road 10101 College Boulevard 15525 West 87th Street Parkway 22400 Midland Drive 7734 State Avenue Price Chopper 12200 Blue Valley Parkway SuperTarget 15700 Shawnee Mission Parkway SuperTarget 11700 West 135th Street Price Chopper 4050 W. 83rd Street Corinth Hen House 1223 NE Rice Road* Lee's Summit MO</p>	<p>MANHATTAN 785-537-4226</p> <p>14th & Poyntz Seth Child Road & Southwinds Drive</p> <p>OLATHE 913-381-5400</p> <p>Santa Fe & Burch 2100 East 151st Street 15345 West 119th Street SuperTarget</p>
<p>SALINA 785-825-7121</p> <p>2550 South 9th Street</p>	<p>WICHITA 316-689-0200</p> <p>8301 East 21st Street North 8040 East Douglas 4020 West Maple 10404 West Central 4000 East Harry 4616 East 13th Street</p>

*Loan Production Office

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capfed.com

ANNOUNCING . . .

Hamm and Oehlert Appointed

President Dicus recently announced the transfer of Tina (Adams) Hamm to the managerial position at the Central and Maize office in Wichita and the promotion of Jason Oehlert to Vice President-Branch Manager of the Shawnee Crossings office in Shawnee. A native of Andover, Hamm joined Capitol Federal in January 1997 as a teller.



Soon, she was named a teller supervisor, and in October 2000, she was promoted to assistant branch manager of the Bradley Fair office at 8301 East 21st Street North. In June 2001, she transferred to the same position at the Central and Maize office. In 2002, she was promoted to Vice President-Branch Manager

of the Wichita office located in the KenMar Shopping Center at 4616 East 13th Street, a position she retains with her transfer.

Oehlert joined Capitol Federal in 1997 as a part-time customer service associate (CSA) at the Overland Park Target office, 12200 Blue Valley Parkway. In 1998, he became lead CSA at Overland Park Target before becoming an assistant branch manager in 1999 at the 151st and Mur-Len Road Olathe office. In 2000, he transferred to the 95th and Nall office as assistant branch manager before being promoted to his current position in October when longtime Capitol Federal employee, Janet Baggett, retired.



Capitol Federal Honored by KVC



During its recent Volunteer Recognition Program held in Wichita, the Kansas Volunteer Commission (KVC) honored the Lawrence employees of Capitol Federal Savings with the corporate "YOU Make a Difference" award in recognition for outstanding volunteer service

to their community. Representing their fellow employees, Joe Oberzan, Mary Alice Barr and Deborah Johnston attended the banquet.

Roger Hill Volunteer Center, a service of the United Way of Douglas County, nominated Capitol Federal based on its employees' broad community volunteerism. KVC Executive Director Pat Kells remarked, "Capitol Federal looks for opportunities and actively encourages employees to participate in community events at all levels. Community responsibility is listed as a core corporate value. This value is evident in their 2003-2004 contributions resulting in the highest corporate gift per employee during the United Way of Douglas County campaign."

SERVICE PROFILE...

Execuline

This is the time of year when paying the bills and buying presents can really place a strain on the family budget. Capitol Federal offers an easy way for you to obtain extra cash for your holiday needs and to consolidate your regular bills - an Execuline home equity line of credit.

convenience of accessing the account simply by writing a check!

An Execuline is available with no application fees or closing costs, is usually tax-deductible and is available from Capitol Federal no matter where you have your first mortgage loan. This account also offers the advantage of no mandatory maturity date, allowing you to use your line of credit even after you have repaid a prior purchase. You are charged interest only on the amount you actually use, not on your total credit limit - all with the

Consider Capitol Federal's Execuline home equity line of credit for your holiday spending and for consolidating your debts throughout the year. Visit any Capitol Federal office, call our Customer Service Center at 1-888-8CAPFED or go online at www.capfed.com to learn more about Capitol Federal's Execuline home equity line of credit.

Certain restrictions apply. All loans are subject to credit approval. The Annual Percentage Rate may vary, with a maximum of 18%. The APR for an 80% LTV loan is 5.75% as of November 26, 2004. Consult your tax advisor regarding deductibility of interest. You must carry insurance on the property that secures this loan.

Out with the OLD, In with the NEW

By Steve Scaletty, CMIC Financial Services



It's that time to make the annual New Year's Resolution. What will it be this year? Can it be kept? If one resolution is to work toward financial success, make it easy on yourself and leave that resolution up to CMIC Financial Services. It's simple. Schedule an appointment with a CMIC Financial Services Representative, located within Capitol Federal Savings, to review your current financial situation and what opportunities are available to you.

If you have concerns about your retirement nest egg, make a New Year's Resolution to visit with your CMIC Financial Services Representative for a FREE, no-obligation financial review. To create a structured plan based on saving and investing, your representative will conduct an in-depth evaluation of your financial profile. Your financial goals always will dictate which financial instruments are implemented to obtain financial success. To keep your New Year's Resolution, we can help you maximize your financial efforts with a well-organized plan and continue to provide you with details and recommendations throughout your relationship with us.

From all of us here at CMIC Financial Services, warmest wishes for a safe and prosperous New Year!

SII Investments, Inc., member NASD, SIPC and a Registered Broker Dealer, is not affiliated with CMIC Financial Services or Capitol Federal Savings Bank. Insurance products provided by CMIC Financial Services and securities offered through SII Investments, Inc. are:

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Heritage Travel Club 2005

Discover America and the World Together

Irish Treasures w/Optional Golf Package

May 14 - 21 (Tour #05017) Tour the Emerald Isle and experience its scenic vistas. Optional package includes three rounds of golf at renowned courses. \$2,398 per person/double occupancy, \$2,768 per person/single occupancy

Italian Vistas

May 16 - 28 (Tour #05023) An exciting journey through the spectacular culture, art and cuisine of Italy! \$3,719 per person/double occupancy, \$4,319 per person/single occupancy

Abeline, Kansas & the Eisenhower Visitors Center

June 9 (Tour #05022) Discover Kansas by visiting a town rich in history that gave us one of the true heroes of the 20th Century, Dwight D. Eisenhower. \$79 per person

An Evening at the Music Theatre of Wichita

June 11 See *Phantom* during a Capitol Federal-sponsored evening. Call the Theatre at 316-265-3107 for tickets, starting at \$16 and up. Identify yourself as a Capitol Federal Heritage Travel Club member. Tickets go on sale May 16, 2005.

Heart of Alaska Cruise/Tour

August 11 - 22 (Tour #05024) Experience the beauty of nature as you travel by sea and by land in the vast wilderness of the north. \$3,695 per person/double occupancy Oceanview Cabin w/ private balcony, \$3,450 per person/double occupancy Oceanview Cabin w/ no balcony

Watch for next month's *Heritage Travel Club Newsletter*, announcing all of the Club's trips for 2005, including such favorites as *New York Theatre Thanksgiving Tour* and *Branson Holidays*. If you are 55 or better and would like to be a Heritage Travel Club member, you may join just by calling a Capitol Federal office and opening a Heritage Checking account. Call today and begin planning your 2005 trips tomorrow.

For more details, visit travellers.vacation.com

or www.capfed.com and link to

Heritage Travel Club News or

CALL 1-800-382-6700 or

749-0711 (from Lawrence). Ask for the

Heritage Travel Club. Space is limited, so make your reservations today.

Prices, dates and shows subject to change without notice.

Nickels & Dimes

Q: What is Check 21 and how does it affect me as a Capitol Federal customer?

A: Check 21 refers to The Check Clearing for the 21st Century Act, which became effective October 28, 2004. Check 21 allows banks to send an electronic image of the checks they receive for deposit to the Federal Reserve for clearing, rather than the actual paper check.

This means that Capitol Federal could create an electronic image of the checks you deposit to send through the check clearing process. And the banks that receive the checks you have written to various individuals or businesses can do this, as well. When a check is sent through the clearing process as an electronic image, just like email, it will be received by the bank that is paying for the check faster than if it had gone through the mail.

Faster clearing means that float time could be reduced or eliminated. Float time is the time between writing a check and when it clears your account. Therefore, it is very important to always have funds available in your account when a check is written, or it is possible the check could be returned for insufficient funds (and a fee will be charged). You may want to consider using a companion account at Capitol Federal for overdraft protection. A companion account transfers funds automatically when a check may not clear in the other account.

Remember, Capitol Federal has a policy of next day availability for most of our deposit customers.

For more information about Check 21, check out this web site: http://www.federalreserve.gov/pubs/check21/consumer_guide.htm, or call 1-888-8CAPFED.



ON THE HOUSE

Let us help you open the door to your new dream home.

For more information call:
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The new year is a great time to review your insurance policies with your local Capitol Agency representative. Look to the great policy coverage Travelers has been providing since 1864. Representing Travelers Property Casualty, Capitol Agency has the protection you need, when you need it.

Bringing an unsurpassed range of products and services to you, our customers, Travelers keeps you covered no matter what your needs are. Individuals and households all across America are protected through Travelers, and Capitol Agency is proud to be a part of the Travelers' tradition.

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Travelers Property Casualty is a member of the Travelers Group, a diversified financial services company with over \$151 billion in assets, meeting the financial needs of more than 20 million clients.

If you live in Kansas or Missouri, give your local Capitol Agency representative a call and receive a no-obligation proposal on your home and auto insurance needs. Protect yourself and your future – keep your property safe through Travelers!



These products are offered by Capitol Agency, the insurance affiliate of Capitol Federal Savings Bank, Topeka, KS. These products are not obligations of Capitol Federal or any of its subsidiaries. The purchase of these products is not a condition for any loan, loan renewal or other products or services.

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Call Your Capitol Agency representative at 1-800-222-7312.

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Home Buyers Seminar

A low-cost Community Home Buyers Seminar is the perfect starting point if you're buying a home for the first time.

Capitol Federal, the Kansas City Regional Association of REALTORS® and Johnson County Community College (JCCC) are the major sponsors of a four-hour home buyer education program.

The seminar meets all requirements for Capitol Federal's Home-At-Last program, FNMA, FHLMC and other state and local special programs.



For seminar dates and reservations, please call 913-469-2323 (JCCC).

