City of Ramsey
Agenda
Finance Committee
Tuesday October 23, 2012
5:00 pm
Lake Itasca Room, 7550 Sunwood Drive NW

1. **Call to Order**

2. **Citizen Input**

3. **Approve Agenda**

4. **Committee Business**

    1. Award Contract For Banking Services

5. **Adjournment**

Finance Committee **4. 1.**

Meeting Date: 10/23/2012

By: Diana Lund, Finance

Information

Title:

Award Contract For Banking Services

Background:

On Tuesday, September 25, 2012, the City Council authorized staff to solicit proposals for banking services by distributing the "Request for Proposal - Banking Services" to the four local banking institutions - Bank of the West, Landmark Community Bank, Village Bank, and US Bank.

Only Bank of the West and Village Bank submitted proposals by the cut-off date of Friday October 12, 2012. A copy of Bank of the West and Village Bank's proposals are attached.

The proposals for banking services were received and opened on Friday, October 12. The proposals were then reviewed and the information contained in them was analyzed using banking industry ratio trends, an evaluation matrix, and summary of service charges. The evaluation matrix is attached. Either of the two banks could meet the city's needs, but Bank of the West exceeded Village Bank in two areas that are very important to the city, and they are service charges and collateralization.

In regards to service charges and based on the information provided in the RFP, Village bank averaged approximately $302.00 per month. Bank of the West offers an earnings credit (based on $2m dollars in account) which are netted against their monthly fees. After applying t the earnings credit, for the RFP example, the monthly charge actually came out negative so $0 fee for the month. As noted, these are estimates only and will vary based on the city's bank balance and activities for the month.

Bank of the West offers what is known as an image clearing system. What this entitles is that utility payments could be paid daily into the city's bank account from OPUS 21 (instead of weekly) which puts the cash in the city's hand and not held in a lockbox for a week, thus giving the city more control over its cash. The fee for this service is approximately $170.00 a month, but could be lower based on the city's earnings credit listed above. Village Bank did not offer this service at this time.

The number one issue in regards to choosing a bank, is the collateralization offered. State Statute requires banks to fund the city's account at 110% of the cash value held. Village Bank caps the city at $3M before charging the city for one-half of the costs attributed to extra collateralization. The costs for a $3M LOC is $3,750. Bank of the West did not cap the city on collateraization and consider the costs of collaterizing, a cost of doing business. An item of interest also was the fact that Village Bank stated that the city of Ramsey should work closely with them to ensure that the maximum coverage limit is not exceeded, whereas, Bank of the West stated that they watch the account to make sure that the city is pledged accordingly.

Award of this contract for banking services does not eliminate Village Bank from financial activities of the city. The city will continue to purchase investments such as certificates of deposit (up to $250,000 for FDIC limits) from Village based on competitive rates. Per the city's current purchasing policy in regard to contracted services, the city is negotiating a three-year agreement.

Recommendation:

Staff recommends that the award for banking services be made to Bank of the West for services to begin January 1, 2013.

Funding Source:

N/A

Council Action:

Motion to recommend to City Council to Adopt Resolution #12-11-XXX Awarding Banking Services to Bank of the West.

Attachments

Evaluation Matrix

Village Bank Proposal

BOW Proposal

Award Bank Resolution

Form Review

Inbox	Reviewed By	Date
Kurt Ulrich	Kurt Ulrich	10/18/2012 11:28 AM

Form Started By: Diana Lund — Started On: 10/16/2012 12:34 PM

Final Approval Date: 10/18/2012

Banking Service
Analysis of Proposals
October, 2012

Evaluation Considerations:

1) Banking institutions' financial statistics, including size, profitability, assets, equity, liquidity, and management.

2) Responsiveness of the proposal in clearly stating an understanding of the City's banking service requirements.

3) Banking institutions' ability to provide services required by the City.

4) Cost of providing banking services.

	Bank of the West			Village Bank		
	Weight	Rating	Score	Weight	Rating	Score
1) Scope of Services	3	4	12	3	3	9
2) Rate of interest on funds	2	1	2	2	1	2
3) Bank Stability	3	4	12	3	2	6
4) Professionalism	2	3	6	2	2	4
5) Pricing-service fees	3	2	6	3	2	6
6) Reputation	2	3	6	2	3	6
7) Community oriented	2	3	6	2	3	6
8) Technology	3	4	12	3	2	6
9) Availability	3	3	9	3	3	9
Total Score			71			54

Weight: Range 1 (least important) - 3 (most important)
Rating: Range 1(lowest) - 5 (highest)

Proposal for Banking Services

Presented to:

The City of Ramsey
October 11, 2012

Submitted by:

Village Bank

Randy Diers, President
763-780-2100

Blaine Office
9298 Central Ave. NE
Blaine, MN 55434

Ramsey Office
7125 Riverdale Drive
Ramsey, MN 55303

East Bethel Office
18770 Hwy. 65 NE
East Bethel, MN 55011

St. Francis Office
3350 Bridge St. NW
St. Francis, MN 55070

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Letter of Transmittal

Village Bank respectfully submits this Proposal for Banking Services in response to your RFP seeking proposals from financial institutions to provide banking services to the City of Ramsey. We welcome the opportunity to provide financial services to the City of Ramsey as outlined in the RFP, effective January 1, 2013.

In evaluating Village Bank's proposal, please consider the following:

- Village Bank is a community-oriented bank focused on customer service. We strive to maintain and expand upon the many relationships we have built in Anoka County throughout the years.
- Village Bank utilizes various programs available through the Small Business Administration (SBA) whenever possible to assist in our lending process.
- Through our "Village Volunteers" Program, our employees are actively involved in the community by donating time and effort at various local charities, including the Anoka County Food Shelf, Toys for Joy, and Alexandra House.
- Village Bank has four full-service, convenient locations located throughout Anoka County.
- Many of our employees reside in Anoka County and actively support numerous County initiatives, as well as businesses throughout the County.

Our philosophy stems from our commitment to the communities we serve. We pride ourselves on knowing our customers and understanding their individual needs. Village Bank has proudly operated in Anoka County since 1991. Our owner, Donald Kveton, and his family currently reside in Ramsey, as do a number of our employees. Our Board of Directors live or work in Anoka County, and many have businesses in Ramsey and the surrounding areas.

The following individuals are authorized to make representations to the City of Ramsey on behalf of Village Bank.

<u>Contacts</u>

Randy Diers
President
9298 Central Avenue NE
Blaine, MN 55434
763-398-3579

Bill Rew
Chief Financial Officer
9298 Central Avenue NE
Blaine, MN 55434
763-398-3567

Independence of the Proposer

A. Describe any business, investment or family relationships with the city, city officials, appointed employees or department heads.

   Village Bank is not aware of any business, investment, or family relationships with any city official or employee.

B. Describe any formal independence guidelines used by your institution.

   Village Bank operates under a strict set of policies and procedures that govern employee activities relating to our institution. This includes compliance with state and federal laws relating to conflict of interest and bribery.

Profile of the Proposer

A. Attached is a two page overview of the bank's financial condition along with a complete copy of our most recent quarterly Call Report submitted to the FDIC.

B. List of Officers:

Donald Kveton, Chief Executive Officer/Owner
Randy Diers, President
Bill Rew, Chief Financial Officer
Darlene Jones, Senior Relationship Banker

C. Village Bank's Goals and Mission Statement are as follows:

Our Vision

To create lasting relationships built on trust and integrity, and to help make dreams come true.

Mission

To be the bank:

- Where our customers see us as their primary bank.
- Where our employees are envied by their peers.
- Where we value communities through our service and involvement.
- Where the shareholder's expectations are satisfied.

Core Values

- We are professional, honest, trustworthy, confidential and respectful at all times.
- Change is a continuous series of opportunities for improvement in the way we do business.
- Teamwork is working together to achieve our common goals.
- Excellence means always exceeding expectations.

Scope of Services

- FDIC/FSLIC insurance on deposits – Deposits at FDIC-insured institutions, including Village Bank, are insured up to at least $250,000 per depositor. In addition, all funds in a "noninterest-bearing transaction account" are insured in full by the Federal Deposit Insurance Corporation from December 31, 2010 through December 31, 2012. This temporary unlimited coverage is in addition to, and separate from, the coverage of at least $250,000 that is available to depositors under the FDIC's general deposit insurance rules.

  The term "noninterest-bearing transaction account" includes a traditional checking account or demand deposit account on which the insured depository institution pays no interest. It also includes Interest on Lawyers Trust Accounts ("IOLTAs"). It does not include other accounts, such as traditional checking or demand deposit accounts that may earn interest, NOW accounts, and money-market deposit accounts.

- Pledged collateral to the Public Funds – We provide collateral for all deposits to Public Funds of a type and in the amount as required by Minnesota State Law. We provide Public Entities a statement at month end indicating deposit balances, along with collateral pledged to the account including any Federal Home Loan Banks Standby Letters of Credit. Wells Fargo provides a month end report on all securities pledged, including market valuation. For this proposal, we are streamlining the collateral process to include only Federal Home Loan Bank Standby Letters of Credit. Additional information regarding this proposal is detailed under Miscellaneous Information.

- Daily "sweep" to money market checking, money market savings, electronic funds transfer (ACH for payroll), and other accounts as necessary – We offer daily sweeps from the City's checking account into other accounts at Village Bank. In addition, we offer electronic funds transfer (ACH for payroll).

- Depository for federal withholding and FICA taxes – Treasury tax and loan payments are no longer managed by Financial Institutions. Businesses are required to submit tax payments via ACH or check to the taxing authorities.

- Wire Transfer Services – We promptly process domestic wire transfers through the Federal Reserve Bank and send written confirmations of all wire transfers within 24 hours, unless you prefer to make other arrangements such as a phone call.

- Online Services – Online Banking provides access to all accounts 24 hours per day, 365 days per year. Internet banking features include the ability to:
  - View current account balances
  - Transfer between Village Bank accounts
  - Make payments to Village Bank loans
  - View pending transactions
  - View up to 24 months of statements

- Interest compounded daily on money market accounts include rate – Interest accrues daily and compounds monthly on money market accounts. Interest rates on these accounts are variable and change at the discretion of Village Bank. The current rates and tiers are as follows:

Information as of 10/11/12	Current APY
Money Market	
$0.01 - $4,999.99	0.10%
$5,000 - $99,999.99	0.15%
$100,000 and over	0.25%

- Same day credit of deposits and incoming wire transfers – We process daily transactions on each business day with a cut-off time of 3:00 PM. All deposits and wires received up to this time would be credited on this same business day.

- Electronic deposits – All Village Bank accounts accept electronic deposits under the ACH System. In addition, we offer Internet banking services that all our customers can utilize for automatic debit and credit transfers to their accounts.

- Lockbox services – At the present time, Village Bank does not offer lockbox services.

- Competitive investment options – We offer certificates of deposit from terms of 3 months to 48 months for investment purposes. Current rates and terms are posted on our website, or you can contact Village Bank for a quote on rates and terms.

- Electronic balance and transaction reporting – Available through Village Bank's online banking service. There is no charge for viewing activity or transferring funds between bank accounts.

- Positive pay services – Village Bank's Positive Pay service identifies possible fraudulent checks to help safeguard against check fraud. Fees for this service include a $50.00 set-up fee, a $25.00 monthly fee for each account, and a $0.25 per item exception processing fee in the event the customer does not complete the decision process in a timely manner. An online tutorial of this service is available on our website's Education Center.

- Electronic Check Imaging – Receive electronic check images from a lockbox for utility customer account payments – At the present time, Village Bank does not offer this service.

- Responsive, accurate, cooperative, and courteous customer service – Village Bank is a community bank focused on customer service. Our growth is built on our philosophy of building and fostering relationships with our clients. As with any small business, our goal is to excel at providing superior customer service.

Compensation and Service Charges

The City of Ramsey currently has a Simply Free Business Checking account at Village Bank. With this account, there is no minimum balance, no monthly service charge, along with 1,000 free monthly transactions. Transactions items over 1,000 are just $0.25 each.

Based on the information provided in the RFP, the following expenses would be assessed on your account.

Service Fees as of 10/11/12	#	Per Item	Monthly	Notes
Per Deposit	20	$0.00	$0.00	Transactions over 1,000 per month are just $0.25 each
Per Check Deposited	10	$0.00	$0.00	Transactions over 1,000 per month are just $0.25 each
Per Check Written	250	$0.00	$0.00	Transactions over 1,000 per month are just $0.25 each
Wires - Incoming	5	$20.00	$100.00	
Wires - Outgoing	5	$20.00	$100.00	
Returned Deposit Fee - Checks/ACH	6	$4.00	$24.00	
Credit Card EFT/ACH	1	$0.00	$0.00	No charges for ACH transactions initiated by RevTrak ACH
ACH - Monthly	1	$20.00	$20.00	
ACH - Per File	3	$5.00	$15.00	
ACH - Per Item Within File	220	$0.05	$11.00	
Internet Transfers or Sweeps	0	$0.00	$0.00	
Stop Payments	0	$30.00	$0.00	
NSF Returned Fee - Checks or ACH	1	$32.00	$32.00	$32.00 per item; $160.00 daily maximum
International Wire Fee	0	$55.00	$0.00	

Miscellaneous Information

Deposits at FDIC-insured institutions, including Village Bank, are insured up to at least $250,000 per depositor. In addition, under the Dodd Frank Act, all funds in a "noninterest-bearing transaction account" are insured in full by the Federal Deposit Insurance Corporation from December 31, 2010 through December 31, 2012. This temporary unlimited coverage is in addition to, and separate from, the coverage of at least $250,000 available to depositors under the FDIC's general deposit insurance rules.

If the unlimited insurance coverage available through December 31, 2012 is not extended, Village Bank will purchase $3,000,000 in Federal Home Loan Bank Standby Letter of Credits to insure up $3,000,000 in deposits from the City of Ramsey through December 31, 2013. The costs for the Letter of Credit will be split evenly between Village Bank and the City of Ramsey. Currently, the cost of a standby letter of credit is 12.5 basis points. The cost for a $3,000,000 standby letter of credit is $3,750, which will be split evenly between Village Bank and the City of Ramsey. Any deposits in excess of $3,000,000 will not be insured, which would not be in conformance with Minnesota Statutes 118A. Therefore, it is important that the City of Ramsey works closely with Village Bank to ensure the maximum coverage limit is not exceeded.

The pricing outlined in this proposal is effective January 1, 2013 through December 31, 2013.

ATTACHMENTS

REPORT OF CONDITION

Consolidating domestic subsidiaries of
Village Bank
in the state of MN at close of business on June 30, 2012
published in response to call made by (Enter additional information below)

Statement of Resources and Liabilities

Dollar Amounts in Thousands

ASSETS		
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin		6,233
Interest-bearing balances		22,513
Securities:		
Held-to-maturity securities		0
Available-for-sale securities		19,065
Federal funds sold and securities purchased under agreements to resell:		
Federal funds sold		0
Securities purchased under agreements to resell		0
Loans and lease financing receivables:		
Loans and leases held for sale		0
Loans and leases, net of unearned income	135,479	
LESS: Allowance for loan and lease losses	7,751	
Loans and leases, net of unearned income and allowance		127,728
Trading Assets		0
Premises and fixed assets (including capitalized leases)		5,625
Other real estate owned		8,188
Investments in unconsolidated subsidiaries and associated companies		0
Direct and indirect investments in real estate ventures		0
Intangible assets:		
Goodwill		0
Other intangible assets		0
Other assets		1,363
Total assets		190,715

REPORT OF CONDITION (Continued)

LIABILITIES

Dollar Amounts in Thousands

Deposits:		
In domestic offices		176,560
Noninterest-bearing	41,513	
Interest-bearing	135,047	
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased		0
Securities sold under agreements to repurchase		0
Trading liabilities		0
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)		5,000
Subordinated notes and debentures		0
Other liabilities		1,430
Total liabilities		182,990

EQUITY CAPITAL

Bank Equity Capital	
Perpetual preferred stock and related surplus	0
Common stock	141
Surplus (excludes all surplus related to preferred stock)	20,859
Retained earnings	(13,611)
Accumulated other comprehensive income	336
Other equity capital components	0
Total bank equity capital	7,725
Noncontrolling (minority) interest in consolidated subsidiaries	0
Total equity capital	7,725
Total liabilities and equity capital	190,715

We, the undersigned directors (trustees), attest to the correctness of the Reports of Condition and Income (including the supporting schedules) for this report date and declare that the Reports of Condition and Income have been examined by us and to the best of our knowledge and belief have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct.

I, Bill Rew, CFO
(Name, Title)

of the above named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Director #1 ____________

Director #2 ____________

Director #3 ____________

Federal Financial Institutions Examination Council

Consolidated Reports of Condition and Income for a Bank With Domestic Offices Only—FFIEC 041

Report at the close of business June 30, 2012

(20120630)
(RCON 9999)

This report is required by law: 12 U.S.C. §324 (State member banks); 12 U.S.C. §1817 (State nonmember banks); 12 U.S.C. §161 (National banks) and 12 U.S.C. §1464 (Savings associations).

Unless the context indicates otherwise, the term "bank" in this report form refers to both banks and Savings associations.

This report form is to be filed by banks with domestic offices only. Banks with foreign offices (as defined in the instructions) must file FFIEC 031.

NOTE: Each bank's board of directors and senior management are responsible for establishing and maintaining an effective system of internal control, including controls over the Reports of Condition and Income. The Reports of Condition and Income are to be prepared in accordance with federal regulatory authority instructions. The Reports of Condition and Income must be signed by the Chief Financial Officer (CFO) of the reporting bank (or by the individual performing an equivalent function) and attested to by not less than two directors (trustees) for State nonmember banks and three directors for state member banks, national banks, and savings associations.

I, the undersigned CFO (or equivalent) of the named bank, attest that the Reports of Condition and Income (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct to the best of my knowledge and belief.

We, the undersigned directors (trustees), attest to the correctness of the Reports of Condition and Income (including the supporting schedules) for this report date and declare that the Reports of Condition and Income have been examined by us and to the best of our knowledge and belief have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct.

Director (Trustee)

Signature of Chief Financial Officer (or Equivalent)

Director (Trustee)

Date of Signature

Director (Trustee)

Submission of Reports

Each bank must file its Reports of Condition and Income (Call Report) data by either:

(a) Using computer software to prepare its Call Report and then submitting the report data directly to the FFIEC's Central Data Repository (CDR), an Internet-based system for data collection (https://cdr.ffiec.gov/cdr/), or
(b) Completing its Call Report in paper form and arranging with a software vendor or another party to convert the data into the electronic format that can be processed by the CDR. The software vendor or other party then must electronically submit the bank's data file to the CDR.

For technical assistance with submissions to the CDR, please contact the CDR Help Desk by telephone at (888) CDR-3111, by fax at (703) 774-3946, or by e-mail at CDR.Help@ffiec.gov.

FDIC Certificate Number 33761
(RSSD 9050)

To fulfill the signature and attestation requirement for the Reports of Condition and Income for this report date, attach your bank's completed signature page (or a photocopy or a computer-generated version of this page) to the hard-copy record of the data file submitted to the CDR that your bank must place in its files.

The appearance of your bank's hard-copy record of the submitted data file need not match exactly the appearance of the FFIEC's sample report forms, but should show at least the caption of each Call Report item and the reported amount.

Village Bank
Legal Title of Bank (RSSD 9017)

St. Francis
City (RSSD 9130)

MN
State Abbrev. (RSSD 9200)

55070
Zip Code (RSSD 9220)

Consolidated Reports of Condition and Income for A Bank With Domestic Offices Only

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For information or assistance, National banks, State nonmember banks, and savings associations should contact the FDIC's Data Collection and Analysis Section, 550 17th Street, NW, Washington, D.C. 20429, toll free on (800) 688-FDIC(3342), Monday through Friday between 8:00 a.m. and 5:00 p.m., eastern standard time (EST). State member banks should contact their Federal Reserve District Bank.

Contact Information for the Reports of Condition and Income

To facilitate communication between the Agencies and the bank concerning the Reports of Condition and Income, please provide contact information for (1) the Chief Financial Officer (or equivalent) of the bank signing the reports for this quarter and (2) the person at the bank - other than the Chief Financial Officer (or equivalent) - to whom questions about the reports should be directed. If the Chief Financial Officer (or equivalent) is the primary contact for questions about the reports, please provide contact information for another person at the bank who will serve as a secondary contact for communications between the Agencies and the bank concerning the Reports of Condition and Income. Enter "none" for the contact's e-mail address or fax number if not available. Contact information for the Reports of Condition and Income is for the confidential use of the Agencies and will not be released to the public.

Chief Financial Officer (or Equivalent) Signing the Reports

Bill Rew
Name (TEXT C490)

CFO
Title (TEXT C491)

brew@villagebankonline.com
E-mail Address (TEXT C492)

(763) 398-3567
Telephone: Area code/phone number/extension (TEXT C493)

(763) 780-3500
FAX: Area code/phone number (TEXT C494)

Other Person to Whom Questions about the Reports Should be Directed

Ann Goettsch
Name (TEXT C495)

EVP
Title (TEXT C496)

goettsch@villagebankonline.com
E-mail Address (TEXT 4086)

(763) 398-3532
Telephone: Area code/phone number/extension (TEXT 8902)

(763) 780-3500
FAX: Area code/phone number (TEXT 9116)

Emergency Contact Information

This information is being requested so the Agencies can distribute critical, time sensitive information to emergency contacts at banks. Please provide primary contact information for a senior official of the bank who has decision-making authority. Also provide information for a secondary contact if available. Enter "none" for the contact's e-mail address or fax number if not available. Emergency contact information is for the confidential use of the Agencies and will not be released to the public.

Primary Contact

Bill Rew
Name (TEXT C366)

CFO
Title (TEXT C367)

brew@villagebankonline.com
E-mail Address (TEXT C368)

(763) 398-3567
Telephone: Area code/phone number/extension (TEXT C369)

(763) 780-3500
FAX: Area code/phone number (TEXT C370)

Secondary Contact

Name (TEXT C371)

Title (TEXT C372)

E-mail Address (TEXT C373)

Telephone: Area code/phone number/extension (TEXT C374)

FAX: Area code/phone number (TEXT C375)

USA PATRIOT Act Section 314(a) Anti-Money Laundering Contact Information

This information is being requested to identify points-of-contact who are in charge of your bank's USA PATRIOT Act Section 314(a) information requests. Bank personnel listed could be contacted by law enforcement officers or the Financial Crimes Enforcement Network (FinCEN) for additional information related to specific Section 314(a) search requests or other anti-terrorist financing and anti-money laundering matters. Communications sent by FinCEN to the bank for purposes other than Section 314(a) notifications will state the intended purpose and should be directed to the appropriate bank personnel for review. Any disclosure of customer records to law enforcement officers or FinCEN must be done in compliance with applicable law, including the Right to Financial Privacy Act (12 U.S.C. 3401 et seq.).

Please provide information for a primary and secondary contact. Information for a third and fourth contact may be provided at the bank's option. Enter "none" for the contact's e-mail address if not available. This contact information is for the confidential use of the Agencies, FinCEN, and law enforcement officers and will not be released to the public.

Primary Contact

Krissy Stodola
Name (TEXT C437)

Executive Assistant
Title (TEXT C438)

kstodola@villagebankonline.com
E-mail Address (TEXT C439)

(763) 398-3559
Telephone: Area code/phone number/extension (TEXT C440)

Secondary Contact

Jenny Forschen
Name (TEXT C442)

Internal Auditor / Compliance Officer
Title (TEXT C443)

jforschen@villagebankonline.com
E-mail Address (TEXT C444)

(763) 398-8020
Telephone: Area code/phone number/extension (TEXT C445)

Third Contact

Elaine Lenzen
Name (TEXT C870)

Teller Manager
Title (TEXT C871)

elenzen@villagebankonline.com
E-mail Address (TEXT C872)

(763) 398-3553
Telephone: Area code/phone number/extension (TEXT C873)

Fourth Contact

Name (TEXT C875)

Title (TEXT C876)

E-mail Address (TEXT C877)

Telephone: Area code/phone number/extension (TEXT C878)

Village Bank		
Legal Title of Bank		
St. Francis		
City		
MN	**55070**	
State	Zip Code	
FDIC Certificate Number:	33761	

Consolidated Report of Income
for the period January 1, 2012 – June 30, 2012

All Report of Income schedules are to be reported on a calendar year-to-date basis in thousands of dollars.

Schedule RI—Income Statement

Dollar Amounts in Thousands	RIAD	Bil | Mil | Thou	
1. Interest Income:			
a. Interest and fee income on loans:			
(1) Loans secured by real estate:			
(a) Loans secured by 1-4 family residential properties	4435	668	1.a.1.a
(b) All other loans secured by real estate	4436	2,504	1.a.1.b
(2) Commercial and industrial loans	4012	997	1.a.2
(3) Loans to individuals for household, family, and other personal expenditures:			
(a) Credit cards	B485	0	1.a.3.a
(b) Other (includes revolving credit plans other than credit cards, automobile loans, and other consumer loans)	B486	77	1.a.3.b
(4) Loans to foreign governments and official institutions	4056	0	1.a.4
(5) All other loans (1)	4058	67	1.a.5
(6) Total interest and fee income on loans (sum of items 1.a.(1)(a) through 1.a.(5))	4010	**4,313**	1.a.6
b. Income from lease financing receivables	4065	0	1.b
c. Interest income on balances due from depository institutions (2)	4115	48	1.c
d. Interest and dividend income on securities:			
(1) U.S. Treasury securities and U.S. Government agency obligations (excluding mortgage-backed securities)	B488	19	1.d.1
(2) Mortgage-backed securities	B489	163	1.d.2
(3) All other securities (includes securities issued by states and political subdivisions in the U.S.)	4060	12	1.d.3
e. Interest income from trading assets	4069	0	1.e
f. Interest income on federal funds sold and securities purchased under agreements to resell	4020	0	1.f
g. Other interest income	4518	14	1.g
h. Total interest income (sum of items 1.a.(6) through 1.g)	4107	**4,569**	1.h
2. Interest expense:			
a. Interest on deposits:			
(1) Transaction accounts (interest-bearing demand deposits, NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts)	4508	6	2.a.1
(2) Nontransaction accounts:			
(a) Savings deposits (includes MMDAs)	0093	60	2.a.2.a
(b) Time deposits of $100,000 or more	A517	171	2.a.2.b
(c) Time deposits of less than $100,000	A518	312	2.a.2.c
b. Expense of federal funds purchased and securities sold under agreements to repurchase	4180	0	2.b
c. Interest on trading liabilities and other borrowed money	4185	65	2.c

(1) Includes interest and fee income on "Loans to depository institutions and acceptances of other banks," "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Loans to nondepository financial institutions and other loans."

(2) Includes interest income on time certificates of deposit not held for trading.

Schedule RI—Continued

Dollar Amounts in Thousands	RIAD	Year-to-date Bil | Mil | Thou				
2. Interest expense (continued):						
d. Interest on subordinated notes and debentures	4200	0	2.d			
e. Total interest expense (sum of items 2.a through 2.d)	4073	**614**	2.e			
3. Net interest income (item 1.h minus 2.e)				4074	**3,955**	3
4. Provision for loan and lease losses				4230	1,765	4
5. Noninterest income:						
a. Income from fiduciary activities (1)	4070	0	5.a			
b. Service charges on deposit accounts	4080	381	5.b			
c. Trading revenue (2)	A220	0	5.c			
d. (1) Fees and commissions from securities brokerage	C886	0	5.d.1			
(2) Investment banking, advisory, and underwriting fees and commissions	C888	0	5.d.2			
(3) Fees and commissions from annuity sales	C887	0	5.d.3			
(4) Underwriting income from insurance and reinsurance activities	C386	0	5.d.4			
(5) Income from other insurance activities	C387	0	5.d.5			
e. Venture capital revenue	B491	0	5.e			
f. Net servicing fees	B492	0	5.f			
g. Net securitization income	B493	0	5.g			
h. Not applicable						
i. Net gains (losses) on sales of loans and leases	5416	0	5.i			
j. Net gains (losses) on sales of other real estate owned	5415	(289)	5.j			
k. Net gains (losses) on sales of other assets (excluding securities)	B496	12	5.k			
l. Other noninterest income*	B497	452	5.l			
m. Total noninterest income (sum of items 5.a through 5.l)				4079	**556**	5.m
6. a. Realized gains (losses) on held-to-maturity securities				3521	0	6.a
b. Realized gains (losses) on available-for-sale securities				3196	59	6.b
7. Noninterest expense:						
a. Salaries and employee benefits	4135	1,713	7.a			
b. Expenses of premises and fixed assets (net of rental income) (excluding salaries and employee benefits and mortgage interest)	4217	549	7.b			
c. (1) Goodwill impairment losses	C216	0	7.c.1			
(2) Amortization expense and impairment losses for other intangible assets	C232	0	7.c.2			
d. Other noninterest expense*	4092	2,010	7.d			
e. Total noninterest expense (sum of items 7.a through 7.d)				4093	**4,272**	7.e
8. Income (loss) before income taxes and extraordinary items and other adjustments (item 3 plus or minus items 4, 5.m, 6.a, 6.b, and 7.e)				4301	**(1,467)**	8
9. Applicable income taxes (on item 8)				4302	0	9
10. Income (loss) before extraordinary items and other adjustments (item 8 minus item 9)				4300	**(1,467)**	10
11. Extraordinary items and other adjustments, net of income taxes*				4320	0	11
12. Net income (loss) attributable to bank and noncontrolling (minority) interests (sum of items 10 and 11)				G104	**(1,467)**	12
13. LESS: Net income (loss) attributable to noncontrolling (minority) interests (if net income, report as a positive value; if net loss, report as a negative value)				G103	0	13
14. Net income (loss) attributable to bank (item 12 minus item 13)				4340	**(1,467)**	14

* Describe on Schedule RI-E—Explanations
(1) For banks required to complete Schedule RC-T, items 14 through 22, income from fiduciary activities reported in Schedule RI, item 5.a, must equal the amount reported in Schedule RC-T, item 22.
(2) For banks required to complete Schedule RI, Memorandum item 8, trading revenue reported in Schedule RI, item 5.c, must equal the sum of Memorandum items 8.a through 8.e.

Schedule RI—Continued

Memoranda

Dollar Amounts in Thousands	RIAD	Year-to-date Bil | Mil | Thou	
1. Interest expense incurred to carry tax-exempt securities, loans, and leases acquired after August 7, 1986, that is not deductible for federal income tax purposes	4513	0	M.1
Memorandum item 2 is to be completed by banks with $1 billion or more in total assets. (1)			
2. Income from the sale and servicing of mutual funds and annuities (included in Schedule RI, item 8)	8431	N/A	M.2
3. Income on tax-exempt loans and leases to states and political subdivisions in the U.S. (included in Schedule RI, items 1.a and 1.b)	4313	67	M.3
4. Income on tax-exempt securities issued by states and political subdivisions in the U.S. (included in Schedule RI, item 1.d.(3))	4507	8	M.4
		Number	
5. Number of full-time equivalent employees at end of current period (round to nearest whole number)	4150	62	M.5
Memorandum item 6 is to be completed by: (1) *• banks with $300 million or more in total assets, and* *• banks with less than $300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans.*			
6. Interest and fee income on loans to finance agricultural production and other loans to farmers (included in Schedule RI, item 1.a.(5))	4024	N/A	M.6
	RIAD	CCYY/MM/DD	
7. If the reporting bank has restated its balance sheet as a result of applying push down accounting this calendar year, report the date of the bank's acquisition (2)	9106	0	M.7
8. Trading revenue (from cash instruments and derivative instruments) (sum of Memorandum items 8.a through 8.e must equal Schedule RI, item 5.c) *Memorandum items 8.a through 8.e are to be completed by banks that reported average trading assets (Schedule RC-K, item 7) of $2 million or more for any quarter of the preceding calendar year.*	RIAD	Year-to-date Bil | Mil | Thou	
a. Interest rate exposures	8757	N/A	M.8.a
b. Foreign exchange exposures	8758	N/A	M.8.b
c. Equity security and index exposures	8759	N/A	M.8.c
d. Commodity and other exposures	8760	N/A	M.8.d
e. Credit exposures	F186	N/A	M.8.e
Memoranda Items 8.f and 8.g are to be completed by banks $100 billion or more in total assets that are required to complete Schedule RI, Memorandum items 8.a through 8.e, above.(1)			
f. Impact on trading revenue of changes in the creditworthiness of the bank's derivatives counterparties on the bank's derivative assets (included in Memorandum items 8.a. through 8.e above)	K090	N/A	M.8.f
g. Impact on trading revenue of changes in the creditworthiness of the bank on the bank's derivative liabilities (included in Memorandum items 8.a. through 8.e above)	K094	N/A	M.8.g
9. Net gains (losses) recognized in earnings on credit derivatives that economically hedge credit exposures held outside the trading account:			
a. Net gains (losses) on credit derivatives held for trading	C889	0	M.9.a
b. Net gains (losses) on credit derivatives held for purposes other than trading	C890	0	M.9.b
10. To be completed by banks with $300 million or more in total assets:(1) Credit losses on derivatives (see instructions)	A251	N/A	M.10
	RIAD	**YES / NO**	
11. Does the reporting bank have a Subchapter S election in effect for federal income tax purposes for the current tax year?	A530	YES	M.11
Memorandum item 12 is to be completed by banks that are required to complete Schedule RC-C, part I, Memorandum items 8.b and 8.c.	RIAD	Year-to-date Bil | Mil | Thou	
12. Noncash income from negative amortization on closed-end loans secured by 1-4 family residential properties (included in Schedule RI, item 1.a.(1)(a))	F228	N/A	M.12

(1) The asset size tests and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2011, Report of Condition.
(2)For example, a bank acquired on March 1, 2012, would report 2012/03/01

Schedule RI—Continued

Memoranda — Continued Dollar Amounts in Thousands	Year-to-date RIAD	Bil | Mil | Thou	
Memorandum item 13 is to be completed by banks that have elected to account for assets and liabilities under a fair value option.			
13. Net gains (losses) recognized in earnings on assets and liabilities that are reported at fair value under a fair value option:			
a. Net gains (losses) on assets	F551	N/A	M.13.a
(1) Estimated net gains (losses) on loans attributable to changes in instrument-specific credit risk	F552	N/A	M.13.a.1
b. Net gains (losses) on liabilities	F553	N/A	M.13.b
(1) Estimated net gains (losses) on liabilities attributable to changes in instrument-specific credit risk	F554	N/A	M.13.b.1
14. Other-than-temporary impairment losses on held-to-maturity and available-for-sale debt securities:			
a. Total other-than-temporary impairment losses	J319	0	M.14.a
b. Portion of losses recognized in other comprehensive income (before income taxes)	J320	0	M.14.b
c. Net impairment losses recognized in earnings (included in Schedule RI, items 6.a and 6.b) (Memorandum item 14.a minus Memorandum item 14.b)	J321	0	M.14.c

Schedule RI-A—Changes in Bank Equity Capital

Indicate decreases and losses in parentheses. Dollar Amounts in Thousands	RIAD	Bil | Mil | Thou	
1. Total bank equity capital most recently reported for the December 31, 2011, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income)	3217	9,208	1
2. Cumulative effect of changes in accounting principles and corrections of material accounting errors*	B507	0	2
3. Balance end of previous calendar year as restated (sum of items 1 and 2)	B508	**9,208**	3
4. Net income (loss) attributable to bank (must equal Schedule RI, item 14)	4340	(1,467)	4
5. Sale, conversion, acquisition, or retirement of capital stock, net (excluding treasury stock transactions)	B509	0	5
6. Treasury stock transactions, net	B510	0	6
7. Changes incident to business combinations, net	4356	0	7
8. LESS: Cash dividends declared on preferred stock	4470	0	8
9. LESS: Cash dividends declared on common stock	4460	0	9
10. Other comprehensive income(1)	B511	(16)	10
11. Other transactions with parent holding company* (not included in items 5, 6, 8, or 9 above)	4415	0	11
12. Total bank equity capital end of current period (sum of items 3 through 11)(must equal Schedule RC, item 27.a)	3210	**7,725**	12

* Describe on Schedule RI-E - Explanations.

(1) Includes changes in net unrealized holding gains (losses) on available-for-sale securities, changes in accumulated net gains (losses) on cash flow hedges, and pension and other postretirement plan-related changes other than net periodic benefit cost.

Schedule RI-B—Charge-offs and Recoveries on Loans and Leases and Changes in Allowance for Loan and Lease Losses

Part I. Charge-offs and Recoveries on Loans and Leases

Part I includes charge-offs and recoveries through the allocated transfer risk reserve.	(Column A) Charge-offs(1)		(Column B) Recoveries		
	Calendar year-to-date				
Dollar Amounts in Thousands	RIAD	Bil | Mil | Thou	RIAD	Bil | Mil | Thou	
1. Loans secured by real estate:					
a. Construction, land development, and other land loans:					
(1) 1-4 family residential construction loans	C891	0	C892	0	1.a.1
(2) Other construction loans and all land development and other land loans	C893	827	C894	16	1.a.2
b. Secured by farmland	3584	0	3585	0	1.b
c. Secured by 1-4 family residential properties:					
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	5411	115	5412	0	1.c.1
(2) Closed-end loans secured by 1-4 family residential properties:					
(a) Secured by first liens	C234	160	C217	32	1.c.2.a
(b) Secured by junior liens	C235	315	C218	1	1.c.2.b
d. Secured by multifamily (5 or more) residential properties	3588	0	3589	0	1.d
e. Secured by nonfarm nonresidential properties:					
(1) Loans secured by owner-occupied nonfarm nonresidential properties	C895	1,022	C896	0	1.e.1
(2) Loans secured by other nonfarm nonresidential properties	C897	720	C898	1	1.e.2
2. Loans to depository institutions and acceptances of other banks	4481	0	4482	0	2
3. Not applicable					
4. Commercial and industrial loans	4638	658	4608	158	4
5. Loans to individuals for household, family, and other personal expenditures:					
a. Credit cards	B514	0	B515	0	5.a
b. Automobile Loans	K129	0	K133	0	5.b
c. Other (includes revolving credit plans other than credit cards and other consumer loans)	K205	4	K206	0	5.c
6. Loans to foreign governments and official institutions	4643	0	4627	0	6
7. All other loans (2)	4644	20	4628	3	7
8. Lease financing receivables	4266	0	4267	0	8
9. Total (sum of items 1 through 8)	4635	**3,841**	4605	**211**	9

(1) Include write-downs arising from transfers of loans to a held-for-sale account.

(2) Includes charge-offs and recoveries on "Loans to finance agricultural production and other loans to farmers," "Obligations

Schedule RI-B Continued

Part I. Continued

Memoranda

Dollar Amounts in Thousands	RIAD	(Column A) Charge-offs(1) Calendar year-to-date Bil | Mil | Thou	RIAD	(Column B) Recoveries Calendar year-to-date Bil | Mil | Thou	
1. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RI-B, part I, items 4 and 7, above	5409	0	5410	0	M.1
2. Memorandum items 2.a through 2.d are to be completed by banks with $300 million or more in total assets:(2)					
a. Loans secured by real estate to non-U.S. addressees (domicile) (included in Schedule RI-B, part I, item 1, above)	4652	N/A	4662	N/A	M.2.a
b. Loans to and acceptances of foreign banks (included in Schedule RI-B, part I, item 2, above)	4654	N/A	4664	N/A	M.2.b
c. Commercial and industrial loans to non-U.S. addressees (domicile) (included in Schedule RI-B, part I, item 4, above)	4646	N/A	4618	N/A	M.2.c
d. Leases to individuals for household, family, and other personal expenditures (included in Schedule RI-B, part I, item 8, above)	F185	N/A	F187	N/A	M.2.d
3. Memorandum item 3 is to be completed by:(2) *• banks with $300 million or more in total assets, and* *• banks with less than $300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans:* Loans to finance agricultural production and other loans to farmers (included in Schedule RI-B, part I, item 7, above)	4655	N/A	4665	N/A	M.3

Memorandum item 4 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed $500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.

	RIAD	Calendar year-to-date Bil | Mil | Thou	
4. Uncollectible retail credit card fees and finance charges reversed against income (i.e., not included in charge-offs against the allowance for loan and lease losses)	C388	N/A	M.4

(1) Include write-downs arising from transfers of loans to a held-for-sale account.
(2) The $300 million asset size test and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2011, Report of Condition.

Schedule RI-B Continued

Part II. Changes in Allowance for Loan and Lease Losses

Dollar Amounts in Thousands	RIAD	Bil | Mil | Thou	
1. Balance most recently reported for the December 31, 2011, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income)	B522	9,616	1
2. Recoveries (must equal part I, item 9, column B, above)	4605	211	2
3. LESS: Charge-offs (must equal part I, item 9, column A, above less Schedule RI-B, part II, item 4)	C079	**3,841**	3
4. LESS: Write-downs arising from transfers of loans to a held-for-sale account	5523	0	4
5. Provision for loan and lease losses (must equal Schedule RI, item 4)	4230	1,765	5
6. Adjustments* (see instructions for this schedule)	C233	0	6
7. Balance end of current period (sum of items 1, 2, 5, and 6, less items 3 and 4) (must equal Schedule RC, item 4.c)	3123	**7,751**	7

* Describe on Schedule RI-E—Explanations.

Dollar Amounts in Thousands	RIAD	Bil | Mil | Thou	
Memoranda			
1. Allocated transfer risk reserve included in Schedule RI-B, part II, item 7, above	C435	0	M.1
Memorandum items 2 and 3 are to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed $500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.			
2. Separate valuation allowance for uncollectible retail credit card fees and finance charges	C389	N/A	M.2
3. Amount of allowance for loan and lease losses attributable to retail credit card fees and finance charges	C390	N/A	M.3
Memorandum item 4 is to be completed by all banks.			
4. Amount of allowance for post-acquisition credit losses on purchased credit impaired loans accounted for in accordance with FASB ASC 310-30 (former AICPA Statement of Position 03-3) (included in Schedule RI-B, part II, item 7, above)	C781	0	M.4

Schedule RI-E—Explanations

Schedule RI-E is to be completed each quarter on a calendar year-to-date basis.

Detail all adjustments in Schedule RI-A and RI-B, all extraordinary items and other adjustments in Schedule RI, and all significant items of other noninterest income and other noninterest expense in Schedule RI. (See instructions for details.)

Dollar Amounts in Thousands	TEXT		RIAD	Year-to-date Bil | Mil | Thou	
1. Other noninterest income (from Schedule RI, item 5.l) Itemize and describe amounts greater than $25,000 that exceed 3% of Schedule RI, item 5.l:					
a. Income and fees from the printing and sale of checks			C013	0	1.a
b. Earnings on/increase in value of cash surrender value of life insurance			C014	0	1.b
c. Income and fees from automated teller machines (ATMs)			C016	0	1.c
d. Rent and other income from other real estate owned			4042	145	1.d
e. Safe deposit box rent			C015	0	1.e
f. Net change in the fair values of financial instruments accounted for under a fair value option			F229	0	1.f
g. Bank card and credit card interchange fees			F555	192	1.g
h. Gains on bargain purchases			J447	0	1.h
i.	4461		4461	0	1.i
j.	4462		4462	0	1.j
k.	4463		4463	0	1.k
2. Other noninterest expense (from Schedule RI, item 7.d) Itemize and describe amounts greater than $25,000 that exceed 3% of Schedule RI, item 7.d:					
a. Data processing expenses			C017	127	2.a
b. Advertising and marketing expenses			0497	71	2.b
c. Directors' fees			4136	0	2.c
d. Printing, stationery, and supplies			C018	0	2.d
e. Postage			8403	0	2.e
f. Legal fees and expenses			4141	0	2.f
g. FDIC deposit insurance assessments			4146	380	2.g
h. Accounting and auditing expenses			F556	0	2.h
i. Consulting and advisory expenses			F557	104	2.i
j. Automated teller machine (ATM) and interchange expenses			F558	0	2.j
k. Telecommunications expenses			F559	0	2.k
l.	4464	Loan and collections	4464	279	2.l
m.	4467	OREO expenses	4467	692	2.m
n.	4468		4468	0	2.n

3. Extraordinary items and other adjustments and applicable income tax effect (from Schedule RI, item 11) (itemize and describe all extraordinary items and other adjustments):

	TEXT			RIAD	Year-to-date	
a.(1)	4469			4469	0	3.a.1
(2)	Applicable income tax effect	4486	0			3.a.2
b.(1)	4487			4487	0	3.b.1
(2)	Applicable income tax effect	4488	0			3.b.2
c.(1)	4489			4489	0	3.c.1
(2)	Applicable income tax effect	4491	0			3.c.2

Schedule RI-E—Continued

Dollar Amounts in Thousands	Year-to-date RIAD	Bil | Mil | Thou	
4. Cumulative effect of changes in accounting principles and corrections of material accounting errors (from Schedule RI-A, item 2) (itemize and describe all such effects):			
a. TEXT B526	B526	0	4.a
b. TEXT B527	B527	0	4.b
5. Other transactions with parent holding company (from Schedule RI-A, item 11) (itemize and describe all such transactions):			
a. TEXT 4498	4498	0	5.a
b. 4499	4499	0	5.b
6. Adjustments to allowance for loan and lease losses (from Schedule RI-B, part II, item 6) (itemize and describe all adjustments):			
a. TEXT 4521	4521	0	6.a
b. 4522	4522	0	6.b

7. Other explanations (the space below is provided for the bank to briefly describe, at its option, any other significant items affecting the Report of Income):

	RIAD	YES / NO	
Comments?	4769	NO	7

Other explanations (please type or print clearly):

TEXT (70 characters per line)

4769

Village Bank
Legal Title of Bank
St. Francis
City
MN **55070**
State Zip Code
FDIC Certificate Number: 33761

Consolidated Report of Condition for Insured Banks and Savings Associations for June 30, 2012

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding as of the last business day of the quarter.

Schedule RC—Balance Sheet

Dollar Amounts in Thousands			RCON	Bil | Mil | Thou	
Assets					
1. Cash and balances due from depository institutions (from Schedule RC-A):					
a. Noninterest-bearing balances and currency and coin(1)			0081	6,233	1.a
b. Interest-bearing balances(2)			0071	22,513	1.b
2. Securities:					
a. Held-to-maturity securities (from Schedule RC-B, column A)			1754	0	2.a
b. Available-for-sale securities (from Schedule RC-B, column D)			1773	19,065	2.b
3. Federal funds sold and securities purchased under agreements to resell:					
a. Federal funds sold			B987	0	3.a
b. Securities purchased under agreements to resell(3)			B989	0	3.b
4. Loans and lease financing receivables (from Schedule RC-C):					
a. Loans and leases held for sale			5369	0	4.a
b. Loans and leases, net of unearned income	B528	135,479			4.b
c. LESS: Allowance for loan and lease losses (must equal Report of Income Schedule RI B, part II, item 7)	3123	7,751			4.c
d. Loans and leases, net of unearned income and allowance (item 4.b minus 4.c)			B529	**127,728**	4.d
5. Trading assets (from Schedule RC-D)			3545	0	5
6. Premises and fixed assets (including capitalized leases)			2145	5,625	6
7. Other real estate owned (from Schedule RC-M)			2150	8,188	7
8. Investments in unconsolidated subsidiaries and associated companies			2130	0	8
9. Direct and indirect investments in real estate ventures			3656	0	9
10. Intangible assets:					
a. Goodwill			3163	0	10.a
b. Other intangible assets (from Schedule RC-M)			0426	0	10.b
11. Other assets (from Schedule RC-F)			2160	1,363	11
12. Total assets (sum of items 1 through 11)			2170	**190,715**	12

(1) Includes cash items in process of collection and unposted debits.
(2) Includes time certificates of deposit not held for trading.
(3) Includes all securities resale agreements, regardless of maturity.

Schedule RC - Continued

Dollar Amounts in Thousands			RCON	Bil | Mil | Thou	
Liabilities					
13. Deposits:					
a. In domestic offices (sum of totals of columns A and C from Schedule RC-E)			2200	176,560	13.a
(1) Noninterest-bearing(1)	6631	41,513			13.a.1
(2) Interest-bearing	6636	135,047			13.a.2
b. Not Applicable					
14. Federal funds purchased and securities sold under agreements to repurchase:					
a. Federal funds purchased(2)			B993	0	14.a
b. Securities sold under agreements to repurchase(3)			B995	0	14.b
15. Trading liabilities (from Schedule RC-D)			3548	0	15
16. Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases) (from Schedule RC-M)			3190	5,000	16
17. and 18. Not Applicable					
19. Subordinated notes and debentures(4)			3200	0	19
20. Other liabilities (from Schedule RC-G)			2930	1,430	20
21. Total liabilities (sum of items 13 through 20)			2948	**182,990**	21
22. Not Applicable					
Equity Capital					
Bank Equity Capital					
23. Perpetual preferred stock and related surplus			3838	0	23
24. Common stock			3230	141	24
25. Surplus (excludes all surplus related to preferred stock)			3839	20,859	25
26. a. Retained earnings			3632	(13,611)	26.a
b. Accumulated other comprehensive income(5)			B530	336	26.b
c. Other equity capital components (6)			A130	0	26.c
27. a. Total bank equity capital (sum of items 23 through 26.c)			3210	**7,725**	27.a
b. Noncontrolling (minority) interests in consolidated subsidiaries			3000	0	27.b
28. Total equity capital (sum of items 27.a and 27.b)			G105	**7,725**	28
29. Total liabilities and equity capital (sum of items 21 and 28)			3300	**190,715**	29

Memoranda

To be reported with the March Report of Condition.

	RCON	Number	
1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 2011	6724	N/A	M.1

1 = Independent audit of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the bank
2 = Independent audit of the bank's parent holding company conducted in accordance with generally accepted auditing standards by a certified public accounting firm which submits a report on the consolidated holding company (but not on the bank separately)
3 = Attestation on bank management's assertion on the effectiveness of the bank's internal control over financial reporting by a certified public accounting firm
4 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state chartering authority)
5 = Directors' examination of the bank performed by other external auditors (may be required by state chartering authority)
6 = Review of the bank's financial statements by external auditors
7 = Compilation of the bank's financial statements by external auditors
8 = Other audit procedures (excluding tax preparation work)
9 = No external audit work

To be reported with the March Report of Condition.

	RCON	**MM / DD**	
2. Bank's fiscal year-end date	8678	N/A	M.2

(1) Includes noninterest-bearing demand, time, and savings deposits.
(2) Report overnight Federal Home Loan Bank advances in Schedule RC, item 16, "Other borrowed money."
(3) Includes all securities repurchase agreements, regardless of maturity.
(4) Includes limited-life preferred stock and related surplus.
(5) Includes net unrealized holding gains (losses) on available-for-sale securities, accumulated net gains (losses) on cash flow hedges, and accumulated defined benefit pension and other post retirement plan adjustments.
(6) Includes treasury stock and unearned Employee Stock Ownership Plan shares.

Schedule RC-A—Cash and Balances Due From Depository Institutions

Schedule RC-A is to be completed only by banks with $300 million or more in total assets.
Exclude assets held for trading.

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
1. Cash items in process of collection, unposted debits, and currency and coin:			
a. Cash items in process of collection and unposted debits	0020	N/A	1.a
b. Currency and coin	0080	N/A	1.b
2. Balances due from depository institutions in the U.S.:			
a. U.S. branches and agencies of foreign banks	0083	N/A	2.a
b. Other commercial banks in the U.S. and other depository institutions in the U.S.	0085	N/A	2.b
3. Balances due from banks in foreign countries and foreign central banks:			
a. Foreign branches of other U.S. banks	0073	N/A	3.a
b. Other banks in foreign countries and foreign central banks	0074	N/A	3.b
4. Balances due from Federal Reserve Banks	0090	N/A	4
5. Total (sum of items 1 through 4) (must equal Schedule RC, sum of items 1.a and 1.b)	0010	**N/A**	5

Schedule RC-B—Securities

Exclude assets held for trading.

	Held-to-maturity				Available-for-sale				
	(Column A) Amortized Cost		(Column B) Fair Value		(Column C) Amortized Cost		(Column D) Fair Value		
Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	
1. U.S. Treasury securities	0211	0	0213	0	1286	1,023	1287	1,037	1
2. U.S. Government agency obligations (exclude mortgage-backed securities):									
a. Issued by U.S. Government-agencies(1)	1289	0	1290	0	1291	0	1293	0	2.a
b. Issued by U.S. Government-sponsored agencies(2)	1294	0	1295	0	1297	1,903	1298	1,943	2.b
3. Securities issued by states and political subdivisions in the U.S.	8496	0	8497	0	8498	374	8499	391	3

(1) Includes Small Business Administration "Guaranteed Loan Pool Certificates," U.S. Maritime Administration obligations, and Export-Import Bank participation certificates.

(2) Includes obligations (other than mortgage-backed securities) issued by the Farm Credit System, the Federal Home Loan Bank System, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Financing Corporation, Resolution Funding Corporation, the Student Loan Marketing Association, and the Tennessee Valley Authority.

Schedule RC-B—Continued

Dollar Amounts in Thousands	Held-to-maturity (Column A) Amortized Cost RCON	Bil | Mil | Thou	Held-to-maturity (Column B) Fair Value RCON	Bil | Mil | Thou	Available-for-sale (Column C) Amortized Cost RCON	Bil | Mil | Thou	Available-for-sale (Column D) Fair Value RCON	Bil | Mil | Thou	
4. Mortgage-backed securities (MBS):									
a. Residential mortgage pass-through securities:									
(1) Guaranteed by GNMA	G300	0	G301	0	G302	1,539	G303	1,586	4.a.1
(2) Issued by FNMA and FHLMC	G304	0	G305	0	G306	4,907	G307	4,990	4.a.2
(3) Other pass-through securities	G308	0	G309	0	G310	0	G311	0	4.a.3
b. Other residential mortgage-backed securities (include CMOs, REMICs, and stripped MBS):									
(1) Issued or guaranteed by U.S. Government agencies or sponsored agencies.(1)	G312	0	G313	0	G314	7,471	G315	7,573	4.b.1
(2) Collateralized by MBS issued or guaranteed by U.S. Government agencies or sponsored agencies.(1)	G316	0	G317	0	G318	0	G319	0	4.b.2
(3) All other residential MBS	G320	0	G321	0	G322	0	G323	0	4.b.3
c. Commercial MBS:									
(1) Commercial mortgage pass-through securities:									
(a). Issued or guaranteed by FNMA,FHLMC or GNMA	K142	0	K143	0	K144	1,512	K145	1,545	4.c.1.a
(b). Other pass-through securities	K146	0	K147	0	K148	0	K149	0	4.c.1.b
(2) Other commercial MBS:									
(a). Issued or guaranteed by U.S. Government agencies or sponsored agencies(1)	K150	0	K151	0	K152	0	K153	0	4.c.2.a
(b). All other commercial MBS	K154	0	K155	0	K156	0	K157	0	4.c.2.b

(1) U.S. Government agencies include, but are not limited to, such agencies as the Government National Mortgage Association (GNMA), the Federal Deposit Insurance Corporation (FDIC), and the National Credit Union Administration (NCUA). U.S. Government-sponsored agencies include, but are not limited to, such agencies as the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA).

Schedule RC-B—Continued

Dollar Amounts in Thousands	Held-to-maturity (Column A) Amortized Cost RCON	Bil | Mil | Thou	Held-to-maturity (Column B) Fair Value RCON	Bil | Mil | Thou	Available-for-sale (Column C) Amortized Cost RCON	Bil | Mil | Thou	Available-for-sale (Column D) Fair Value RCON	Bil | Mil | Thou	
5. Asset-backed securities and structured financial products:									
a. Asset-backed securities (ABS)	C026	0	C988	0	C989	0	C027	0	5.a
b. Structured financial products:									
(1) Cash	G336	0	G337	0	G338	0	G339	0	5.b.1
(2) Synthetic	G340	0	G341	0	G342	0	G343	0	5.b.2
(3) Hybrid	G344	0	G345	0	G346	0	G347	0	5.b.3
6. Other debt securities:									
a. Other domestic debt securities	1737	0	1738	0	1739	0	1741	0	6.a
b. Foreign debt securities	1742	0	1743	0	1744	0	1746	0	6.b
7. Investments in mutual funds and other equity securities with readily determinable fair values(1)					A510	0	A511	0	7
8. Total (sum of items 1 through 7) (total of column A must equal Schedule RC, item 2.a) (total of column D must equal Schedule RC, item 2.b)	1754	**0**	1771	**0**	1772	**18,729**	1773	**19,065**	8

(1) Report Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock in Schedule RC-F, item 4.

Schedule RC-B—Continued

Memoranda

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
1. Pledged securities(1)	0416	7,215	M.1
2. Maturity and repricing data for debt securities(1,2) (excluding those in nonaccrual status):			
a. Securities issued by the U.S. Treasury, U.S. Government agencies, and states and political subdivisions in the U.S.; other non-mortgage debt securities; and mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or next repricing date of:(3,4)			
(1) Three months or less	A549	257	M.2.a.1
(2) Over three months through 12 months	A550	0	M.2.a.2
(3) Over one year through three years	A551	1,316	M.2.a.3
(4) Over three years through five years	A552	1,185	M.2.a.4
(5) Over five years through 15 years	A553	1,638	M.2.a.5
(6) Over 15 years	A554	520	M.2.a.6
b. Mortgage pass-through securities backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or next repricing date of:(3,5)			
(1) Three months or less	A555	916	M.2.b.1
(2) Over three months through 12 months	A556	285	M.2.b.2
(3) Over one year through three years	A557	98	M.2.b.3
(4) Over three years through five years	A558	402	M.2.b.4
(5) Over five years through 15 years	A559	3,842	M.2.b.5
(6) Over 15 years	A560	1,033	M.2.b.6
c. Other mortgage-backed securities (include CMOs, REMICs, and stripped MBS; exclude mortgage pass-through securities) with an expected average life of:(6)			
(1) Three years or less	A561	659	M.2.c.1
(2) Over three years	A562	6,914	M.2.c.2
d. Debt securities with a REMAINING MATURITY of one year or less (included in Memorandum items 2.a through 2.c above)	A248	275	M.2.d
3. Amortized cost of held-to-maturity securities sold or transferred to available-for-sale or trading securities during the calendar year-to-date (report the amortized cost at date of sale or transfer)	1778	0	M.3
4. Structured notes (included in the held-to-maturity and available-for-sale accounts in Schedule RC-B, items 2, 3, 5, and 6):			
a. Amortized cost	8782	413	M.4.a
b. Fair value	8783	429	M.4.b

(1) Includes held-to-maturity securities at amortized cost and available-for-sale securities at fair value.
(2) Exclude investments in mutual funds and other equity securities with readily determinable fair values.
(3) Report fixed rate debt securities by remaining maturity and floating rate debt securities by next repricing date.
(4) Sum of Memorandum items 2.a.(1) through 2.a.(6) plus any nonaccrual debt securities in the categories of debt securities reported in Memorandum item 2.a that are included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, sum of items 1, 2, 3, 4.c.(1), 5, and 6, columns A and D, plus residential mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-B, item 4.a, columns A and D.
(5) Sum of Memorandum items 2.b.(1) through 2.b.(6) plus any nonaccrual mortgage pass-through securities backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, item 4.a, sum of columns A and D, less the amount of residential mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages included in Schedule RC-B, item 4.a, columns A and D.
(6) Sum of Memorandum items 2.c.(1) and 2.c.(2) plus any nonaccrual "Other mortgage-backed securities" included in Schedule RC-N, item 9, column C, must equal Schedule RC-B, sum of items 4.b and 4.c.(2), columns A and D.

Schedule RC-B—Continued

Memoranda — Continued

Dollar Amounts in Thousands	Held-to-maturity				Available-for-sale				
	(Column A) Amortized Cost		(Column B) Fair Value		(Column C) Amortized Cost		(Column D) Fair Value		
	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	
Memorandum items 5.a through 5.f are to be completed by banks with $1 billion or more in total assets.(1)									
5. Asset-backed securities (ABS)(for each column, sum of Memorandum items 5.a through 5.f must equal Schedule RC-B, item 5.a):									
a. Credit card receivables	B838	N/A	B839	N/A	B840	N/A	B841	N/A	M.5.a
b. Home equity lines	B842	N/A	B843	N/A	B844	N/A	B845	N/A	M.5.b
c. Automobile loans	B846	N/A	B847	N/A	B848	N/A	B849	N/A	M.5.c
d. Other consumer loans	B850	N/A	B851	N/A	B852	N/A	B853	N/A	M.5.d
e. Commercial and industrial loans	B854	N/A	B855	N/A	B856	N/A	B857	N/A	M.5.e
f. Other	B858	N/A	B859	N/A	B860	N/A	B861	N/A	M.5.f

(1) The $1 billion asset size test is generally based on the total assets reported on the June 30, 2011, Report of Condition.

Schedule RC-B—Continued

Memoranda — Continued

Dollar Amounts in Thousands	Held-to-maturity (Column A) Amortized Cost RCON	Bil | Mil | Thou	Held-to-maturity (Column B) Fair Value RCON	Bil | Mil | Thou	Available-for-sale (Column C) Amortized Cost RCON	Bil | Mil | Thou	Available-for-sale (Column D) Fair Value RCON	Bil | Mil | Thou	
6. Structured financial products by underlying collateral or reference assets (for each column, sum of Memorandum items 6.a through 6.g must equal Schedule RC-B sum of items 5.b(1) through (3)):									
a. Trust preferred securities issued by financial institutions	G348	0	G349	0	G350	0	G351	0	M.6.a
b. Trust preferred securities issued by real estate investment trusts	G352	0	G353	0	G354	0	G355	0	M.6.b
c. Corporate and similar loans	G356	0	G357	0	G358	0	G359	0	M.6.c
d. 1-4 family residential MBS issued or guaranteed by U.S. government-sponsored enterprises (GSEs)	G360	0	G361	0	G362	0	G363	0	M.6.d
e. 1-4 family residential MBS not issued or guaranteed by GSEs	G364	0	G365	0	G366	0	G367	0	M.6.e
f. Diversified (mixed) pools of structured financial products	G368	0	G369	0	G370	0	G371	0	M.6.f
g. Other collateral or reference assets	G372	0	G373	0	G374	0	G375	0	M.6.g

Schedule RC-C—Loans and Lease Financing Receivables

Part I. Loans and Leases

Do not deduct the allowance for loan and lease losses or the allocated transfer risk reserve from amounts reported in this schedule. Report
(1) loans and leases held for sale at the lower of cost or fair value,
(2) loans and leases held for investment, net of unearned income, and
(3) loans and leases accounted for at fair value under a fair value option.
Exclude assets held for trading and commercial paper.

Dollar Amounts in Thousands	(Column A) To Be Completed by Banks with $300 Million or More in Total Assets(1) RCON	Bil | Mil | Thou	(Column B) To Be Completed by All Banks RCON	Bil | Mil | Thou	
1. Loans secured by real estate:					
a. Construction, land development, and other land loans:					
(1) 1-4 family residential construction loans			F158	1,492	1.a.1
(2) Other construction loans and all land development and other land loans			F159	17,127	1.a.2
b. Secured by farmland (including farm residential and other improvements)			1420	0	1.b
c. Secured by 1-4 family residential properties:					
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit			1797	5,653	1.c.1
(2) Closed-end loans secured by 1-4 family residential properties:					
(a) Secured by first liens			5367	12,481	1.c.2.a
(b) Secured by junior liens			5368	1,959	1.c.2.b
d. Secured by multifamily (5 or more) residential properties			1460	0	1.d
e. Secured by nonfarm nonresidential properties:					
(1) Loans secured by owner-occupied nonfarm nonresidential properties			F160	46,239	1.e.1
(2) Loans secured by other nonfarm nonresidential properties			F161	17,697	1.e.2
2. Loans to depository institutions and acceptances of other banks			1288	0	2
a. To commercial banks in the U.S.:					
(1) To U.S. branches and agencies of foreign banks	B532	N/A			2.a.1
(2) To other commercial banks in the U.S.	B533	N/A			2.a.2
b. To other depository institutions in the U.S.	B534	N/A			2.b
c. To banks in foreign countries:					
(1) To foreign branches of other U.S. banks	B536	N/A			2.c.1
(2) To other banks in foreign countries	B537	N/A			2.c.2
3. Loans to finance agricultural production and other loans to farmers			1590	0	3
4. Commercial and industrial loans			1766	26,639	4
a. To U.S. addressees (domicile)	1763	N/A			4.a
b. To non-U.S. addressees (domicile)	1764	N/A			4.b
5. Not applicable					
6. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):					
a. Credit cards			B538	0	6.a
b. Other revolving credit plans			B539	291	6.b
c. Automobile Loans			K137	149	6.c
d. Other consumer loans (includes single payment, installment, and all student loans)			K207	906	6.d
7. Loans to foreign governments and official institutions (including foreign central banks)			2081	0	7
8. Obligations (other than securities and leases) of states and political subdivisions in the U.S.			2107	4,817	8

(1) The $300 million asset size test is generally based on the total assets reported on the June 30, 2011, Report of Condition.

Schedule RC-C—Continued

Part I. Continued

Dollar Amounts in Thousands	(Column A) To Be Completed by Banks with $300 Million or More in Total Assets(1) RCON	Bil | Mil | Thou	(Column B) To Be Completed by All Banks RCON	Bil | Mil | Thou	
9. Loans to nondepository financial institutions and other loans:					
a. Loans to nondepository financial institutions			J454	0	9.a
b. Other loans			J464	29	9.b
(1) Loans for purchasing or carrying securities (secured and unsecured)	1545	N/A			9.b.1
(2) All other loans (exclude consumer loans)	J451	N/A			9.b.2
10. Lease financing receivables (net of unearned income)			2165	0	10
a. Leases to individuals for household, family, and other personal expenditures (i.e., consumer leases)	F162	N/A			10.a
b. All other leases	F163	N/A			10.b
11. LESS: Any unearned income on loans reflected in items 1-9 above			2123	0	11.
12. Total loans and leases, net of unearned income (sum of items 1 through 10 minus item 11) (must equal Schedule RC, sum of items 4.a and 4.b)			2122	**135,479**	12

Memoranda

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	
1.Loans restructured in troubled debt restructurings that are in compliance with their modified terms(included in Schedule RC-C, Part 1, and not reported as past due or nonaccrual in Schedule RC-N,Memorandum item 1):					
a.Construction, land development, and other land loans:					
(1)1 - 4 family residential construction loans			K158	0	M.1.a.1
(2)Other construction loans and all land development and other land loans			K159	791	M.1.a.2
b. Loans secured by 1-4 residential properties			F576	614	M.1.b
c. Secured by multifamily (5 or more) residential properties			K160	0	M.1.c
d. Secured by nonfarm nonresidential properties:					
(1) Loans secured by owner-occupied nonfarm nonresidential properties			K161	0	M.1.d.1
(2) Loans secured by other nonfarm nonresidential properties			K162	1,162	M.1.d.2
e. Commercial and Industrial loans:			K256	**1,117**	M.1.e
Memorandum items 1.e.(1) and (2) are to be completed by banks with $300 million or more in total assets (1) (Sum of Memorandum items 1.e.(1) and (2) must equal Memorandum item 1.e):					
(1) To U.S.addressees (domicile)	K163	N/A			M.1.e.1
(2) To non-U.S. addressees (domicile)	K164	N/A			M.1.e.2
f. All other loans(include loans to individuals for household, family, and other personal expenditures)			K165	1,065	M.1.f
Itemize loan categories included in memorandum item 1.f, above that exceed 10 percent of total loans restructured in troubled debt restructutings that are in compliance with their modified terms(sum of memorandum items 1.a through 1.e plus 1.f):					
(1) Loans secured by farmland			K166	0	M.1.f.1
(2) Loans to depository institutions and acceptances of other banks			K167	0	M.1.f.2
(3) Not applicable					

(1) The $300 million asset size test is generally based on the total assets reported on the June 30, 2011, Report of Condition.

Schedule RC-C—Continued

Part I. Continued

Memoranda — Continued Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
1.f. (4) Loans to individuals for household, family, and other personal expenditures:			
(a) Credit Cards	K098	0	M.1.f.4(a)
(b) Automobile Loans	K203	0	M.1.f.4(b)
(c) Other (includes revolving credit plans other than credit cards and other consumer loans)	K204	0	M.1.f.4(c)
(5) Loans to foreign govenments and official instutuitions	K212	0	M.1.f.5
(6) Other loans(1)	K267	1,065	M.1.f.6
Memorandum item 1.f.(6)(a) is to be completed by(2):			
- Banks with $300 million or more in total assets			
- Banks with less than $300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans			
(a) Loans to finance agricultural production and other loans to farmers included in Schedule RC_C,part I, Memorandum item 1.f.(6), above	K168	N/A	M.1.f.6(a)
2. Maturity and repricing data for loans and leases (excluding those in nonaccrual status):			
a. Closed-end loans secured by first liens on 1-4 family residential properties (reported in Schedule RC-C, part I, item 1.c.(2)(a), column B, above) with a remaining maturity or next repricing date of:(3,4)			
(1) Three months or less	A564	1,888	M.2.a.1
(2) Over three months through 12 months	A565	3,158	M.2.a.2
(3) Over one year through three years	A566	6,681	M.2.a.3
(4) Over three years through five years	A567	483	M.2.a.4
(5) Over five years through 15 years	A568	0	M.2.a.5
(6) Over 15 years	A569	0	M.2.a.6
b. All loans and leases (reported in Schedule RC-C, part I, items 1 through 10, column B, above) EXCLUDING closed-end loans secured by first liens on 1-4 family residential properties (reported in Schedule RC-C, part I, item 1.c.(2)(a), column B, above) with a remaining maturity or next repricing date of:(3,5)			
(1) Three months or less	A570	26,417	M.2.b.1
(2) Over three months through 12 months	A571	28,003	M.2.b.2
(3) Over one year through three years	A572	48,167	M.2.b.3
(4) Over three years through five years	A573	7,393	M.2.b.4
(5) Over five years through 15 years	A574	1,169	M.2.b.5
(6) Over 15 years	A575	0	M.2.b.6
c. Loans and leases (reported in Schedule RC-C, part I, items 1 through 10, column B, above) with a REMAINING MATURITY of one year or less (excluding those in nonaccrual status)	A247	47,610	M.2.c
3. Loans to finance commercial real estate, construction, and land development activities *(not secured by real estate)* included in Schedule RC-C, part I, items 4 and 9, column B(6)	2746	0	M.3
4. Adjustable rate closed-end loans secured by first liens on 1-4 family residential properties (included in Schedule RC-C, part I, item 1.c.(2)(a), column B)	5370	0	M.4

(1) Includes "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and loans) of states and political subdivisions in the US.," and " Loans to nondepository financial institutions and other loans."
(2) The $300 million asset size test and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2011, Report of Condition.
(3) Report fixed rate loans and leases by remaining maturity and floating rate loans by next repricing date.
(4) Sum of Memorandum items 2.a.(1) through 2.a.(6) plus total nonaccrual closed-end loans secured by first liens on 1-4 family residential properties included in Schedule RC-N, item 1.c.(2)(a), column C, must equal total closed-end loans secured by first liens on 1-4 family residential properties from Schedule RC-C, part I, item 1.c.(2)(a), column B.
(5) Sum of Memorandum items 2.b.(1) through 2.b.(6) plus total nonaccrual loans and leases from Schedule RC-N, sum of items 1 through 8, column C, minus nonaccrual closed-end loans secured by first liens on 1-4 family residential properties included in Schedule RC-N, item 1.c.(2)(a), column C, must equal total loans and leases from Schedule RC-C, part I, sum of items 1 through 10, column B, minus total closed-end loans secured by first liens on 1-4 family residential properties from Schedule RC-C, part I, item 1.c.(2)(a), column B.
(6) Exclude loans secured by real estate that are included in Schedule RC-C, part I, items 1.a through 1.e, column B.

Schedule RC-C—Continued

Part I. Continued

Memoranda — Continued (Dollar Amounts in Thousands)	RCON	Bil | Mil | Thou	
5. To be completed by banks with $300 million or more in total assets:(1) Loans secured by real estate to non-U.S. addressees (domicile) (included in Schedule RC-C, part I, items 1.a through 1.e, column B)	B837	N/A	M.5
Memorandum item 6 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed $500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.			
6. Outstanding credit card fees and finance charges included in Schedule RC-C, part I, item 6.a.	C391	N/A	M.6
Memorandum item 7 is to be completed by all banks.			
7. Purchased credit-impaired loans held for investment accounted for in accordance with FASB ASC 310-30 (former AICPA Statement of Position 03-3) (exclude loans held for sale):			
a. Outstanding balance	C779	0	M.7.a
b. Carrying amount included in Schedule RC-C, part I, items 1 through 9	C780	0	M.7.b
8. Closed-end loans with negative amortization features secured by 1–4 family residential properties:			
a. Total carrying amount of closed-end loans with negative amortization features secured by 1–4 family residential properties (included in Schedule RC-C, part I, items 1.c.(2)(a) and (b))	F230	0	M.8.a
Memorandum items 8.b and 8.c are to be completed by banks that had closed-end loans with negative amortization features secured by 1–4 family residential properties (as reported in Schedule RC-C, part I, Memorandum item 8.a.) as of December 31, 2011, that exceeded the lesser of $100 million or 5 percent of total loans and leases, net of unearned income (as reported in Schedule RC-C, part I, item 12, column B).			
b. Total maximum remaining amount of negative amortization contractually permitted on closed-end loans secured by 1–4 family residential properties	F231	N/A	M.8.b
c. Total amount of negative amortization on closed-end loans secured by 1–4 family residential properties included in the carrying amount reported in Memorandum item 8.a above	F232	N/A	M.8.c
9. Loans secured by 1-4 family residential properties in process of foreclosure (included in Schedule RC-C, part I, items 1.c.(1), 1.c.(2)(a), and 1.c.(2)(b))	F577	0	M.9
Memorandum items 10 and 11 are to be completed by banks that have elected to measure loans included in Schedule RC-C, part I, items 1 through 9, at fair value under a fair value option.			
10. Loans measured at fair value (included in Schedule RC-C, part I, items 1 through 9):			
a. Loans secured by real estate:			
(1) Construction, land development, and other land loans	F578	N/A	M.10.a.1
(2) Secured by farmland (including farm residential and other improvements)	F579	N/A	M.10.a.2
(3) Secured by 1-4 family residential properties:			
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F580	N/A	M.10.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:			
(1) Secured by first liens	F581	N/A	M.10.a.3.b.1
(2) Secured by junior liens	F582	N/A	M.10.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties	F583	N/A	M.10.a.4
(5) Secured by nonfarm nonresidential properties	F584	N/A	M.10.a.5
b. Commercial and industrial loans	F585	N/A	M.10.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):			
(1) Credit cards	F586	N/A	M.10.c.1
(2) Other revolving credit plans	F587	N/A	M.10.c.2
(3) Automobile loans	K196	N/A	M.10.c.3
(4) Other consumer loans	K208	N/A	M.10.c.4
d. Other loans	F589	N/A	M.10.d

(1) The $300 million asset size test is generally based on the total assets reported on the June 30, 2011, Report of Condition.

Schedule RC-C—Continued

Part I. Continued

Memoranda — Continued

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
11. Unpaid principal balance of loans measured at fair value (reported in Schedule RC-C, part I, Memorandum item 10):			
a. Loans secured by real estate:			
(1) Construction, land development, and other land loans	F590	N/A	M.11.a.1
(2) Secured by farmland (including farm residential and other improvements)	F591	N/A	M.11.a.2
(3) Secured by 1-4 family residential properties:			
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F592	N/A	M.11.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:			
(1) Secured by first liens	F593	N/A	M.11.a.3.b.1
(2) Secured by junior liens	F594	N/A	M.11.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties	F595	N/A	M.11.a.4
(5) Secured by nonfarm nonresidential properties	F596	N/A	M.11.a.5
b. Commercial and industrial loans	F597	N/A	M.11.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):			
(1) Credit cards	F598	N/A	M.11.c.1
(2) Other revolving credit plans	F599	N/A	M.11.c.2
(3) Automobile loans	K195	N/A	M.11.c.3
(4) Other consumer loans	K209	N/A	M.11.c.4
d. Other loans	F601	N/A	M.11.d

Dollar Amounts in Thousands	(Column A) Fair value of acquired loans and leases at acquisition date		(Column B) Gross contractual amounts receivable at acquisition date		(Column C) Best estimate at acquisition date of of contractual cash flows not expected to be collected		
	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	
12. Loans (not subject to the requirements of FASB ASC 310-30 (former AICPA Statement of Position 03-3)) and leases held for investment that were acquired in business combinations with acquisition dates in the current calendar year:							
a. Loans secured by real estate	G091	0	G092	0	G093	0	M.12.a
b. Commercial and industrial loans	G094	0	G095	0	G096	0	M.12.b
c. Loans to individuals for household, family, and other personal expenditures	G097	0	G098	0	G099	0	M.12.c
d. All other loans and all leases	G100	0	G101	0	G102	0	M.12.d

Schedule RC-C—Continued

Part I. Continued

Memoranda — Continued

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
Memorandum item 13 is to be completed by banks that had construction, land development, and other land loans (as reported in Schedule RC-C, part I, item 1.a, column B) that exceeded 100 percent of total risk-based capital (as reported in Schedule RC-R, item 21) as of December 31, 2011.			
13. Construction, land development, and other land loans with interest reserves:			
a. Amount of loans that provide for the use of interest reserves (included in Schedule RC-C, part I, item 1.a, column B)	G376	0	M.13.a
b. Amount of interest capitalized from interest reserves on construction, land development, and other land loans that is included in interest and fee income on loans during the quarter (included in Schedule RI, item 1a.(1)(b))	RIAD G377	0	M.13.b
Memorandum item 14 is to be completed by all banks.	RCON		
14. Pledged loans and leases	G378	43,214	M.14
Memorandum item 15 is to be completed for the December report only.			
15. Reverse mortgages:			
a. Reverse mortgages outstanding that are held for investment (included in Schedule RC-C, item 1.c, above):	RCON	Bil | Mil | Thou	
(1) Home Equity Conversion Mortgage (HECM) reverse mortgages	J466	N/A	M.15.a.1
(2) Proprietary reverse mortgages	J467	N/A	M.15.a.2
b. Estimated number of reverse mortgage loan referrals to other lenders during the year from whom compensation has been received for services performed in connection with the origination of the reverse mortgages:	RCON	Number	
(1) Home Equity Conversion Mortgage (HECM) reverse mortgages	J468	N/A	M.15.b.1
(2) Proprietary reverse mortgages	J469	N/A	M.15.b.2
c. Principal amount of reverse mortgage originations that have been sold during the year:	RCON	Bil | Mil | Thou	
(1) Home Equity Conversion Mortgage (HECM) reverse mortgages	J470	N/A	M.15.c.1
(2) Proprietary reverse mortgages	J471	N/A	M.15.c.2

Schedule RC-C—Continued

Part II. Loans to Small Businesses and Small Farms

Report the number and amount currently outstanding as of the report date of business loans with "original amounts" of $1,000,000 or less and farm loans with "original amounts" of $500,000 or less. The following guidelines should be used to determine the "original amount" of a loan: (1) For loans drawn down under lines of credit or loan commitments, the "original amount" of the loan is the size of the line of credit or loan commitment was most recentlyapproved, extended, or renewed prior to the report date. However, if the amount currently outstanding as of the report date exceeds this size, the "original amount" is the amount currently outstanding on the report date. (2) For loan participations and syndications, the "original amount" of the loan participation or syndication is the entire amount of the credit originated by the lead lender. (3) For all other loans, the "original amount" is the total amount of the loan at origination or the amount currently outstanding as of the report date, whichever is larger.

Loans to Small Businesses

	RCON	YES / NO	
1. Indicate in the box at the right whether all or substantially all of the dollar volume of your bank's "Loans secured by nonfarm nonresidential properties" reported in Schedule RC-C, part I, items 1.e.(1) and 1.e.(2), and all or substantially all of the dollar volume of your bank's "Commercial and industrial loans" reported in Schedule RC-C, part I, item 4, (1) have original amounts of $ 100,000 or less (If your bank has no loans outstanding in both of these two loan categories, place the word "NO" in the box to the right.)	6999	NO	1

If YES, complete items 2.a and 2.b below, skip items 3 and 4, and go to item 5.
If NO, and your bank has loans outstanding in either loan category, skip items 2.a and 2.b, complete items 3 and 4 below, and go to item 5.
If NO and your bank has no loans outstanding in both loan categories, skip items 2 through 4, and go to item 5.

	RCON	Number of Loans	
2. Report the total number of loans currently outstanding for each of the following Schedule RC-C, part I, loan categories:			
a. "Loans secured by nonfarm nonresidential properties" reported in Schedule RC-C, part I, items 1.e.(1) and 1.e.(2) (Note: Sum of items 1.e.(1) and 1.e.(2) divided by the number of loans should NOT exceed $100,000.)	5562	N/A	2.a
b. "Commercial and industrial loans " reported in Schedule RC-C, part I, Item 4,(1) (Note: Item 4,(1) divided by the number of loans should NOT exceed $100,000.)	5563	N/A	2.b

Dollar Amounts in Thousands	RCON	(Column A) Number of Loans	RCON	(Column B) Amount Currently Outstanding Bil | Mil | Thou	
3. Number and amount currently outstanding of "Loans secured by nonfarm nonresidential properties" reported in Schedule RC-C, part I, items 1.e.(1) and 1.e.(2) (sum of items 3.a through 3.c must be less than or equal to Schedule RC-C, part I, sum of items 1.e.(1) and 1.e.(2)):					
a. With original amounts of $100,000 or less	5564	14	5565	610	3.a
b. With original amounts of more than $100,000 through $250,000	5566	26	5567	3,791	3.b
c. With original amounts of more than $250,000 through $1,000,000	5568	68	5569	23,362	3.c
4. Number and amount currently outstanding of "Commercial and industrial loans" reported in Schedule RC-C, part I, item 4 1 (sum of items 4.a through 4.c must be less than or equal to Schedule RC-C, part I, item 4 1):					
a. With original amounts of $100,000 or less	5570	193	5571	5,430	4.a
b. With original amounts of more than $100,000 through $250,000	5572	63	5573	7,328	4.b
c. With original amounts of more than $250,000 through $1,000,000	5574	35	5575	8,446	4.c

(1) Banks with $300 million or more in total assets should provide the requested information for "Commercial and industrial loans" based on the loans reported in Schedule RC-C, part I item 4.a, column A, "Commercial and industrial loans to U.S. addressees."

Schedule RC-C—Continued

Part II. Continued

Agricultural Loans to Small Farms

5. Indicate in the box at the right whether all or substantially all of the dollar volume of your bank's "Loans secured by farmland (including farm residential and other improvements)" reported in Schedule RC-C, part I, item 1.b, and all or substantially all of the dollar volume of your bank's "Loans to finance agricultural production and other loans to farmers" reported in Schedule RC-C, part I, item 3, haveoriginal amounts of $100,000 or less (If your bank has no loans outstanding in both of these two loan categories, place the word "NO" in the box to the right.)

RCON	YES / NO	
6860	NO	5

If YES, complete items 6.a and 6.b below and do not complete items 7 and 8.
If NO and your bank has loans outstanding in either loan category, skip items 6.a and 6.b and complete items 7 and 8 below.
If NO and your bank has no loans outstanding in both loan categories, do not complete items 6 through 8.

	RCON	Number of Loans	
6. Report the total number of loans currently outstanding for each of the following Schedule RC-C, part I, loan categories:			
a. "Loans secured by farmland (including farm residential and other improvements)" reported in Schedule RC-C, part I, item 1.b, (Note: Item 1.b divided by the number of loans should NOT exceed $100,000.)	5576	N/A	6.a
b. "Loans to finance agricultural production and other loans to farmers" reported in Schedule RC-C, part I, item 3 (Note: Item 3 divided by the number of loans should NOT exceed $100,000.)	5577	N/A	6.b

Dollar Amounts in Thousands	RCON	(Column A) Number of Loans	RCON	(Column B) Amount Currently Outstanding Bil | Mil | Thou	
7. Number and amount currently outstanding of "Loans secured by farmland (including farm residential and other improvements)" reported in Schedule RC-C, part I, item 1.b (sum of items 7.a through 7.c must be less than or equal to Schedule RC-C, part I, item 1.b):					
a. With original amounts of $100,000 or less	5578	N/A	5579	N/A	7.a
b. With original amounts of more than $100,000 through $250,000	5580	N/A	5581	N/A	7.b
c. With original amounts of more than $250,000 through $500,000	5582	N/A	5583	N/A	7.c
8. Number and amount currently outstanding of "Loans to finance agricultural production and other loans to farmers" reported in Schedule RC-C, part I, item 3 (sum of items 8.a through 8.c must be less than or equal to Schedule RC-C, part I, item 3):					
a. With original amounts of $100,000 or less	5584	N/A	5585	N/A	8.a
b. Withoriginal amounts of more than $100,000 through $250,000	5586	N/A	5587	N/A	8.b
c. With original amounts of more than $250,000 through $500,000	5588	N/A	5589	N/A	8.c

Schedule RC-D - Trading Assets and Liabilities

Schedule RC-D is to be completed by banks that reported average trading assets (Schedule RC-K, item 7) of $2 million or more in any of the four preceding calendar quarters.

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
Assets			
1. U.S. Treasury securities	3531	N/A	1
2. U.S. Government agency obligations (exclude mortgage-backed securities)	3532	N/A	2
3. Securities issued by states and political subdivisions in the U.S.	3533	N/A	3
4. Mortgage-backed securities (MBS):			
a. Residential mortgage pass-through securities issued or guaranteed by FNMA, FHLMC, or GNMA	G379	N/A	4.a
b. Other residential MBS issued or guaranteed by U.S. Government agencies or sponsored agencies(1)(include CMOs, REMICs, and stripped MBS)	G380	N/A	4.b
c. All other residential MBS	G381	N/A	4.c
d. Commercial MBS issued or guaranteed by U.S. Government agencies or sponsored agencies(1)	K197	N/A	4.d
e. All other commercial MBS	K198	N/A	4.e
5. Other debt securities			
a. Structured financial products:			
(1) Cash	G383	N/A	5.a.1
(2) Synthetic	G384	N/A	5.a.2
(3) Hybrid	G385	N/A	5.a.3
b. All other debt securities	G386	N/A	5.b
6. Loans:			
a. Loans secured by real estate:			
(1) Construction, land development, and other land loans	F604	N/A	6.a.1
(2) Secured by farmland (including farm residential and other improvements)	F605	N/A	6.a.2
(3) Secured by 1-4 family residential properties:			
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F606	N/A	6.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:			
(1) Secured by first liens	F607	N/A	6.a.3.b.1
(2) Secured by junior liens	F611	N/A	6.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties	F612	N/A	6.a.4
(5) Secured by nonfarm nonresidential properties	F613	N/A	6.a.5
b. Commercial and industrial loans	F614	N/A	6.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):			
(1) Credit cards	F615	N/A	6.c.1
(2) Other revolving credit plans	F616	N/A	6.c.2
(3) Automobile Loans	K199	N/A	6.c.3
(4) Other consumer loans	K210	N/A	6.c.4
d. Other loans	F618	N/A	6.d
7. and 8. Not applicable			
9. Other trading assets	3541	N/A	9
10. Not applicable			
11. Derivatives with a positive fair value	3543	N/A	11
12. Total trading assets (sum of items 1 through 11) (must equal Schedule RC, item 5)	3545	**N/A**	12

Liabilities	RCON	Bil | Mil | Thou	
13. a. Liability for short positions	3546	N/A	13.a
b. Other trading liabilities	F624	N/A	13.b
14. Derivatives with a negative fair value	3547	N/A	14
15. Total trading liabilities (sum of items 13.a through 14) (must equal Schedule RC, item 15)	3548	**N/A**	15

(1) U.S. Government agencies include, but are not limited to, such agencies as the Government National Mortgage Association (GNMA), the Federal Deposit Insurance Corporation (FDIC), and the National Credit Union Administration (NCUA). U.S. Government-sponsored agencies include, but are not limited to, such agencies as the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA).

Schedule RC-D - Continued

Memoranda

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
1. Unpaid principal balance of loans measured at fair value (reported in Schedule RC-D, items 6.a.(1) through 6.d):			
a. Loans secured by real estate:			
(1) Construction, land development, and other land loans	F625	N/A	M.1.a.1
(2) Secured by farmland (including farm residential and other improvements)	F626	N/A	M.1.a.2
(3) Secured by 1-4 family residential properties:			
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	F627	N/A	M.1.a.3.a
(b) Closed-end loans secured by 1-4 family residential properties:			
(1) Secured by first liens	F628	N/A	M.1.a.3.b.1
(2) Secured by junior liens	F629	N/A	M.1.a.3.b.2
(4) Secured by multifamily (5 or more) residential properties	F630	N/A	M.1.a.4
(5) Secured by nonfarm nonresidential properties	F631	N/A	M.1.a.5
b. Commercial and industrial loans	F632	N/A	M.1.b
c. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):			
(1) Credit cards	F633	N/A	M.1.c.1
(2) Other revolving credit plans	F634	N/A	M.1.c.2
(3) Automobile Loans	K200	N/A	M.1.c.3
(4) Other consumer loans	K211	N/A	M.1.c.4
d. Other loans	F636	N/A	M.1.d
2. Loans measured at fair value that are past due 90 days or more:			
a. Fair value	F639	N/A	M.2.a
b. Unpaid principal balance	F640	N/A	M.2.b
3. Structured financial products by underlying collateral or reference assets (sum of Memorandum items 3.a through 3.g must equal Schedule RC-D, sum of items 5.a.(1) through (3)):			
a. Trust preferred securities issued by financial institutions	G299	N/A	M.3.a
b. Trust preferred securities issued by real estate investment trusts	G332	N/A	M.3.b
c. Corporate and similar loans	G333	N/A	M.3.c
d. 1-4 family residential MBS issued or guaranteed by U.S. government-sponsored enterprises (GSEs)	G334	N/A	M.3.d
e. 1-4 family residential MBS not issued or guaranteed by GSEs	G335	N/A	M.3.e
f. Diversified (mixed) pools of structured financial products	G651	N/A	M.3.f
g. Other collateral or reference assets	G652	N/A	M.3.g
4. Pledged trading assets:			
a. Pleged securities	G387	N/A	M.4.a
b. Pledged Loans	G388	N/A	M.4.b
Memorandum items 5 through 10 are to be completed by banks that reported average trading assets (Schedule RC-K, item 7) of $1 billion or more in any of the four preceding calendar quarters.			
5. Asset-backed securities:			
a. Credit card receivables	F643	N/A	M.5.a
b. Home equity lines	F644	N/A	M.5.b
c. Automobile loans	F645	N/A	M.5.c
d. Other consumer loans	F646	N/A	M.5.d
e. Commercial and industrial loans	F647	N/A	M.5.e
f. Other	F648	N/A	M.5.f
6. Retained beneficial interests in securitizations (first-loss or equity tranches)	F651	N/A	M.6
7. Equity securities (included in Schedule RC-D, item 9, above):			
a. Readily determinable fair values	F652	N/A	M.7.a
b. Other	F653	N/A	M.7.b
8. Loans pending securitization	F654	N/A	M.8

Schedule RC-D - Continued

Memoranda - Continued

Dollar Amounts in Thousands			RCON	Bil | Mil | Thou	
9. Other trading assets (itemize and describe amounts included in Schedule RC-D, item 9, that are greater than $25,000 and exceed 25 percent of the item): (1)					
		TEXT			
a.	F655	N/A	F655	N/A	M.9.a
b.	F656	N/A	F656	N/A	M.9.b
c.	F657	N/A	F657	N/A	M.9.c
10. Other trading liabilities (itemize and describe amounts included in Schedule RC-D, item 13.b, that are greater than $25,000 and exceed 25% of the item):					
		TEXT			
a.	F658	N/A	F658	N/A	M.10.a
b.	F659	N/A	F659	N/A	M.10.b
c.	F660	N/A	F660	N/A	M.10.c

(1) Exclude equity securities.

Schedule RC-E—Deposit Liabilities

Dollar Amounts in Thousands	Transaction Accounts (Column A) Total transaction accounts (including total demand deposits)		Transaction Accounts (Column B) Memo: Total demand deposits(1) (included in column A)		Nontransaction Accounts (Column C) Total nontransaction accounts (including MMDAs)		
Deposits of:	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	
1. Individuals, partnerships, and corporations (include all certified and official checks)	B549	55,112			B550	112,754	1
2. U.S. Government	2202	0			2520	0	2
3. States and political subdivisions in the U.S.	2203	4,412			2530	4,282	3
4. Commercial banks and other depository institutions in the U.S.	B551	0			B552	0	4
5. Banks in foreign countries	2213	0			2236	0	5
6. Foreign governments and official institutions (including foreign central banks)	2216	0			2377	0	6
7. Total (sum of items 1 through 6) (sum of columns A and C must equal Schedule RC, item 13.a)	2215	**59,524**	2210	41,450	2385	**117,036**	7

Memoranda

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
1. Selected components of total deposits (i.e., sum of item 7, columns A and C):			
a. Total Individual Retirement Accounts (IRAs) and Keogh Plan accounts	6835	9,000	M.1.a
b. Total brokered deposits	2365	7,000	M.1.b
c. Fully insured brokered deposits (included in Memorandum item 1.b above):(2)			
(1) Brokered deposits of less than $100,000	2343	7,000	M.1.c.1
(2) Brokered deposits of $100,000 through $250,000 and certain brokered retirement deposit accounts	J472	0	M.1.c.2
d. Maturity data for brokered deposits:			
(1) Brokered deposits of less than $100,000 with a remaining maturity of one year or less (included in Memorandum item 1.c.(1) above)	A243	7,000	M.1.d.1
(2) Brokered deposits of $100,000 through $250,000 with a remaining maturity of one year or less (included in Memorandum item 1.c.(2) above)	K219	0	M.1.d.2
(3) Brokered deposits of more than $250,000 with a remaining maturity of one year or less (included in Memorandum item 1.b above)	K220	0	M.1.d.3
e. Preferred deposits (uninsured deposits of states and political subdivisions in the U.S. reported in item 3 above which are secured or collateralized as required under state law) *(to be completed for the December report only)*	5590	N/A	M.1.e
f. Estimated amount of deposits obtained through the use of deposit listing services that are not brokered deposits	K223	16,161	M.1.f
2. Components of total nontransaction accounts (sum of Memorandum items 2.a through 2.d must equal item 7, column C above):			
a. Savings deposits:			
(1) Money market deposit accounts (MMDAs)	6810	36,561	M.2.a.1
(2) Other savings deposits (excludes MMDAs)	0352	15,261	M.2.a.2
b. Total time deposits of less than $100,000	6648	41,806	M.2.b
c. Total time deposits of $100,000 through $250,000	J473	19,385	M.2.c
d. Total time deposits of more than $250,000	J474	4,022	M.2.d
e. Individual Retirement Accounts (IRAs) and Keogh Plan accounts of $100,000 or more included in Memorandum item 2.c and 2.d above	F233	3,457	M.2.e

(1) Includes interest-bearing and noninterest-bearing demand deposits.
(2) The dollar amounts used as the basis for reporting in Memorandum items 1.c.(1) and (2) reflect the deposit insurance limits in effect on the report date.

Schedule RC-E—Continued

Memoranda — Continued

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
3. Maturity and repricing data for time deposits of less than $100,000:			
a. Time deposits of less than $100,000 with a remaining maturity or next repricing date of:(1,2)			
(1) Three months or less	A579	8,259	M.3.a.1
(2) Over three months through 12 months	A580	19,464	M.3.a.2
(3) Over one year through three years	A581	12,466	M.3.a.3
(4) Over three years	A582	1,617	M.3.a.4
b. Time deposits of less than $100,000 with a REMAINING MATURITY of one year or less (included in Memorandum items 3.a.(1) and 3.a.(2) above)(3)	A241	27,630	M.3.b
4. Maturity and repricing data for time deposits of $100,000 or more:			
a. Time deposits of $100,000 or more with a remaining maturity or next repricing date of:(1,4)			
(1) Three months or less	A584	2,880	M.4.a.1
(2) Over three months through 12 months	A585	10,588	M.4.a.2
(3) Over one year through three years	A586	8,367	M.4.a.3
(4) Over three years	A587	1,572	M.4.a.4
b. Time deposits of $100,000 through $250,000 with a REMAINING MATURITY of one year or less (included in Memorandum items 4.a.(1) and 4.a.(2) above)(3)	K221	11,316	M.4.b
c. Time deposits of more than $250,000 with a REMAINING MATURITY of one year or less (included in Memorandum items 4.a.(1) and 4.a.(2) above)(3)	K222	2,151	M.4.c

(1) Report fixed rate time deposits by remaining maturity and floating rate time deposits by next repricing date.
(2) Sum of Memorandum items 3.a.(1) through 3.a.(4) must equal Schedule RC-E, Memorandum item 2.b.
(3) Report both fixed and floating rate time deposits by remaining maturity. Exclude floating rate time deposits with a next repricing date of one year or less that have a remaining maturity of over one year.
(4) Sum of Memorandum items 4.a.(1) through 4.a.(4) must equal Schedule RC-E, sum of Memorandum items 2.c and 2.d.

Schedule RC-F—Other Assets

Dollar Amounts in Thousands			RCON	Bil | Mil | Thou	
1. Accrued interest receivable(1)			B556	552	1
2. Net deferred tax assets(2)			2148	0	2
3. Interest-only strips receivable (not in the form of a security)(3)on:					
a. Mortgage loans			A519	0	3.a
b. Other financial assets			A520	0	3.b
4. Equity securities that DO NOT have readily determinable fair values(4)			1752	524	4
5. Life insurance assets					
a. General account life insurance assets			K201	0	5.a
b. Separate account life insurance assets			K202	0	5.b
c. Hybrid account life insurance assets			K270	0	5.c
6. All other assets (itemize and describe amounts greater than $25,000 that exceed 25% of this item)			2168	287	6
a. Prepaid expenses (excluding prepaid assessments)	2166	169			6.a
b. Repossessed personal property (including vehicles)	1578	111			6.b
c. Derivatives with a positive fair value held for purposes other than trading	C010	0			6.c
d. Retained interests in accrued interest receivable related to securitized credit cards	C436	0			6.d
e. FDIC loss-sharing indemnification assets	J448	0			6.e
f. Prepaid deposit insurance assessments	J449	0			6.f
TEXT					
g. 3549	3549	0			6.g
h. 3550	3550	0			6.h
i. 3551	3551	0			6.i
7. Total (sum of items 1 through 6) (must equal Schedule RC, item 11)			2160	**1,363**	7

(1) Includes accrued interest receivable on loans, leases, debt securities, and other interest-bearing assets.
(2) See discussion of deferred income taxes in Glossary entry on "income taxes."
(3) Report interest-only strips receivable in the form of a security as available-for-sale securities in Schedule RC, item 2.b, or as trading assets in Schedule RC, item 5, as appropriate.
(4) Includes Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock.

Schedule RC-G—Other Liabilities

Dollar Amounts in Thousands			RCON	Bil | Mil | Thou	
1. a. Interest accrued and unpaid on deposits(1)			3645	284	1.a
b. Other expenses accrued and unpaid (includes accrued income taxes payable)			3646	235	1.b
2. Net deferred tax liabilities(2)			3049	0	2
3. Allowance for credit losses on off-balance sheet credit exposures			B557	0	3
4. All other liabilities (itemize and describe amounts greater than $25,000 that exceed 25% of this item)			2938	911	4
a. Accounts Payable	3066	0			4.a
b. Deferred compensation liabilities	C011	306			4.b
c. Dividends declared but not yet payable	2932	0			4.c
d. Derivatives with a negative fair value held for purposes other than trading	C012	0			4.d
TEXT					
e. 3552 Deferred Gains FAS 66	3552	365			4.e
f. 3553	3553	0			4.f
g. 3554	3554	0			4.g
5. Total (sum of items 1 through 4) (must equal Schedule RC, item 20)			2930	**1,430**	5

(1) For savings banks, include "dividends" accrued and unpaid on deposits.
(2) See discussion of defered income taxes in Glossary entry on "income taxes."

Schedule RC-K—Quarterly Averages (1)

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
Assets			
1. Interest-bearing balances due from depository institutions	3381	24,289	1
2. U.S. Treasury securities and U.S. Government agency obligations(2) *(excluding mortgage-backed securities)*	B558	3,090	2
3. Mortgage-backed securities(2)	B559	15,029	3
4. All other securities(2,3) *(includes securities issued by states and political subdivisions in the U.S.)*	B560	374	4
5. Federal funds sold and securities purchased under agreements to resell	3365	0	5
6. Loans:			
a. Total loans	3360	140,584	6.a
b. Loans secured by real estate:			
(1) Loans secured by 1-4 family residential properties	3465	21,162	6.b.1
(2) All other loans secured by real estate	3466	84,511	6.b.2
c. Commercial and industrial loans	3387	31,603	6.c
d. Loans to individuals for household, family, and other personal expenditures:			
(1) Credit cards	B561	0	6.d.1
(2) Other (includes revolving credit plans other than credit cards, automobile loans, and other consumer loans)	B562	1,390	6.d.2
7. To be completed by banks with $100 million or more in total assets:(4) Trading assets	3401	0	7
8. Lease financing receivables (net of unearned income)	3484	0	8
9. Total assets(5)	3368	197,817	9
Liabilities			
10. Interest-bearing transaction accounts (interest-bearing demand deposits, NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts)	3485	18,167	10
11. Nontransaction accounts:			
a. Savings deposits (includes MMDAs)	B563	50,420	11.a
b. Time deposits of $100,000 or more	A514	22,337	11.b
c. Time deposits of less than $100,000	A529	45,537	11.c
12. Federal funds purchased and securities sold under agreements to repurchase	3353	0	12
13. To be completed by banks with $100 million or more in total assets:(4) Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)	3355	8,824	13

Memorandum

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
Memorandum item 1 is to be completed by:(4) *• banks with $300 million or more in total assets, and* *• banks with less than $300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans.*			
1. Loans to finance agricultural production and other loans to farmers	3386	N/A	M.1

(1) For all items, banks have the option of reporting either (1) an average of DAILY figures for the quarter, or (2) an average of WEEKLY figures (i.e., the Wednesday of each week of the quarter).
(2) Quarterly averages for all debt securities should be based on amortized cost.
(3) Quarterly averages for all equity securities should be based on historical cost.
(4) The asset size tests and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2011, Report of Condition.
(5) The quarterly average for total assets should reflect all debt securities (not held for trading) at amortized cost, equity securities with readily determinable fair values at the lower of cost or fair value, and equity securities without readily determinable fair values at historical cost.

Schedule RC-L—Derivatives and Off-Balance Sheet Items

Please read carefully the instructions for the preparation of Schedule RC-L. Some of the amounts reported in Schedule RC-L are regarded as volume indicators and not necessarily as measures of risk.

Dollar Amounts in Thousands			RCON	Bil | Mil | Thou	
1. Unused commitments:					
a. Revolving, open-end lines secured by 1-4 family residential properties, e.g., home equity lines			3814	2,350	1.a
Items 1.a.(1) and 1.a.(2) are to be completed for the December report only.					
(1) Unused commitments for Home Equity Conversion Mortgage (HECM) reverse mortgages outstanding that are held for investment (included in item 1.a above)			J477	N/A	1.a.(1)
(2) Unused commitments for proprietary reverse mortgages outstanding that are held for investment (included in item 1.a above)			J478	N/A	1.a.(2)
b. Credit card lines			3815	0	1.b
Items 1.b.(1) and 1.b.(2) are to be completed by banks with either $300 million or more in total assets or $300 million or more in credit card lines.(1) (Sum of items 1.b.(1) and 1.b.(2) must equal item 1.b)					
(1) Unused consumer credit card lines			J455	N/A	1.b.(1)
(2) Other unused credit card lines			J456	N/A	1.b.(2)
c. Commitments to fund commercial real estate, construction, and land development loans:					
(1) Secured by real estate:					
(a) 1–4 family residential construction loan commitments			F164	701	1.c.1.a
(b) Commercial real estate, other construction loan, and land development loan commitments			F165	2,390	1.c.1.b
(2) NOT secured by real estate			6550	0	1.c.2
d. Securities underwriting			3817	0	1.d
e. Other unused commitments:					
(1) Commercial and industrial loans			J457	6,487	1.e.(1)
(2) Loans to financial institutions			J458	0	1.e.(2)
(3) All other unused commitments			J459	969	1.e.(3)
2. Financial standby letters of credit			3819	694	2
Item 2.a is to be completed by banks with $1 billion or more in total assets.(1)					
a. Amount of financial standby letters of credit conveyed to others	3820	N/A			2.a
3. Performance standby letters of credit			3821	0	3
Item 3.a is to be completed by banks with $1 billion or more in total assets.(1)					
a. Amount of performance standby letters of credit conveyed to others	3822	N/A			3.a
4. Commercial and similar letters of credit			3411	0	4
5. Not applicable					
6. Securities lent (including customers' securities lent where the customer is indemnified against loss by the reporting bank)			3433	0	6

	(Column A) Sold Protection		(Column B) Purchased Protection		
7. Credit derivatives:	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	
a. Notional amounts:					
(1) Credit default swaps	C968	0	C969	0	7.a.(1)
(2) Total return swaps	C970	0	C971	0	7.a.(2)
(3) Credit options	C972	0	C973	0	7.a.(3)
(4) Other credit derivatives	C974	0	C975	0	7.a.(4)
b. Gross fair values:					
(1) Gross positive fair value	C219	0	C221	0	7.b.(1)
(2) Gross negative fair value	C220	0	C222	0	7.b.(2)

(1) The asset size tests and the $300 million credit card lines test are generally based on the total assets and credit card lines reported in June 30, 2011, Report of Condition.

Schedule RC-L—Continued

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
7.c. Notional amounts by regulatory capital treatment:(1)			
(1) Positions covered under the Market Risk Rule:			
(a) Sold protection	G401	0	7.c.(1)(a)
(b) Purchased protection	G402	0	7.c.(1)(b)
(2) All other positions:			
(a) Sold protection	G403	0	7.c.(2)(a)
(b) Purchased protection that is recognized as a guarantee for regulatory capital purposes	G404	0	7.c.(2)(b)
(c) Purchased protection that is not recognized as a guarantee for regulatory capital purposes	G405	0	7.c.(2)(c)

Dollar Amounts in Thousands	Remaining Maturity of: (Column A) One Year or Less		(Column B) Over One Year Through Five Years		(Column C) Over Five Years		
	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	
7.d. Notional amounts by remaining maturity:							
(1) Sold credit protection:(2)							
(a) Investment grade	G406	0	G407	0	G408	0	7.d.(1)(a)
(b) Subinvestment grade	G409	0	G410	0	G411	0	7.d.(1)(b)
(2) Purchased credit protection:(3)							
(a) Investment grade	G412	0	G413	0	G414	0	7.d.(2)(a)
(b) Subinvestment grade	G415	0	G416	0	G417	0	7.d.(2)(b)

			RCON	Tril | Bil | Mil | Thou	
8. Spot foreign exchange contracts			8765	0	8
9. All other off-balance sheet liabilities (exclude derivatives) (itemize and describe each component of this item over 25% of Schedule RC, item 27.a, "Total bank equity capital")			3430	5,500	9
TEXT					
a. Securities borrowed	3432	0			9.a
b. Commitments to purchase when-issued securities	3434	0			9.b
c. Standby letters of credit issued by a Federal Home Loan Bank on the bank's behalf	C978	5,500			9.c
d. 3555	3555	0			9.d
e. 3556	3556	0			9.e
f. 3557	3557	0			9.f
10. All other off-balance sheet assets (exclude derivatives) (itemize and describe each component of this item over 25% of Schedule RC, item 27.a, "Total bank equity capital")			5591	0	10
TEXT					
a. Commitments to sell when-issued securities	3435	0			10.a
b. 5592	5592	0			10.b
c. 5593	5593	0			10.c
d. 5594	5594	0			10.d
e. 5595	5595	0			10.e

	RCON	Tril | Bil | Mil | Thou	
11. Year-to-date merchant credit card sales volume:			
a. Sales for which the reporting bank is the acquiring bank	C223	0	11.a
b. Sales for which the reporting bank is the agent bank with risk	C224	0	11.b

(1) Sum of items 7.c.(1)(a) and 7.c.(2)(a) must equal sum of items 7.a.(1) through (4), column A. Sum of items 7.c.(1)(b), 7.c.(2)(b) and 7.c.(2)(c) must equal sum of items 7.a.(1) through (4), column B.
(2) Sum of items 7.d.(1)(a) and (b), columns A through C, must equal sum of items 7.a.(1) through (4), column A.
(3) Sum of items 7.d.(2)(a) and (b), columns A through C, must equal sum of items 7.a.(1) through (4), column B.

Schedule RC-L—Continued

Dollar Amounts in Thousands Derivatives Position Indicators	(Column A) Interest Rate Contracts Tril | Bil | Mil | Thou	(Column B) Foreign Exchange Contracts Tril | Bil | Mil | Thou	(Column C) Equity Derivative Contracts Tril | Bil | Mil | Thou	(Column D) Commodity and Other Contracts Tril | Bil | Mil | Thou	
12. Gross amounts (e.g., notional amounts) (for each column, sum of items 12.a through 12.e must equal sum of items 13 and 14):					
a. Futures contracts	RCON 8693 0	RCON 8694 0	RCON 8695 0	RCON 8696 0	12.a
b. Forward contracts	RCON 8697 0	RCON 8698 0	RCON 8699 0	RCON 8700 0	12.b
c. Exchange-traded option contracts:					
(1) Written options	RCON 8701 0	RCON 8702 0	RCON 8703 0	RCON 8704 0	12.c.1
(2) Purchased options	RCON 8705 0	RCON 8706 0	RCON 8707 0	RCON 8708 0	12.c.2
d. Over-the-counter option contracts:					
(1) Written options	RCON 8709 0	RCON 8710 0	RCON 8711 0	RCON 8712 0	12.d.1
(2) Purchased options	RCON 8713 0	RCON 8714 0	RCON 8715 0	RCON 8716 0	12.d.2
e. Swaps	RCON 3450 0	RCON 3826 0	RCON 8719 0	RCON 8720 0	12.e
13. Total gross notional amount of derivative contracts held for trading	RCON A126 0	RCON A127 0	RCON 8723 0	RCON 8724 0	13
14. Total gross notional amount of derivative contracts held for purposes other than trading	RCON 8725 0	RCON 8726 0	RCON 8727 0	RCON 8728 0	14
a. Interest rate swaps where the bank has agreed to pay a fixed rate	RCON A589 0				14.a
15. Gross fair values of derivative contracts:					
a. Contracts held for trading:					
(1) Gross positive fair value	RCON 8733 0	RCON 8734 0	RCON 8735 0	RCON 8736 0	15.a.1
(2) Gross negative fair value	RCON 8737 0	RCON 8738 0	RCON 8739 0	RCON 8740 0	15.a.2
b. Contracts held for purposes other than trading:					
(1) Gross positive fair value	RCON 8741 0	RCON 8742 0	RCON 8743 0	RCON 8744 0	15.b.1
(2) Gross negative fair value	RCON 8745 0	RCON 8746 0	RCON 8747 0	RCON 8748 0	15.b.2

Schedule RC-L—Continued

Item 16 is to be completed only by banks with total assets of $10 billion or more.1

Dollar Amounts in Thousands	(Column A) Banks and Securities Firms		(Column B) Monoline Financial Guarantors		(Column C) Hedge Funds		(Column D) Sovereign Governments		(Column E) Corporations and All Other Counterparties		
	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	
16. Over-the-counter derivatives:											
a. Net current credit exposure	G418	N/A	G419	N/A	G420	N/A	G421	N/A	G422	N/A	16.a
b. Fair value of collateral:											
(1) Cash - U.S. dollar	G423	N/A	G424	N/A	G425	N/A	G426	N/A	G427	N/A	16.b(1)
(2) Cash - Other currencies	G428	N/A	G429	N/A	G430	N/A	G431	N/A	G432	N/A	16.b(2)
(3) U.S. Treasury securities	G433	N/A	G434	N/A	G435	N/A	G436	N/A	G437	N/A	16.b(3)
(4) U.S. Government agency and U.S. Government-sponsored agency debt securities	G438	N/A	G439	N/A	G440	N/A	G441	N/A	G442	N/A	16.b(4)
(5) Corporate bonds	G443	N/A	G444	N/A	G445	N/A	G446	N/A	G447	N/A	16.b(5)
(6) Equity securities	G448	N/A	G449	N/A	G450	N/A	G451	N/A	G452	N/A	16.b(6)
(7) All other collateral	G453	N/A	G454	N/A	G455	N/A	G456	N/A	G457	N/A	16.b(7)
(8) Total fair value of collateral (sum of items 16.b.(1) through (7))	G458	**N/A**	G459	**N/A**	G460	**N/A**	G461	**N/A**	G462	**N/A**	16.b(8)

(1) The $10 billion asset size test is generally based on the total assets reported on the June 30, 2011, Report of Condition.

Schedule RC-M—Memoranda

Dollar Amounts in Thousands	RCON	Number	RCON	Bil | Mil | Thou	
1. Extensions of credit by the reporting bank to its executive officers, directors, principal shareholders, and their related interests as of the report date:					
a. Aggregate amount of all extensions of credit to all executive officers, directors, principal shareholders, and their related interests			6164	1,883	1.a
b. Number of executive officers, directors, and principal shareholders to whom the amount of all extensions of credit by the reporting bank (including extensions of credit to related interests) equals or exceeds the lesser of $500,000 or 5 percent of total capital as defined for this purpose in agency regulations	6165	3			1.b
2. Intangible assets other than goodwill:					
a. Mortgage servicing assets			3164	0	2.a
(1) Estimated fair value of mortgage servicing assets	A590	0			2.a.1
b. Purchased credit card relationships and nonmortgage servicing assets			B026	0	2.b
c. All other identifiable intangible assets			5507	0	2.c
d. Total (sum of items 2.a, 2.b, and 2.c) (must equal Schedule RC, item 10.b)			0426	**0**	2.d
3. Other real estate owned:					
a. Construction, land development, and other land			5508	2,799	3.a
b. Farmland			5509	0	3.b
c. 1-4 family residential properties			5510	293	3.c
d. Multifamily (5 or more) residential properties			5511	0	3.d
e. Nonfarm nonresidential properties			5512	5,096	3.e
f. Foreclosed properties from "GNMA loans"			C979	0	3.f
g. Total (sum of items 3.a through 3.f) (must equal Schedule RC, item 7)			2150	**8,188**	3.g
4. Not Applicable					
5. Other borrowed money:					
a. Federal Home Loan Bank advances:					
(1) Advances with a remaining maturity or next repricing date of:(1)					
(a) One year or less			F055	5,000	5.a.1.a
(b) Over one year through three years			F056	0	5.a.1.b
(c) Over three years through five years			F057	0	5.a.1.c
(d) Over five years			F058	0	5.a.1.d
(2) Advances with a REMAINING MATURITY of one year or less (included in item 5.a.(1)(a) above)(2)			2651	5,000	5.a.2
(3) Structured advances (included in items 5.a.(1)(a)-(d) above)			F059	0	5.a.3
b. Other borrowings:					
(1) Other borrowings with a remaining maturity or next repricing date of:(3)					
(a) One year or less			F060	0	5.b.1.a
(b) Over one year through three years			F061	0	5.b.1.b
(c) Over three years through five years			F062	0	5.b.1.c
(d) Over five years			F063	0	5.b.1.d
(2) Other borrowings with a REMAINING MATURITY of one year or less (included in item 5.b.(1)(a) above(4)			B571	0	5.b.2
c. Total (sum of items 5.a.(1)(a)-(d) and items 5.b.(1)(a)-(d)) (must equal Schedule RC, item 16)			3190	**5,000**	5.c

(1) Report fixed rate advances by remaining maturity and floating rate advances by next repricing date.
(2) Report both fixed and floating rate advances by remaining maturity. Exclude floating rate advances with a next repricing date of one year or less that have a remaining maturity of over one year.
(3) Report fixed rate other borrowings by remaining maturity and floating rate other borrowings by next repricing date.
(4) Report both fixed and floating rate other borrowings by remaining maturity. Exclude floating rate other borrowings with a next repricing date of one year or less that have a remaining maturity of over one year.

Schedule RC-M—Continued

Dollar Amounts in Thousands	RCON	YES / NO	
6. Does the reporting bank sell private label or third party mutual funds and annuities?	B569	NO	6

	RCON	Bil | Mil | Thou	
7. Assets under the reporting bank's management in proprietary mutual funds and annuities	B570	0	7

8. Primary Internet Web site address of the bank (home page), if any
(Example: www.examplebank.com)
(TEXT 4087) http://www.villagebankonline.com 8

	RCON	YES / NO	
9. Do any of the bank's Internet Web sites have transactional capability, i.e., allow the bank's customers to execute transactions on their accounts through the Web site?	4088	YES	9

	RCON	Bil | Mil | Thou	
10. Secured liabilities:			
a. Amount of "Federal funds purchased" that are secured (included in Schedule RC, item 14.a)	F064	0	10.a
b. Amount of "Other borrowings" that are secured (included in Schedule RC-M, items 5.b.(1)(a)-(d))	F065	0	10.b

	RCON	YES / NO	
11. Does the bank act as trustee or custodian for Individual Retirement Accounts, Health Savings Accounts, and other similar accounts?	G463	YES	11

	RCON	YES / NO	
12. Does the bank provide custody, safekeeping, or other services involving the acceptance of orders for the sale or purchase of securities?	G464	NO	12

	RCON	Bil | Mil | Thou	
13. Assets covered by loss-sharing agreements with the FDIC:			
a. Loans and leases (included in Schedule RC, items 4.a and 4.b):			
(1) Loans secured by real estate:			
(a) Construction , land development, and other land loans:			
(1) 1-4 family residential construction loans	K169	0	13.a.(1)(a)(1)
(2) Other construction loans and all land development and other land loans	K170	0	13.a.(1)(a)(2)
(b) Secured by farmland	K171	0	13.a.(1)(b)
(c) Secured by 1-4 family residential properties:			
(1) Revolving open-end loans secured by 1-4 family residential properties and extended under lines of credit	K172	0	13.a(1)(c)(1)
(2) Closed-end loans secured by 1-4 family residential properties:			
(a) Secured by first liens	K173	0	13.a.(1)(c)(2)(a)
(b) Secured by junior liens	K174	0	13.a.(1)(c)(2)(b)
(d) Secured by multifamily(5 or more) residential properties	K175	0	13.a.(1)(d)
(e) Secured by nonfarm, nonresidential properties:			
(1) Loans secured by owner-occupied nonfarm nonresidential properties	K176	0	13.a.(1)(e)(1)
(2) Loans secured by other nonfarm nonresidential properties	K177	0	13.a.(1)(e)(2)
(2) Not Applicable			
(3) Commercial and industrial loans	K179	0	13.a.(3)
(4) Loans to individuals for household, family, and other personal expenditures:			
(a) Credit cards	K180	0	13.a.(4)(a)
(b) Automobile loans	K181	0	13.a.(4)(b)
(c) Other (includes revolving credit plans other than credit cards and other consumer loans)	K182	0	13.a.(4)(c)

Schedule RC-M—Continued

	RCON	Bil | Mil | Thou	
13. a. (5) All other loans and all leases	K183	0	13.a.(5)
Itemize the categories of loans and leases (as defined in ScheduleRC-C, part 1) included in item 13.a.(5) above that exceed 10% of total loans and leases covered by loss-sharing agreements with the FDIC (sum of items 13.a.1.(1) through (5)):			
(a) Loans to depository institutions and acceptances of other banks	K184	0	13.a.(5)(a)
(b) Loans to foreign government and official institutions	K185	0	13.a.(5)(b)
(c) Other loans(1)	K186	0	13.a.(5)(c)
Item 13.a.(5)(c)(1) is to be completed by:(2)			
- Banks with $300 million or more in total assets			
- Banks with less than $300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part 1, item 3) exceeding five percent of total loans			
(1) Loans to finance agricultural production and other loans to farmers included in Schedule RC-M, item 13.a.(5)(c), above	K178	N/A	13.a.(5)(c)(1)
(d) Lease financing receivables	K273	0	13.a.(5)(d)
b. Other real estate owned (included in Schedule RC, item 7):			
(1) Construction, land development, and other land	K187	0	13.b.(1)
(2) Farmland	K188	0	13.b.(2)
(3) 1-4 family residential properties	K189	0	13.b.(3)
(4) Multifamily (5 or more) residential properties	K190	0	13.b.(4)
(5) Nonfarm nonresidential properties	K191	0	13.b.(5)
(6) Not applicable			
(7) Portion of covered other real estate owned included in items 13.b.(1) through (5) above that is proteced by FDIC loss-sharing agreements	K192	0	13.b.(7)
c. Debt securities (included in Schdule RC. items 2.a and 2.b)	J461	0	13.c
d. Other assets (exclude FDIC loss-sharing indemnification assets)	J462	0	13.d
14. Captive insurance and reinsurance subsidiaries:			
a. Total assets of captive insurance subsidiaries(3)	K193	0	14.a
b. Total assets of captive reinsurance subsidiaries(3)	K194	0	14.b
Item 15 is to be completed by institutions that are required or have elected to be treated as a Qualified Thrift Lender.			
15. Qualified Thrift Lender (QTL) test:			
	RCON	**Number**	
a. Does the institution use the Home Owners' Loan Act (HOLA) QTL test or the Internal Revenue Service Domestic Building and Loan Association (IRS DBLA) test to determine its QTL compliance? (for the HOLA QTL test, enter 1; for the IRS DBLA test, enter 2)	L133	N/A	15.a
	RCON	**YES / NO**	
b. Has the institution been in compliance with the HOLA QTL test as of each month end during the quarter or the IRS DBLA test for its most recent taxable year, as applicable?	L135	N/A	15.b

(1) Includes "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and loans) of states and political subdivisions in the U.S.," and "Loans to nondepository financial institutions and other loans"

(2) The 300 million asset size test and the 5 percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2011, Report of Condition.

(3) Report total assets before eliminating intercompany transactions between the consolidated insurance or reinsurance subsidiary and other offices or consolidated subsidiaries of the reporting bank.

Schedule RC-N—Past Due and Nonaccrual Loans, Leases, and Other Assets

Dollar Amounts in Thousands	(Column A) Past due 30 through 89 days and still accruing RCON	Bil | Mil | Thou	(Column B) Past due 90 days or more and still accruing RCON	Bil | Mil | Thou	(Column C) Nonaccrual RCON	Bil | Mil | Thou	
1. Loans secured by real estate:							
a. Construction, land development, and other land loans:							
(1) 1-4 family residential construction loans	F172	0	F174	0	F176	0	1.a.(1)
(2) Other construction loans and all land development and other land loans	F173	401	F175	0	F177	3,962	1.a.(2)
b. Secured by farmland	3493	0	3494	0	3495	0	1.b
c. Secured by 1-4 family residential properties:							
(1) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	5398	0	5399	0	5400	110	1.c.(1)
(2) Closed-end loans secured by 1-4 family residential properties:							
(a) Secured by first liens	C236	185	C237	0	C229	271	1.c.(2)(a)
(b) Secured by junior liens	C238	0	C239	0	C230	67	1.c.(2)(b)
d. Secured by multifamily (5 or more) residential properties	3499	0	3500	0	3501	0	1.d
e. Secured by nonfarm nonresidential properties:							
(1) Loans secured by owner-occupied nonfarm nonresidential properties	F178	1,684	F180	0	F182	2,853	1.e(1)
(2) Loans secured by other nonfarm nonresidential properties	F179	267	F181	0	F183	1,332	1.e(2)
2. Loans to depository institutions and acceptances of other banks	B834	0	B835	0	B836	0	2
3. Not applicable							
4. Commercial and industrial loans	1606	1,183	1607	0	1608	3,523	4
5. Loans to individuals for household, family, and other personal expenditures:							
a. Credit cards	B575	0	B576	0	B577	0	5.a
b. Automobile loans	K213	11	K214	0	K215	0	5.b
c. Other (includes revolving credit plans other than credit cards and other consumer loans)	K216	14	K217	0	K218	0	5.c
6. Loans to foreign governments and official institutions	5389	0	5390	0	5391	0	6
7. All other loans(1)	5459	0	5460	0	5461	0	7
8. Lease financing receivables	1226	0	1227	0	1228	0	8
9. Debt securities and other assets (exclude other real estate owned and other repossessed assets)	3505	0	3506	0	3507	0	9

(1) Includes past due and nonaccrual "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Loans to nondepository financial institutions and other loans."

Schedule RC-N—Continued

Amounts reported in Schedule RC-N, items 1 through 8, above include guaranteed and unguaranteed portions of past due and nonaccrual loans and leases. Report in item 10 and 11 below certain guaranteed loans and leases that have already been included in the amounts reported in items 1 through 8.

Dollar Amounts in Thousands	RCON	(Column A) Past due 30 through 89 days and still accruing Bil | Mil | Thou	RCON	(Column B) Past due 90 days or more and still accruing Bil | Mil | Thou	RCON	(Column C) Nonaccrual Bil | Mil | Thou	
10. Loans and leases reported in items 1 through 8 above that are wholly or partially guaranteed by the U.S. Government, excluding loans and leases covered by loss-sharing agreements with the FDIC	K036	334	K037	0	K038	307	10
a. Guaranteed portion of loans and leases included in item 10 above, excluding rebooked "GNMA loans"	K039	243	K040	0	K041	99	10.a
b. Rebooked "GNMA loans" that have been repurchased or are eligible for repurchase included in item 10 above	K042	0	K043	0	K044	0	10.b
11. Loans and leases reported in items 1 through 8 above that are covered by loss-sharing agreements with the FDIC:							
a. Loans secured by real estate:							
(1) Construction, land development, and other land loans:							
(a) 1-4 family residential construction loans	K045	0	K046	0	K047	0	11.a.(1)(a)
(b) Other construction loans and all land development and other land loans	K048	0	K049	0	K050	0	11.a.(1)(b)
(2) Secured by farmland	K051	0	K052	0	K053	0	11.a.2
(3) Secured by 1-4 family residential properties							
(a) Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	K054	0	K055	0	K056	0	11.a.(3)(a)
(b) Closed-end loans secured by 1-4 family residential properties:							
(1) Secured by first liens	K057	0	K058	0	K059	0	11.a.(3)(b)(1)
(2) Secured by junior liens	K060	0	K061	0	K062	0	11.a.(3)(b)(2)
(4) Secured by multifamily (5 or more) residential properties	K063	0	K064	0	K065	0	11.a.(4)
(5) Secured by nonfarm nonresidential properties:							
(a) Loans secured by owner-occupied nonfarm nonresidential properties	K066	0	K067	0	K068	0	11.a.(5)(a)
(b) Loans secured by other nonfarm nonresidential properties	K069	0	K070	0	K071	0	11.a.(5)(b)
b. Not applicable							
c. Commercial and industrial loans	K075	0	K076	0	K077	0	11.c

Schedule RC-N—Continued

Dollar Amounts in Thousands	RCON	(Column A) Past due 30 through 89 days and still accruing Bil | Mil | Thou	RCON	(Column B) Past due 90 days or more and still accruing Bil | Mil | Thou	RCON	(Column C) Nonaccrual Bil | Mil | Thou	
11.d. Loans to individuals for household, family, and other personal expenditures:							
(1) Credit cards	K078	0	K079	0	K080	0	11.d.(1)
(2) Automobile loans	K081	0	K082	0	K083	0	11.d.(2)
(3) Other (includes revolving credit plans other than credit cards and other consumer loans)	K084	0	K085	0	K086	0	11.d.(3)
e. All other loans and all leases	K087	0	K088	0	K089	0	11.e
Itemize the past due and nonaccrual amounts included in item 11.e above for the loan and lease categories for which amounts were reported in Schedule RC-M, items 13.a.(5)(a) through (d):							
(1) Loans to depository institutions and acceptances of other banks	K091	0	K092	0	K093	0	11.e.(1)
(2) Loans to foreign govemments and offcial institutions	K095	0	K096	0	K097	0	11.e.(2)
(3) Other loans(1)	K099	0	K100	0	K101	0	11.e.(3)
Item 11.e.(3)(a) is to be completed by:(2) *. Banks with $300 million or more in total assets* *. Banks with less than $300 millon in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans*							
(a) Loans to finance agricultural production and other loans to farmers included in Schule RC-N, item 11.e.(3), above	K072	N/A	K073	N/A	K074	N/A	11.e.(3)(a)
(4) Lease financing receivables	K269	0	K271	0	K272	0	11.e.(4)
f. Portion of covered loans and leases included in items 11.a through 11.e.3 above that is protected by FDIC loss-sharing agreements	K102	0	K103	0	K104	0	11.f

(1) Includes "Loans to finance agricultural prouction and other loans to farmers," "Obligations (other than securities and loans) of states and political subdivisions in the U.S.," and "Loans to nondepository financial institutions and other loans."
(2) The $300 million asset size test and the 5 percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2011, Report of Condition.

Schedule RC-N—Continued

Memoranda

Dollar Amounts in Thousands	(Column A) Past due 30 through 89 days and still accruing RCON	Bil | Mil | Thou	(Column B) Past due 90 days or more and still accruing RCON	Bil | Mil | Thou	(Column C) Nonaccrual RCON	Bil | Mil | Thou	
1. Loans restructured in troubled debt restructurings included in Schedule RC-N, items 1 through 7, above (and not reported in Schedule RC-C, Part 1, Memorandum item 1):							
a. Construction, land development, and other land loans:							
(1) 1-4 family residential construction loans	K105	0	K106	0	K107	0	M.1.a.(1)
(2) Other construction loans and all land development and other land loans	K108	0	K109	0	K110	2,522	M.1.a.(2)
b. Loans secured by 1-4 family residential properties	F661	0	F662	0	F663	0	M.1.b
c. Secured by multifamily (5 or more) residential properties	K111	0	K112	0	K113	0	M.1.c
d. Secured by nonfarm nonresidential properties:							
(1) Loans secured by owner-ocupied nonfarm nonresidential properties	K114	0	K115	0	K116	1,484	M.1.d.(1)
(2) Loans secured by other nonfarm nonresidential properties	K117	0	K118	0	K119	154	M.1.d.(2)
e. Commercial and industrial loans:	K257	0	K258	0	K259	1,729	M.1.e
Memorandum items 1.e.(1) and (2) are to be completed by banks with $300 millon or more in total assets. (Sum of Memorandum items 1.e.(1) and (2) must equal Memorandum item 1.e):(1)							
(1) To U.S. addressees (domicile)	K120	N/A	K121	N/A	K122	N/A	M.1.e.(1)
(2) To non-U.S. addressees (domicile)	K123	N/A	K124	N/A	K125	N/A	M.1.e.(2)
f. All other loans (Include loans to individuals for household, family, and other personal expenditures)	K126	0	K127	0	K128	0	M.1.f
Itemize loan categories included in Memorandum item 1.f, above that exceed 10% of total loans restructured in troubled debt restructurings that are past due 30 days or more or in nonaccrual status (sum of Memorandum items Itemize loan categories included in Memorandum item 1.f, (sum of Memorandum items 1.a through 1.e plus 1.f, columns A through C):							
(1) Loans secured by farmland	K130	0	K131	0	K132	0	M.1.f.(1)
(2) Loans to depository institutions and acceptances of other banks	K134	0	K135	0	K136	0	M.1.f.(2)
(3) Not applicable							
(4) Loans to individuals for household, family, and other personal expenditures:							
(a) Credit cards	K274	0	K275	0	K276	0	M.1.f.(4)(a)
(b) Automobile loans	K277	0	K278	0	K279	0	M.1.f.(4)(b)
(c) Other (includes revolving credit plans other than credit cards and other consumer loans)	K280	0	K281	0	K282	0	M.1.f.(4)(c)

(1) The $300 million asset size test is generally based on the total assets reported on the June 30, 2011, Report of Condition.

Schedule RC-N—Continued

Memoranda—Continued

Dollar Amounts in Thousands	RCON	(Column A) Past due 30 through 89 days and still accruing Bil | Mil | Thou	RCON	(Column B) Past due 90 days or more and still accruing Bil | Mil | Thou	RCON	(Column C) Nonaccrual Bil | Mil | Thou	
1.f.(5) Loans to foreign governments and offcial institutions	K283	0	K284	0	K285	0	M.1.f.(5)
(6) Other Loans(1)	K286	0	K287	0	K288	0	M.1.f.(6)
Memorandum item 1.f.(6)(a) is to be completed by:(2) *- Banks with $300 million or more in total assets* *- Banks with less than $300 milion in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part 1, item 3) exceeding five percent of total loans*							
(a) Loans to finance agricultural production and other loans to farmers included in Schedule RC-N, Memorandum item 1.f.(6), above	K138	N/A	K139	N/A	K140	N/A	M.1.f.(6)(a)
2. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RC-N, items 4 and 7, above	6558	0	6559	0	6560	0	M.2
3. Memorandum items 3.a through 3.d are to be completed by banks with $300 million in total assets:(2)							
a. Loans secured by real estate to non-U.S. addressees (domicile) (included in Schedule RC-N, item 1, above)	1248	N/A	1249	N/A	1250	N/A	M.3.a
b. Loans to and acceptances of foreign banks (included in Schedule RC-N, item 2, above)	5380	N/A	5381	N/A	5382	N/A	M.3.b
c. Commercial and industrial loans to non-U.S. addressees (domicile) (included in Schedule RC-N, item 4, above)	1254	N/A	1255	N/A	1256	N/A	M.3.c
d. Leases to individuals for household, family, and other personal expenditures (included in Schedule RC-N, item 8, above)	F166	N/A	F167	N/A	F168	N/A	M.3.d

(1) Includes "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and loans) of states and political subdivisions in the U.S.," and "Loans to nondepository financial institutions and other loans."
(2) The $300 million asset size test and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2011, Report of Condition.

Schedule RC-N—Continued

Memoranda—Continued

Dollar Amounts in Thousands	(Column A) Past due 30 through 89 days and still accruing RCON	Bil | Mil | Thou	(Column B) Past due 90 days or more and still accruing RCON	Bil | Mil | Thou	(Column C) Nonaccrual RCON	Bil | Mil | Thou	
Memorandum item 4 is to be completed by:(1) *• banks with $300 million or more in total assets* *• banks with less than $300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, part I, item 3) exceeding five percent of total loans:*							
4. Loans to finance agricultural production and other loans to farmers (included in Schedule RC-N, item 7, above)	1594	N/A	1597	N/A	1583	N/A	M.4
5. Loans and leases held for sale and loans measured at fair value (included Schedule RC-N, items 1 through 8, above):							
a. Loans and leases held for sale	C240	0	C241	0	C226	0	M.5.a
b. Loans measured at fair value:							
(1) Fair value	F664	0	F665	0	F666	0	M.5.b.(1)
(2) Unpaid principal balance	F667	0	F668	0	F669	0	M.5.b.(2)

Dollar Amounts in Thousands	(Column A) Past due 30 through 89 days RCON	Bil | Mil | Thou	(Column B) Past due 90 days or more RCON	Bil | Mil | Thou	
Memorandum item 6 is to be completed by banks with $300 million or more in total assets:(1)					
6. Derivative contracts: Fair value of amounts carried as assets	3529	N/A	3530	N/A	M.6

	RCON	Bil | Mil | Thou	
7. Additions to nonaccrual assets during the quarter	C410	2,536	M.7
8. Nonaccrual assets sold during the quarter	C411	0	M.8

Dollar Amounts in Thousands	(Column A) Past due 30 through 89 days and still accruing RCON	Bil | Mil | Thou	(Column B) Past due 90 days or more and still accruing RCON	Bil | Mil | Thou	(Column C) Nonaccrual RCON	Bil | Mil | Thou	
9. Purchased credit-impaired loans accounted for in accordance with FASB ASC 310-30 (former AICPA Statement of Position 03-3):							
a. Outstanding balance	L183	0	L184	0	L185	0	M.9.a
b. Carrying amount included in Schedule RC-N, items 1 through 7, above	L186	0	L187	0	L188	0	M.9.b

(1) The $300 million asset size test and the five percent of total loans test are generally based on the total assets and total loans reported on the June 30, 2011, Report of Condition.

Schedule RC-O—Other Data for Deposit Insurance and FICO Assessments

All FDIC-insured depository institutions must complete items 1 and 2, 4 through 9, 10, and 11, Memorandum items 1 and 5, and, if applicable, item 9.a, Memorandum items 2, 3, and 6 through 17 each quarter. Unless otherwise indicated, complete items 1 through 11 and Memorandum items 1 through 5 on an"unconsolidated single FDIC certificate number basis" (see instructions) and complete Memorandum items 6 through 17 on a fully consolidated basis.

Dollar Amounts in Thousands		RCON	Bil | Mil | Thou	
1. Total deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations		F236	176,844	1
2. Total allowable exclusions, including interest accrued and unpaid on allowable exclusions		F237	0	2
3. Not applicable				
4. Average consolidated total assets		K652	197,817	4
a. Averaging method used (for daily averaging, enter 1, for weekly averaging, enter 2)	**Number** K653 1			4.a
			Bil | Mil | Thou	
5. Average tangible equity(1)		K654	7,745	5
6. Holdings of long-term unsecured debt issued by other FDIC-insured depository institutions		K655	0	6
7. Unsecured "Other borrowings" with a remaining maturity of (sum of items 7.a through 7.d must be less than or equal to Schedule RC-M, items 5.b.(1)(a)-(d) minus item 10.b):				
a. One year or less		G465	0	7.a
b. Over one year through three years		G466	0	7.b
c. Over three years through five years		G467	0	7.c
d. Over five years		G468	0	7.d
8. Subordinated notes and debentures with a remaining maturity of (sum of items 8.a through 8.d must equal Schedule RC, item 19):				
a. One year or less		G469	0	8.a
b. Over one year through three years		G470	0	8.b
c. Over three years through five years		G471	0	8.c
d. Over five years		G472	0	8.d
9. Reciprocal brokered deposits (included in Schedule RC-E, Memorandum item 1.b)		G803	0	9
Item 9.a is to be completed on a fully consolidated basis by all institutions that own another insured depository institution.				
a. Fully consolidated reciprocal brokered deposits		L190	N/A	9.a
10. Banker's bank certification:				
Does the reporting institution meet both the statutory definition of a banker's bank and the business conduct test set forth in FDIC regulations?			**YES / NO**	
		K656	NO	10
If the answer to item 10 is "YES," complete items 10.a and 10.b.			Bil | Mil | Thou	
a. Banker's bank deduction		K657	N/A	10.a
b. Banker's bank deduction limit		K658	N/A	10.b
11. Custodial bank certification:				
Does the reporting institution meet the definition of a custodial bank set forth in FDIC regulations?			**YES / NO**	
		K659	NO	11
If the answer to item 11 is "YES," complete items 11.a and 11.b.			Bil | Mil | Thou	
a. Custodial bank deduction		K660	N/A	11.a
b. Custodial bank deduction limit		K661	N/A	11.b

(1) Tangible equity is defined as Tier 1 capital as set forth in the banking agencies' regulatory capital standards and reported in Schedule RC-R, item 11.

Schedule RC-O—Continued

Memoranda

Dollar Amounts in Thousands	RCON	Number	RCON	Bil | Mil | Thou	
1. Total deposit liabilities of the bank, including related interest accrued and unpaid, less allowable exclusions, including related interest accrued and unpaid (sum of Memorandum items 1.a.(1), 1.b.(1), 1.c.(1), and 1.d.(1) must equal Schedule RC-O, item 1 less item 2):					
a. Deposit accounts (excluding retirement accounts) of $250,000 or less:(1)					
(1) Amount of deposit accounts (excluding retirement accounts) of $250,000 or less			F049	133,980	M.1.a.(1)
(2) Number of deposit accounts (excluding retirement accounts) of $250,000 or less	F050	14,161			M.1.a.(2)
b. Deposit accounts (excluding retirement accounts) of more than $250,000:(1)					
(1) Amount of deposit accounts (excluding retirement accounts) of more than $250,000			F051	33,484	M.1.b.(1)
(2) Number of deposit accounts (excluding retirement accounts) of more than $250,000	F052	64			M.1.b.(2)
c. Retirement deposit accounts of $250,000 or less:(1)					
(1) Amount of retirement deposit accounts of $250,000 or less			F045	8,843	M.1.c.(1)
(2) Number of retirement deposit accounts of $250,000 or less	F046	556			M.1.c.(2)
d. Retirement deposit accounts of more than $250,000:(1)					
(1) Amount of retirement deposit accounts of more than $250,000			F047	537	M.1.d.(1)
(2) Number of retirement deposit accounts of more than $250,000	F048	1			M.1.d.(2)
Memorandum item 2 is to be completed by banks with $1 billion or more in total assets.(2)					
2. Estimated amount of uninsured deposits, including related interest accrued and unpaid (see instructions):(3)			5597	N/A	M.2

3. Has the reporting institution been consolidated with a parent bank or Savings association in that parent bank's or parent Saving association's Call Report or Thrift Financial Report? If so, report the legal title and FDIC Certificate Number of the parent bank or parent Savings association:

TEXT		RCON	FDIC Cert No.	
A545		A545	0	M.3

Dollar Amounts in Thousands	RCON	Number	RCON	Bil | Mil | Thou	
4. Not Applicable					
Memorandum items 5.a and 5.b are to be completed by all banks.					
5. Noninterest-bearing transaction accounts (as defined in Section 343 of the Dodd-Frank Act) of more than $250,000 (see instructions):(4)					
a. Amount of noninterest-bearing transaction accounts of more than $250,000			J944	10,365	M.5.a
b. Number of noninterest-bearing transaction accounts of more than $250,000	J945	18			M.5.b

(1) The dollar amounts used as the basis for reporting in Memorandum items 1.a through 1.d reflect the deposit insurance limits in effect on the report date excluding the temporary unlimited insurance coverage on noninterest-bearing transaction accounts.
(2) The $1 billion asset size test is generally based on the total assets reported on the June 30, 2011, Report of Condition.
(3) Uninsured deposits should be estimated based on the deposit insurance limits set forth in Memorandum items 1.a through 1.d and the temporary unlimited insurance coverage on noninterest-bearing transaction accounts.
(4) Excludes interest-bearing demand deposits.

Schedule RC-O—Continued

Amounts reported in Memorandum items 6 through 9, 14, and 15 will not be made available to the public on an individual institution basis

Memoranda—Continued

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
Memorandum items 6 through 12 are to be completed by "large institutions" and "highly complex institutions" as defined in FDIC regulations.			
6. Criticized and classified items:			
a. Special mention	K663	N/A	M.6.a
b. Substandard	K664	N/A	M.6.b
c. Doubtful	K665	N/A	M.6.c
d. Loss	K666	N/A	M.6.d
7. "Nontraditional 1–4 family residential mortgage loans" as defined for assessment purposes only in FDIC regulations	K675	N/A	M.7
8. "Subprime consumer loans" as defined for assessment purposes only in FDIC regulations	K667	N/A	M.8
9. "Leveraged loans and securities" as defined for assessment purposes only in FDIC regulations	K668	N/A	M.9
10. Commitments to fund construction, land development, and other land loans secured by real estate:			
a. Total unfunded commitments	K676	N/A	M.10.a
b. Portion of unfunded commitments guaranteed or insured by the U.S. government (including the FDIC)	K677	N/A	M.10.b
11. Amount of other real estate owned recoverable from the U.S. government under guarantee or insurance provisions (excluding FDIC loss-sharing agreements)	K669	N/A	M.11
12. Nonbrokered time deposits of more than $250,000 (included in Schedule RC-E, Memorandum item 2.d)	K678	N/A	M.12
Memorandum item 13.a is to be completed by "large institutions" and "highly complex institutions" as defined in FDIC regulations. Memorandum items 13.b through 13.g are to be completed by "large institutions" only.			
13. Portion of funded loans guaranteed or insured by the U.S. government (excluding FDIC loss-sharing agreements):			
a. Construction, land development, and other land loans secured by real estate	K679	N/A	M.13.a
b. Loans secured by multifamily residential and nonfarm nonresidential properties	K680	N/A	M.13.b
c. Closed-end loans secured by fi rst liens on 1-4 family residential properties	K681	N/A	M.13.c
d. Closed-end loans secured by junior liens on 1-4 family residential properties and revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	K682	N/A	M.13.d
e. Commercial and industrial loans	K670	N/A	M.13.e
f. Credit card loans to individuals for household, family, and other personal expenditures	K671	N/A	M.13.f
g. Revolving credit plans other than credit cards, automobile loans, and other consumer loans	K672	N/A	M.13.g
Memorandum items 14 and 15 are to be completed by "highly complex institutions" as defined in FDIC regulations.			
14. Amount of the institution's largest counterparty exposure	K673	N/A	M.14
15. Total amount of the institution's 20 largest counterparty exposures	K674	N/A	M.15

Schedule RC-O—Continued

Memoranda—Continued

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
Memorandum item 16 is to be completed by "large institutions" and "highly complex institutions" as defined in FDIC regulations.			
16. Portion of loans restructured in troubled debt restructurings that are in compliance with their modified terms and are guaranteed or insured by the U.S. government (including the FDIC) (included in Schedule RC-C, Part I, Memorandum item 1)	L189	N/A	M.16
Memorandum item 17 is to be completed on a fully consolidated basis by those "large institutions" and "highly complex institutions" as defined in FDIC regulations that own another insured depository institution.			
17. Selected fully consolidated data for deposit insurance assessment purposes:			
a. Total deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations	L194	N/A	M.17.a
b. Total allowable exclusions, including interest accrued and unpaid on allowable exclusions	L195	N/A	M.17.b
c. Unsecured "Other borrowings" with a remaining maturity of one year or less	L196	N/A	M.17.c
d. Estimated amount of uninsured deposits, including related interest accrued and unpaid	L197	N/A	M.17.d

Schedule RC-P—1-4 Family Residential Mortgage Banking Activities

Schedule RC-P is to be completed by (1) all banks with $1 billion or more in total assets[1] and (2) banks with less than $1 billion in total assets at which either 1-4 family residential mortgage loan originations and purchases for resale[2] from all sources, loan sales, or quarter-end loans held for sale exceed $10 million for two consecutive quarters.

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
1. Retail originations during the quarter of 1-4 family residential mortgage loans for sale:(2)			
a. Closed-end first liens	F066	N/A	1.a
b. Closed-end junior liens	F067	N/A	1.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F670	N/A	1.c.(1)
(2) Principal amount funded under the lines of credit	F671	N/A	1.c.(2)
2. Wholesale originations and purchases during the quarter of 1-4 family residential mortgage loans for sale:(2)			
a. Closed-end first liens	F068	N/A	2.a
b. Closed-end junior liens	F069	N/A	2.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F672	N/A	2.c.(1)
(2) Principal amount funded under the lines of credit	F673	N/A	2.c.(2)
3. 1-4 family residential mortgage loans sold during the quarter:			
a. Closed-end first liens	F070	N/A	3.a
b. Closed-end junior liens	F071	N/A	3.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F674	N/A	3.c.(1)
(2) Principal amount funded under the lines of credit	F675	N/A	3.c.(2)
4. 1-4 family residential mortgage loans held for sale at quarter-end (included in Schedule RC, item 4.a and 5):			
a. Closed-end first liens	F072	N/A	4.a
b. Closed-end junior liens	F073	N/A	4.b
c. Open-end loans extended under lines of credit:			
(1) Total commitment under the lines of credit	F676	N/A	4.c.(1)
(2) Principal amount funded under the lines of credit	F677	N/A	4.c.(2)
5. Noninterest income for the quarter from the sale, securitization, and servicing of 1-4 family residential mortgage loans (included in Schedule RI, items 5.f, 5.g, and 5.i):	RIAD		
a. Closed-end 1-4 family residential mortgage loans	F184	N/A	5.a
b. Open-end 1-4 family residential mortgage loans extended under lines of credit	F560	N/A	5.b
6. Repurchases and indemnifications of 1-4 family residential mortgage loans during the quarter:	RCON		
a. Closed-end first liens	F678	N/A	6.a
b. Closed-end junior liens	F679	N/A	6.b
c. Open-end loans extended under line of credit:			
(1) Total commitment under the lines of credit	F680	N/A	6.c.(1)
(2) Principal amount funded under the lines of credit	F681	N/A	6.c.(2)
7. Representation and warranty reserves for 1–4 family residential mortgage loans sold:			
a. For representations and warranties made to U.S. government agencies and government-sponsored agencies	L191	N/A	7.a
b. For representations and warranties made to other parties	L192	N/A	7.b

(1) The $1 billion asset size test is generally based on the total assets reported on the June 30, 2011, Report of Condition.
(2) Exclude originations and purchases of 1-4 family residential mortgage loans that are held for investment.

Schedule RC-Q—Assets and Liabilities Measured at Fair Value on a Recurring Basis

Schedule RC-Q is to be completed by banks that:

(1) Had total assets of $500 million or more as of the beginning of their fiscal year; or
(2) Had total assets of less than $500 million as of the beginning of their fiscal year and either:
(a) Have elected to report financial instruments or servicing assets and liabilities at fair value under a fair value option with changes in fair value recognized in earnings, or
(b) Are required to complete Schedule RC-D, Trading Assets and Liabilities.

	(Column A) Total Fair Value Reported on Schedule RC		(Column B) LESS: Amounts Netted in the Determination of Total Fair Value		(Column C) Level 1 Fair Value Measurements		(Column D) Level 2 Fair Value Measurements		(Column E) Level 3 Fair Value Measurements		
Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	
Assets											
1. Available-for-sale securities	1773	N/A	G474	N/A	G475	N/A	G476	N/A	G477	N/A	1
2. Federal funds sold and securities purchased under agreements to resell	G478	N/A	G479	N/A	G480	N/A	G481	N/A	G482	N/A	2
3. Loans and leases held for sale	G483	N/A	G484	N/A	G485	N/A	G486	N/A	G487	N/A	3
4. Loans and leases held for investment	G488	N/A	G489	N/A	G490	N/A	G491	N/A	G492	N/A	4
5. Trading assets:											
a. Derivative assets	3543	N/A	G493	N/A	G494	N/A	G495	N/A	G496	N/A	5.a
b. Other trading assets	G497	N/A	G498	N/A	G499	N/A	G500	N/A	G501	N/A	5.b
(1) Nontrading securities at fair value with changes in fair value reported in current earnings (included in Schedule RC-Q, item 5.b, above)	F240	N/A	F684	N/A	F692	N/A	F241	N/A	F242	N/A	5.b.1
6. All other assets	G391	N/A	G392	N/A	G395	N/A	G396	N/A	G804	N/A	6
7. Total assets measured at fair value on a recurring basis(sum of items 1 through 5b plus item 6.)	G502	**N/A**	G503	**N/A**	G504	**N/A**	G505	**N/A**	G506	**N/A**	7

Schedule RC-Q—Continued

Dollar Amounts in Thousands	(Column A) Total Fair Value Reported on Schedule RC		(Column B) LESS: Amounts Netted in the Determination of Total Fair Value		(Column C) Level 1 Fair Value Measurements		(Column D) Level 2 Fair Value Measurements		(Column E) Level 3 Fair Value Measurements		
	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	
Liabilities											
8. Deposits	F252	N/A	F686	N/A	F694	N/A	F253	N/A	F254	N/A	8
9. Federal funds purchased and securities sold under agreements to repurchase	G507	N/A	G508	N/A	G509	N/A	G510	N/A	G511	N/A	9
10. Trading liablities:											
a. Derivative liabilities	3547	N/A	G512	N/A	G513	N/A	G514	N/A	G515	N/A	10.a
b. Other trading liabilities	G516	N/A	G517	N/A	G518	N/A	G519	N/A	G520	N/A	10.b
11. Other borrowed money	G521	N/A	G522	N/A	G523	N/A	G524	N/A	G525	N/A	11
12. Subordinated notes and debentures	G526	N/A	G527	N/A	G528	N/A	G529	N/A	G530	N/A	12
13. All other liabilities	G805	N/A	G806	N/A	G807	N/A	G808	N/A	G809	N/A	13
14. Total liabilities measured at fair value on a recurring basis (sum of items 8 through 13)	G531	**N/A**	G532	**N/A**	G533	**N/A**	G534	**N/A**	G535	**N/A**	14

Schedule RC-Q—Continued

Dollar Amounts in Thousands	(Column A) Total Fair Value Reported on Schedule RC		(Column B) LESS: Amounts Netted in the Determination of Total Fair Value		(Column C) Level 1 Fair Value Measurements		(Column D) Level 2 Fair Value Measurements		(Column E) Level 3 Fair Value Measurements		
	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	
Memoranda											
1. All other assets (itemize and describe amounts included in Schedule RC-Q, item 6, that are greater than $25,000 and exceed 25% of item 6):											
a. Mortgage servicing assets	G536	N/A	G537	N/A	G538	N/A	G539	N/A	G540	N/A	M.1.a
b. Nontrading derivative assets	G541	N/A	G542	N/A	G543	N/A	G544	N/A	G545	N/A	M.1.b
TEXT											
c. G546	G546	N/A	G547	N/A	G548	N/A	G549	N/A	G550	N/A	M.1.c
d. G551	G551	N/A	G552	N/A	G553	N/A	G554	N/A	G555	N/A	M.1.d
e. G556	G556	N/A	G557	N/A	G558	N/A	G559	N/A	G560	N/A	M.1.e
f. G561	G561	N/A	G562	N/A	G563	N/A	G564	N/A	G565	N/A	M.1.f
2. All other liabilities (itemize and describe amounts included in Schedule RC-Q, item 13, that are greater than $25,000 and exceed 25% of item 13)											
a. Loan commitments (not accounted for as derivatives)	F261	N/A	F689	N/A	F697	N/A	F262	N/A	F263	N/A	M.2.a
b. Nontrading derivative liabilities	G566	N/A	G567	N/A	G568	N/A	G569	N/A	G570	N/A	M.2.b
TEXT											
c. G571	G571	N/A	G572	N/A	G573	N/A	G574	N/A	G575	N/A	M.2.c
d. G576	G576	N/A	G577	N/A	G578	N/A	G579	N/A	G580	N/A	M.2.d
e. G581	G581	N/A	G582	N/A	G583	N/A	G584	N/A	G585	N/A	M.2.e
f. G586	G586	N/A	G587	N/A	G588	N/A	G589	N/A	G590	N/A	M.2.f

Schedule RC-R—Regulatory Capital

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
Tier 1 capital			
1. Total bank equity capital (from Schedule RC, item 27.a)	3210	7,725	1
2. LESS: Net unrealized gains (losses) on available-for-sale securities(1) (if a gain, report as a positive value; if a loss, report as a negative value)	8434	336	2
3. LESS: Net unrealized loss on available-for-sale EQUITY securities(1)(report loss as a positive value)	A221	0	3
4. LESS: Accumulated net gains (losses) on cash flow hedges(1) and amounts recorded in AOC1 resulting from the 701-20(former FASB Statement No, 128) to defined benefit post retirement plans. (if a gain, report as a positive value; if a loss, report as a negative value)	4336	0	4
5. LESS: Nonqualifying perpetual preferred stock	B588	0	5
6. Qualifying noncontrolling (minority) interests in consolidated subsidiaries	B589	0	6
7.a. LESS: Disallowed goodwill and other disallowed intangible assets	B590	0	7.a
b. LESS: Cumulative change in fair value of all financial liabilities accounted for under a fair value option that is included in retained earnings and is attributable to changes in the bank's own creditworthiness (if a net gain, report as a positive value; if a net loss, report as a negative value)	F264	0	7.b
8. Subtotal (sum of items 1 and 6, less items 2, 3, 4, 5, 7.a, and 7.b)	C227	**7,389**	8
9.a. LESS: Disallowed servicing assets and purchased credit card relationships	B591	0	9.a
b. LESS: Disallowed deferred tax assets	5610	0	9.b
10. Other additions to (deductions from) Tier 1 capital	B592	0	10
11. Tier 1 capital (sum of items 8 and 10, less items 9.a and 9.b)	8274	**7,389**	11
Tier 2 capital			
12. Qualifying subordinated debt and redeemable preferred stock	5306	0	12
13. Cumulative perpetual preferred stock includible in Tier 2 capital	B593	0	13
14. Allowance for loan and lease losses includible in Tier 2 capital	5310	1,827	14
15. Unrealized gains on available-for-sale equity securities includible in Tier 2 capital	2221	0	15
16. Other Tier 2 capital components	B594	0	16
17. Tier 2 capital (sum of items 12 through 16)	5311	**1,827**	17
18. Allowable Tier 2 capital (lesser of item 11 or 17)	8275	**1,827**	18
19. Tier 3 capital allocated for market risk	1395	0	19
20. LESS: Deductions for total risk-based capital	B595	0	20
21. Total risk-based capital (sum of items 11, 18, and 19, less item 20)	3792	**9,216**	21
Total assets for leverage ratio			
22. Total assets (for banks, from Schedule RC-K, item 9; for savings associations, from Schedule RC, item 12)	L136	197,817	22
23. LESS: Disallowed goodwill and other disallowed intangible assets (from item 7.a above)	B590	0	23
24. LESS: Disallowed servicing assets and purchased credit card relationships (from item 9.a above)	B591	0	24
25. LESS: Disallowed deferred tax assets (from item 9.b above)	5610	0	25
26. Other additions to (deductions from) assets for leverage capital purposes	L137	0	26
27. Total assets for leverage capital purposes (sum of items 22 and 26 less items 23 through 25)	L138	**197,817**	27
Adjustments for financial subsidiaries			
28. a. Adjustment to Tier 1 capital reported in item 11	C228	0	28.a
b. Adjustment to total risk-based capital reported in item 21	B503	0	28.b
29. Adjustment to risk-weighted assets reported in item 62	B504	0	29
30. Adjustment to average total assets reported in item 27	B505	0	30

(1) Report amount included in Schedule RC, item 26.b, "Accumulated other comprehensive income(AOC1)."

Schedule RC-R—Regulatory Capital

Dollar Amounts in Thousands | RCON | Bil | Mil | Thou

Capital ratios

(Column B is to be completed by all banks. Column A is to be completed by banks with financial subsidiaries.)

	(Column A)		(Column B)		
	RCON	Percentage	RCON	Percentage	
31. Tier 1 leverage ratio(1)	7273	**0.00%**	7204	**3.74%**	31
32. Tier 1 risk-based capital ratio(2)	7274	**0.00%**	7206	**5.30%**	32
33. Total risk-based capital ratio(3)	7275	**0.00%**	7205	**6.61%**	33

(1) The ratio for column B is item 11 divided by item 27. The ratio for column A is item 11 minus item 28.a divided by (item 27 minus item 30).
(2) The ratio for column B is item 11 divided by item 62. The ratio for column A is item 11 minus item 28.a divided by (item 62 minus item 29).
(3) The ratio for column B is item 21 divided by item 62. The ratio for column A is item 21 minus item 28.b divided by (item 62 minus item 29).

Schedule RC-R—Continued

Banks are not required to risk-weight each on-balance sheet asset and the credit equivalent amount of each off-balance sheet item that qualifies for a risk weight of less than 100 percent (50 percent for derivatives) at its lower risk weight. When completing items 34 through 54 of Schedule RC-R, each bank should decide for itself how detailed a risk-weight analysis it wishes to perform. In other words, a bank can choose from among its assets and off-balance sheet items that have a risk weight of less than 100 percent which ones to risk-weight at an appropriate lower risk weight, or it can simply risk-weight some or all of these items at a 100 percent risk weight (50 percent for derivatives).

Dollar Amounts in Thousands	(Column A) Totals (*from Schedule RC*)	(Column B) Items Not Subject to Risk-Weighting	(Column C) Allocation by Risk Weight Category 0%	(Column D) 20%	(Column E) 50%	(Column F) 100%	
	Bil | Mil | Thou	Bil | Mil | Thou	Bil | Mil | Thou	Bil | Mil | Thou	Bil | Mil | Thou	Bil | Mil | Thou	
Balance Sheet Asset Categories							
34. Cash and balances due from depository institutions (Column A equals the sum of Schedule RC items 1.a and 1.b)	RCON 0010 28,746	RCON C869 0	RCON B600 28,565	RCON B601 180		RCON B602 0	34
35. Held-to-maturity securities(Column A must equal Schedule RC-B, item 8, column A)	RCON 1754 0	RCON B603 0	RCON B604 0	RCON B605 0	RCON B606 0	RCON B607 0	35
36. Available-for-sale securities(Column A must equal Schedule RC-B, item 8, column D)	RCON 1773 19,065	RCON B608 336	RCON B609 10,033	RCON B610 8,696	RCON B611 0	RCON B612 0	36
37. Federal funds sold and securities purchased under agreements to resell	RCON C225 0		RCON C063 0	RCON C064 0		RCON B520 0	37
38. Loans and leases held for sale(Column A must equal RC 4.a)	RCON 5369 0	RCON B617 0	RCON B618 0	RCON B619 0	RCON B620 0	RCON B621 0	38
39. Loans and leases, net of unearned income(Col A must equal RC 4.b)	RCON B528 135,479	RCON B622 0	RCON B623 219	RCON B624 2,201	RCON B625 12,164	RCON B626 120,895	39
40. LESS: Allowance for loan and lease losses	RCON 3123 7,751	RCON 3123 7,751					40
41. Trading assets (Column A must equal RC 5)	RCON 3545 0	RCON B627 0	RCON B628 0	RCON B629 0	RCON B630 0	RCON B631 0	41
42. All other assets(1)	RCON B639 15,176	RCON B640 0	RCON B641 10	RCON B642 581	RCON B643 0	RCON 5339 14,585	42
43. Total assets (sum of items 34 through 42)	RCON 2170 **190,715**	RCON B644 **(7,415)**	RCON 5320 **38,827**	RCON 5327 **11,658**	RCON 5334 **12,164**	RCON 5340 **135,480**	43

(1) Includes premises and fixed assets, other real estate owned, investments in unconsolidated subsidiaries and associated companies, direct and indirect investments in real estate ventures, intangible assets, and other assets.

Schedule RC-R—Continued

Dollar Amounts in Thousands	(Column A) Face Value or Notional Amount (Bil | Mil | Thou)	Credit Conversion Factor	(Column B) Credit Equivalent Amount(1) (Bil | Mil | Thou)	(Column C) Allocation by Risk Weight Category 0% (Bil | Mil | Thou)	(Column D) 20% (Bil | Mil | Thou)	(Column E) 50% (Bil | Mil | Thou)	(Column F) 100% (Bil | Mil | Thou)	
Derivatives and Off-Balance Sheet Items								
44. Financial standby letters of credit	RCON B546 694	See footnote(2) 1.000	RCON B547 694	RCON B548 324	RCON B581 0	RCON B582 0	RCON B583 370	44
45. Performance standby letters of of credit(Column A must equal RC-L.3)	RCON 3821 0	.50	RCON B650 0	RCON B651 0	RCON B652 0	RCON B653 0	RCON B654 0	45
46. Commercial and similar letters of credit(Column A must equal RC-L.4)	RCON 3411 0	.20	RCON B655 0	RCON B656 0	RCON B657 0	RCON B658 0	RCON B659 0	46
47. Risk participations in bankers acceptances acquired by the reporting institution	RCON 3429 0	1.00	RCON B660 0	RCON B661 0	RCON B662 0		RCON B663 0	47
48. Securities lent (must equal RC-L.6)	RCON 3433 0	1.00	RCON B664 0	RCON B665 0	RCON B666 0	RCON B667 0	RCON B668 0	48
49. Retained recourse on small business obligations sold with recourse(Column A must equal RC-S.M.1.b)	RCON A250 0	1.00	RCON B669 0	RCON B670 0	RCON B671 0	RCON B672 0	RCON B673 0	49
50. Recourse and direct credit substitutes (other than financial standby letters of credit) subject to the low-level exposure rule and residual interests subject to a dollar-for-dollar capital requirement (Column F must equal Column B)	RCON B541 0	See footnote(3) 12.500	RCON B542 0				RCON B543 0	50
51. All other financial assets sold with recourse	RCON B675 0	1.00	RCON B676 0	RCON B677 0	RCON B678 0	RCON B679 0	RCON B680 0	51
52. All other off-balance sheet liabilities	RCON B681 0	1.00	RCON B682 0	RCON B683 0	RCON B684 0	RCON B685 0	RCON B686 0	52
53. Unused commitments:								
a. With an original maturity exceeding one year	RCON 3833 2,350	.50	RCON B687 1,175	RCON B688 0	RCON B689 0	RCON B690 0	RCON B691 1,175	53.a
b. With an original maturity of one year or less to asset-backed commercial paper conduits	RCON G591 0	.10	RCON G592 0	RCON G593 0	RCON G594 0	RCON G595 0	RCON G596 0	53.b
54. Derivative contracts			RCON A167 0	RCON B693 0	RCON B694 0	RCON B695 0		54

(1) Column A multiplied by credit conversion factor.
(2) For financial standby letters of credit to which the low-level exposure rule applies, use a credit conversion factor of 12.5 or an institution-specific factor.
For other financial standby letters of credit, use a credit conversion factor of 1.00. See instructions for further information. (Entering an 'M' allows for data entry in Column B.)
(3) Or institution specific factor.

Schedule RC-R—Continued

Dollar Amounts in Thousands	(Column C) 0% Bil | Mil | Thou	(Column D) 20% Bil | Mil | Thou	(Column E) 50% Bil | Mil | Thou	(Column F) 100% Bil | Mil | Thou	
	Allocation by Risk Weight Category				
Totals					
55. Total assets, derivatives, and off-balance sheet items by risk weight category (for each column, sum of items 43 through 54)	RCON B696 **39,151**	RCON B697 **11,658**	RCON B698 **12,164**	RCON B699 **137,025**	55
56. Risk weight factor	x 0%	x 20%	x 50%	x 100%	56
57. Risk-weighted assets by risk weight category (for each column, item 55 multiplied by item 56)	RCON B700 **0**	RCON B701 **2,332**	RCON B702 **6,082**	RCON B703 **137,025**	57
58. Market risk equivalent assets				RCON 1651 0	58
59. Risk-weighted assets before deductions for excess allowance for loan and lease losses and allocated transfer risk reserve (sum of item 57, columns C through F, and item 58)				RCON B704 **145,439**	59
60. LESS: Excess allowance for loan and lease losses				RCON A222 5,924	60
61. LESS: Allocated transfer risk reserve				RCON 3128 0	61
62. Total risk-weighted assets (item 59 minus items 60 and 61)				RCON A223 **139,515**	62

Memoranda

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
1. Current credit exposure across all derivative contracts covered by the risk-based capital standards	8764	0	M.1

Schedule RC-R—Continued

Memoranda—Continued

Dollar Amounts in Thousands	With a remaining maturity of (Column A) One year or less		(Column B) Over one year through five years		(Column C) Over five years		
	RCON	Tril | Bil | Mil | Thou	RCON	Tril | Bil | Mil | Thou	RCON	Tril | Bil | Mil | Thou	
2. Notional principal amounts of derivative contracts:(1)							
a. Interest rate contracts	3809	0	8766	0	8767	0	M.2.a
b. Foreign exchange contracts	3812	0	8769	0	8770	0	M.2.b
c. Gold contracts	8771	0	8772	0	8773	0	M.2.c
d. Other precious metals contracts	8774	0	8775	0	8776	0	M.2.d
e. Other commodity contracts	8777	0	8778	0	8779	0	M.2.e
f. Equity derivative contracts	A000	0	A001	0	A002	0	M.2.f
g. Credit derivative contracts: Purchased credit protecton that (a) is a covered position under the market risk rule or (b) is not a covered position under the market risk rule and is not recognized as a guarantee for risk-based capital purposes:							
(1) Investment grade	G597	0	G598	0	G599	0	M.2.g.1
(2) Subinvestment grade	G600	0	G601	0	G602	0	M.2.g.2

(1) Exclude foreign exchange contracts with an original maturity of 14 days or less and all futures contracts.

Schedule RC-S—Servicing, Securitization, and Asset Sale Activities

Dollar Amounts in Thousands	(Column A) 1-4 Family Residential Loans Bil | Mil | Thou	(Column B) Home Equity Lines Bil | Mil | Thou	(Column C) Credit Card Receivables Bil | Mil | Thou	(Column D) Auto Loans Bil | Mil | Thou	(Column E) Other Consumer Loans Bil | Mil | Thou	(Column F) Commercial and Industrial Loans Bil | Mil | Thou	(Column G) All Other Loans, All Leases, and All Other Assets Bil | Mil | Thou	
Bank Securitization Activities								
1. Outstanding principal balance of assets sold and securitized by the reporting bank with servicing retained or with recourse or other seller-provided credit enhancements	RCON B705 0	RCON B706 0	RCON B707 0	RCON B708 0	RCON B709 0	RCON B710 0	RCON B711 0	1
2. Maximum amount of credit exposure arising from recourse or other seller-provided credit enhancements provided to structures reported in item 1 in the form of:								
a. Credit-enhancing interest-only strips (included in Schedules RC-B or RC-F or in Schedule RC, item 5)	RCON B712 0	RCON B713 0	RCON B714 0	RCON B715 0	RCON B716 0	RCON B717 0	RCON B718 0	2.a
b. Subordinated securities and other residual interests	RCON C393 0	RCON C394 0	RCON C395 0	RCON C396 0	RCON C397 0	RCON C398 0	RCON C399 0	2.b
c. Standby letters of credit and other enhancements	RCON C400 0	RCON C401 0	RCON C402 0	RCON C403 0	RCON C404 0	RCON C405 0	RCON C406 0	2.c
3. Reporting bank's unused commitments to provide liquidity to structures reported in item 1	RCON B726 0	RCON B727 0	RCON B728 0	RCON B729 0	RCON B730 0	RCON B731 0	RCON B732 0	3
4. Past due loan amounts included in item 1: a. 30-89 days past due	RCON B733 0	RCON B734 0	RCON B735 0	RCON B736 0	RCON B737 0	RCON B738 0	RCON B739 0	4.a
b. 90 days or more past due	RCON B740 0	RCON B741 0	RCON B742 0	RCON B743 0	RCON B744 0	RCON B745 0	RCON B746 0	4.b
5. Charge-offs and recoveries on assets sold and securitized with servicing retained or with recourse or other seller-provided credit enhancements (calendar year-to-date): a. Charge-offs	RIAD B747 0	RIAD B748 0	RIAD B749 0	RIAD B750 0	RIAD B751 0	RIAD B752 0	RIAD B753 0	5.a
b. Recoveries	RIAD B754 0	RIAD B755 0	RIAD B756 0	RIAD B757 0	RIAD B758 0	RIAD B759 0	RIAD B760 0	5.b

Schedule RC-S—Continued

Dollar Amounts in Thousands	(Column A) 1-4 Family Residential Loans Bil | Mil | Thou	(Column B) Home Equity Lines Bil | Mil | Thou	(Column C) Credit Card Receivables Bil | Mil | Thou	(Column D) Auto Loans Bil | Mil | Thou	(Column E) Other Consumer Loans Bil | Mil | Thou	(Column F) Commercial and Industrial Loans Bil | Mil | Thou	(Column G) All Other Loans, All Leases, and All Other Assets Bil | Mil | Thou	
6. Amount of ownership (or seller's) interests carried as:								
a. Securities (included in Schedule RC-B or in Schedule RC, item 5)		RCON B761 0	RCON B762 0			RCON B763 0		6.a
b. Loans (included in Schedule RC-C)		RCON B500 0	RCON B501 0			RCON B502 0		6.b
7. Past due loan amounts included in interests reported in item 6.a:								
a. 30-89 days past due		RCON B764 0	RCON B765 0			RCON B766 0		7.a
b. 90 days or more past due		RCON B767 0	RCON B768 0			RCON B769 0		7.b
8. Charge-offs and recoveries on loan amounts included in interests reported in item 6.a (calendar year-to-date):								
a. Charge-offs		RIAD B770 0	RIAD B771 0			RIAD B772 0		8.a
b. Recoveries		RIAD B773 0	RIAD B774 0			RIAD B775 0		8.b
For Securitization Facilities Sponsored By or Otherwise Established By Other Institutions								
9. Maximum amount of credit exposure arising from credit enhancements provided by the reporting bank to other institutions' securitization structures in the form of standby letters of credit, purchased subordinated securities, and other enhancements	RCON B776 0	RCON B777 0	RCON B778 0	RCON B779 0	RCON B780 0	RCON B781 0	RCON B782 0	9
10. Reporting bank's unused commitments to provide liquidity to other institutions' securitization structures	RCON B783 0	RCON B784 0	RCON B785 0	RCON B786 0	RCON B787 0	RCON B788 0	RCON B789 0	10

Schedule RC-S—Continued

Dollar Amounts in Thousands	(Column A) 1-4 Family Residential Loans	(Column B) Home Equity Lines	(Column C) Credit Card Receivables	(Column D) Auto Loans	(Column E) Other Consumer Loans	(Column F) Commercial and Industrial Loans	(Column G) All Other Loans, All Leases, and All Other Assets	
	Bil | Mil | Thou	Bil | Mil | Thou	Bil | Mil | Thou	Bil | Mil | Thou	Bil | Mil | Thou	Bil | Mil | Thou	Bil | Mil | Thou	
Bank Asset Sales								
11. Assets sold with recourse or other seller-provided credit enhancements and not securitized by the reporting bank	RCON B790	RCON B791	RCON B792	RCON B793	RCON B794	RCON B795	RCON B796	
	0	0	0	0	0	0	0	11
12. Maximum amount of credit exposure arising from recourse or other seller-provided credit enhancements provided to assets reported in item 11	RCON B797	RCON B798	RCON B799	RCON B800	RCON B801	RCON B802	RCON B803	
	0	0	0	0	0	0	0	12

Memoranda

Dollar Amounts in Thousands	RCON	Bil | Mil | Thou	
1. Small business obligations transferred with recourse under Section 208 of the Riegle Community Development and Regulatory Improvement Act of 1994:			
a. Outstanding principal balance	A249	0	M.1.a
b. Amount of retained recourse on these obligations as of the report date	A250	0	M.1.b
2. Outstanding principal balance of assets serviced for others (includes participations serviced for others):			
a. Closed-end 1-4 family residential mortgages serviced with recourse or other servicer-provided credit enhancements	B804	0	M.2.a
b. Closed-end 1-4 family residential mortgages serviced with no recourse or other servicer-provided credit enhancements	B805	0	M.2.b
c. Other financial assets (includes home equity lines)(1)	A591	0	M.2.c
d. 1-4 family residential mortgages serviced for others that are in process of foreclosure at quarter-end (includes closed-end and open-end loans)	F699	0	M.2.d
3. Asset-backed commercial paper conduits:			
a. Maximum amount of credit exposure arising from credit enhancements provided to conduit structures in the form of standby letters of credit, subordinated securities, and other enhancements:			
(1) Conduits sponsored by the bank, a bank affiliate, or the bank's holding company	B806	0	M.3.a.1
(2) Conduits sponsored by other unrelated institutions	B807	0	M.3.a.2
b. Unused commitments to provide liquidity to conduit structures:			
(1) Conduits sponsored by the bank, a bank affiliate, or the bank's holding company	B808	0	M.3.b.1
(2) Conduits sponsored by other unrelated institutions	B809	0	M.3.b.2
4. Outstanding credit card fees and finance charges included in Schedule RC-S, item 1, column C(2)	C407	N/A	M.4

(1) Memorandum item 2.c is to be completed if the principal balance of other financial assets serviced for others is more than $10 million.
(2) Memorandum item 4 is to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed $500 million as of the report date or (2) are credit card specialty banks as defined for Uniform Bank Performance Report purposes.

Schedule RC-T—Fiduciary and Related Services

	RCON	YES / NO	
1. Does the institution have fiduciary powers? (If "NO," do not complete Schedule RC-T)	A345	NO	1
2. Does the institution exercise the fiduciary powers it has been granted?	A346	NO	2
3. Does the institution have any fiduciary or related activity (in the form of assets or accounts) to report in this schedule? (If "NO," do not complete the rest of Schedule RC-T.)	B867	NO	3

If the answer to item 3 is "YES," complete the applicable items of Schedule RC-T, as follows:

Institutions with total fiduciary assets (item 10, sum of columns A and B) greater than $250 million (as of the preceding December 31) or with gross fiduciary and related services income greater than 10% of revenue (net interest income plus noninterest income) for the preceding calendar year must complete:

- Items 4 through 22 and Memorandum item 3 quarterly,
- Items 23 through 26 annually with the December report, and
- Memorandum items 1,2, and 4 annually with the December report.

Institutions with total fiduciary assets (item 10, sum of columns A and B) greater than $100 million but less than or equal to $250 million (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must complete:

- Items 4 through 26 annually with the December report, and
- Memorandum items 1 through 4 annually with the December report.

Institutions with total fiduciary assets (item 10, sum of columns A and B) of $100 million or less (as of the preceding December 31) that do not meet the fiduciary income test for quarterly reporting must complete:

- Items 4 through 13 annually with the December report, and
- Memorandum items 1 through 3 annually with the December report.

Dollar Amounts in Thousands	(Column A) Managed Assets Tril | Bil | Mil | Thou	(Column B) Non-Managed Assets Tril | Bil | Mil | Thou	(Column C) Number of Managed Accounts	(Column D) Number of Non-Managed Accounts	
Fiduciary and Related Assets					
4. Personal trust and agency accounts	RCON B868 N/A	RCON B869 N/A	RCON B870 N/A	RCON B871 N/A	4
5. Employee benefit and retirement-related trust and agency accounts:					
a. Employee benefit-defined contribution	RCON B872 N/A	RCON B873 N/A	RCON B874 N/A	RCON B875 N/A	5.a
b. Employee benefit-defined benefit	RCON B876 N/A	RCON B877 N/A	RCON B878 N/A	RCON B879 N/A	5.b
c. Other employee benefit and retirement-related accounts	RCON B880 N/A	RCON B881 N/A	RCON B882 N/A	RCON B883 N/A	5.c
6. Corporate trust and agency accounts	RCON B884 N/A	RCON B885 N/A	RCON C001 N/A	RCON C002 N/A	6
7. Investment management and investment advisory agency accounts	RCON B886 N/A	RCON J253 N/A	RCON B888 N/A	RCON J254 N/A	7
8. Foundation and endowment trust and agency accounts	RCON J255 N/A	RCON J256 N/A	RCON J257 N/A	RCON J258 N/A	8
9. Other fiduciary accounts	RCON B890 N/A	RCON B891 N/A	RCON B892 N/A	RCON B893 N/A	9
10. Total fiduciary accounts (sum of items 4 through 9)	RCON B894 **N/A**	RCON B895 **N/A**	RCON B896 **N/A**	RCON B897 **N/A**	10

Schedule RC-T—Continued

Dollar Amounts in Thousands	(Column A) Managed Assets	(Column B) Non-Managed Assets	(Column C) Number of Managed Accounts	(Column D) Number of Non-Managed Accounts	
	Tril | Bil | Mil | Thou	Tril | Bil | Mil | Thou			
11. Custody and safekeeping accounts		RCON B898 N/A		RCON B899 N/A	11
12. Not applicable					
13. Individual Retirement Accounts, Health Savings Accounts, and other similar accounts (included in items 5.c and 11)	RCON J259 N/A	RCON J260 N/A	RCON J261 N/A	RCON J262 N/A	13

Dollar Amounts in Thousands	RIAD	Bil | Mil | Thou	
Fiduciary and Related Services Income			
14. Personal trust and agency accounts	B904	N/A	14
15. Employee benefit and retirement-related trust and agency accounts:			
a. Employee benefit—defined contribution	B905	N/A	15.a
b. Employee benefit—defined benefit	B906	N/A	15.b
c. Other employee benefit and retirement-related accounts	B907	N/A	15.c
16. Corporate trust and agency accounts	A479	N/A	16
17. Investment management and investment advisory agency accounts	J315	N/A	17
18. Foundation and endowment trust and agency accounts	J316	N/A	18
19. Other fiduciary accounts	A480	N/A	19
20. Custody and safekeeping accounts	B909	N/A	20
21. Other fiduciary and related services income	B910	N/A	21
22. Total gross fiduciary and related services income (sum of items 14 through 21) (must equal Schedule RI, item 5.a)	4070	**N/A**	22
23. LESS: Expenses	C058	N/A	23
24. LESS: Net losses from fiduciary and related services	A488	N/A	24
25. PLUS: Intracompany income credits for fiduciary and related services	B911	N/A	25
26. Net fiduciary and related services income	A491	**N/A**	26

Memoranda Dollar Amounts in Thousands	(Column A) Personal Trust and Agency and Investment Management Agency Accounts		(Column B) Employee Benefit and Retirement-Related Trust and Agency Accounts		(Column C) All Other Accounts		
	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	
1. Managed assets held in fiduciary accounts:							
a. Noninterest-bearing deposits	J263	N/A	J264	N/A	J265	N/A	M.1.a
b. Interest-bearing deposits	J266	N/A	J267	N/A	J268	N/A	M.1.b
c. U.S. Treasury and U.S. Government agency obligations	J269	N/A	J270	N/A	J271	N/A	M.1.c
d. State, county, and municipal obligations	J272	N/A	J273	N/A	J274	N/A	M.1.d
e. Money market mutual funds	J275	N/A	J276	N/A	J277	N/A	M.1.e
f. Equity mutual funds	J278	N/A	J279	N/A	J280	N/A	M.1.f
g. Other mutual funds	J281	N/A	J282	N/A	J283	N/A	M.1.g
h. Common trust funds and collective investment funds	J284	N/A	J285	N/A	J286	N/A	M.1.h
i. Other short-term obligations	J287	N/A	J288	N/A	J289	N/A	M.1.i
j. Other notes and bonds	J290	N/A	J291	N/A	J292	N/A	M.1.j
k. Investments in unregistered funds and private equity investments	J293	N/A	J294	N/A	J295	N/A	M.1.k

Schedule RC-T—Continued

Memoranda—Continued

Dollar Amounts in Thousands	(Column A) Personal Trust and Agency and Investment Management Agency Accounts		(Column B) Employee Benefit and Retirement-Related Trust and Agency Accounts		(Column C) All Other Accounts		
	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	RCON	Bil | Mil | Thou	
1. l. Other common and preferred stocks	J296	N/A	J297	N/A	J298	N/A	M.1.l
m. Real estate mortgages	J299	N/A	J300	N/A	J301	N/A	M.1.m
n. Real estate	J302	N/A	J303	N/A	J304	N/A	M.1.n
o. Miscellaneous assets	J305	N/A	J306	N/A	J307	N/A	M.1.o
p. Total managed assets held in fiduciary accounts (for each column, sum of Memorandum items 1.a through 1.o)	J308	**N/A**	J309	**N/A**	J310	**N/A**	M.1.p

Dollar Amounts in Thousands	(Column A) Managed Assets		(Column B) Number of Managed Accounts		
	RCON	Bil | Mil | Thou	RCON		
1. q. Investments of managed fiduciary accounts in advised or sponsored mutual funds	J311	N/A	J312	N/A	M.1.q

Dollar Amounts in Thousands	(Column A) Number of Issues		(Column B) Principal Amount Outstanding		
	RCON			Tril | Bil | Mil | Thou	
2. Corporate trust and agency accounts:					
a. Corporate and municipal trusteeships	B927	N/A	RCON B928	N/A	M.2.a
(1) Issues reported in Memorandum item 2.a. that are in default	J313	N/A	RCON J314	N/A	M.2.a.1
b. Transfer agent, registrar, paying agent, and other corporate agency	B929	N/A			M.2.b

Dollar Amounts in Thousands	(Column A) Number of Funds		(Column B) Market Value of Fund Assets		
	RCON		RCON	Bil | Mil | Thou	
3. Collective investment funds and common trust funds:					
a. Domestic equity	B931	N/A	B932	N/A	M.3.a
b. International/Global equity	B933	N/A	B934	N/A	M.3.b
c. Stock/Bond blend	B935	N/A	B936	N/A	M.3.c
d. Taxable bond	B937	N/A	B938	N/A	M.3.d
e. Municipal bond	B939	N/A	B940	N/A	M.3.e
f. Short term investments/Money market	B941	N/A	B942	N/A	M.3.f
g. Specialty/Other	B943	N/A	B944	N/A	M.3.g
h. Total collective investment funds (sum of Memorandum items 3.a through 3.g)	B945	**N/A**	B946	**N/A**	M.3.h

Schedule RC-T—Continued

Memoranda—Continued

Dollar Amounts in Thousands	RIAD	(Column A) Gross Losses Managed Accounts Mil | Thou	RIAD	(Column B) Gross Losses Non-Managed Accounts Mil | Thou	RIAD	(Column C) Recoveries Mil | Thou	
4. Fiduciary settlements, surcharges and other losses:							
a. Personal trust and agency accounts	B947	N/A	B948	N/A	B949	N/A	M.4.a
b. Empolyee benefit and retirement related trust and agency accounts	B950	N/A	B951	N/A	B952	N/A	M.4.b
c. Investment management and investment advisory agency accounts	B953	N/A	B954	N/A	B955	N/A	M.4.c
d. Other fiduciary accounts and related services	B956	N/A	B957	N/A	B958	N/A	M.4.d
e. Total fiduciary settlements, surcharges, and other losses (sum of Memorandum items 4.a through 4.d) (sum of columns A and B minus column C must equal Schedule RC-T, item 24)	B959	**N/A**	B960	**N/A**	B961	**N/A**	M.4.e

Person to whom questions about Schedule RC-T—Fiduciary and Related Services should be directed:

N/A
Name and Title (TEXT B962)

N/A
E-mail Address (TEXT B926)

N/A
Telephone: Area code/phone number/extension (TEXT B963)

N/A
FAX: Area code/phone number (TEXT B964)

Schedule RC-V— Variable Interest Entities

Dollar Amounts in Thousands	(Column A) Securitization Vehicles RCON	Bil | Mil | Thou	(Column B) ABCP Conduits RCON	Bil | Mil | Thou	(Column C) Other VIEs RCON	Bil | Mil | Thou	
1. Assets of consolidated variable interest entities (VIEs) that can be used only to settle obligations of the consolidated VIEs:							
a. Cash and balances due from depository institutions	J981	0	J982	0	J983	0	1.a
b. Held-to-maturity securities	J984	0	J985	0	J986	0	1.b
c. Available-for-sale securities	J987	0	J988	0	J989	0	1.c
d. Securities purchased under agreements to resell	J990	0	J991	0	J992	0	1.d
e. Loans and leases held for sale	J993	0	J994	0	J995	0	1.e
f. Loans and leases, net of unearned income	J996	0	J997	0	J998	0	1.f
g. Less: Allowance for loan and lease losses	J999	0	K001	0	K002	0	1.g
h. Trading assets (other than derivatives)	K003	0	K004	0	K005	0	1.h
i. Derivative trading assets	K006	0	K007	0	K008	0	1.i
j. Other real estate owned	K009	0	K010	0	K011	0	1.j
k. Other assets	K012	0	K013	0	K014	0	1.k
2. Liabilities of consolidated VIEs for which creditors do not have recourse to the general credit of the reporting bank:							
a. Securities sold under agreements to repurchase	K015	0	K016	0	K017	0	2.a
b. Derivative trading liabilities	K018	0	K019	0	K020	0	2.b
c. Commercial paper	K021	0	K022	0	K023	0	2.c
d. Other borrowed money (exclude commercial paper)	K024	0	K025	0	K026	0	2.d
e. Other liabilties	K027	0	K028	0	K029	0	2.e
3. All other assets of consolidated VIEs (not included in items 1.a. through 1.k above)	K030	0	K031	0	K032	0	3
4. All other liabilities of consolidated VIEs (not included in items 2.a through 2.e above)	K033	0	K034	0	K035	0	4

Optional Narrative Statement Concerning the Amounts Reported in the Reports of Condition and Income

The management of the reporting bank may, if it wishes, submit a brief narrative statement on the amounts reported in the Reports of Condition and Income. This optional statement will be made available to the public, along with the publicly available data in the Reports of Condition and Income, in response to any request for individual bank report data. However, the information reported in Schedule RI-E, item 2.g; Schedule RCF, item 6.f; and Schedule RC-O, Memorandum items 6 through 9,14, and 15; and Schedule RC-P, items 7.a and 7.b, is regarded as confidential and will not be released to the public. BANKS CHOOSING TO SUBMIT THE NARRATIVE STATEMENT SHOULD ENSURE THAT THE STATEMENT DOES NOT CONTAIN THE NAMES OR OTHER IDENTIFICATIONS OF INDIVIDUAL BANK CUSTOMERS, REFERENCES TO THE AMOUNTS REPORTED IN THE CONFIDENTIAL ITEMS IDENTIFIED ABOVE, OR ANY OTHER INFORMATION THAT THEY ARE NOT WILLING TO HAVE MADE PUBLIC OR THAT WOULD COMPROMISE THE PRIVACY OF THEIR CUSTOMERS. Banks choosing not to make a statement may check the "No comment" box below and should make no entries of any kind in the space provided for the narrative statement; i.e., DO NOT enter in this space such phrases as "No statement," "Not applicable," "N/A", "No comment," and "None."

The optional statement must be entered on this sheet. The statement should not exceed 100 words. Further, regardless of the number of words, the statement must not exceed 750 characters, including punctuation, indentation, and standard spacing between words and sentences. If any submission should exceed 750 characters, as defined, it will be truncated at 750 characters with no notice to the submitting bank and the truncated statement will appear as the bank's statement both on agency computerized records and in computer-file releases to the public.

All information furnished by the bank in the narrative statement must be accurate and not misleading. Appropriate efforts shall be taken by the submitting bank to ensure the statement's accuracy.

If, subsequent to the original submission, material changes are submitted for the data reported in the Reports of Condition and Income, the existing narrative statement will be deleted from the files, and from disclosure; the bank, at its option, may replace it with a statement, appropriate to the amended data.

The optional narrative statement will appear in agency records and in release to the public exactly as submitted (or amended as described in the preceding paragraph) by the management of the bank (except for the truncation of the statements exceeding the 750-character limit described above). THE STATEMENT WILL NOT BE EDITED OR SCREENED IN ANY WAY BY THE SUPERVISORY AGENCIES FOR ACCURACY OR RELEVANCE. DISCLOSURE OF THE STATEMENT SHALL NOT SIGNIFY THAT ANY FEDERAL SUPERVISORY AGENCY HAS VERIFIED OR CONFIRMED THE ACCURACY OF THE INFORMATION CONTAINED THEREIN. A STATEMENT TO THIS EFFECT WILL APPEAR ON ANY PUBLIC RELEASE OF THE OPTIONAL STATEMENT SUBMITTED BY THE MANAGEMENT OF THE REPORTING BANK.

Comments? ____________________

RCON	YES / NO
6979	NO

BANK MANAGEMENT STATEMENT (please type or print clearly):

TEXT

6980	

PROPOSAL FOR BANKING SERVICE

PRESENTED BY:

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October 12th, 2012 4:30 p.m. CST

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BANK OF THE WEST

October 12th, 2012

Diana Lund
Finance Director
City of Ramsey
7550 Sunwood Drive NW
Ramsey, MN 55303

RE: Banking Services RFP

Dear Ms. Lund:

Thank you for allowing Bank of the West the opportunity to submit a response to The City of Ramsey (the City) Request for Proposal for Banking Services. With over a hundred years of banking history and extensive experience servicing government agencies, Bank of the West presents the ideal combination of strength, soundness and experience required to serve the complex needs of government entities.

Today, Bank of the West supports more than 6,077 Public Fund accounts with over $2.3 billion in deposits, collateralized in accordance with state codes. Our team is staffed with credentialed, experienced professionals who have significant expertise in the economic challenges that government entities face today. A wide range of cash management services and a seasoned banking staff form a knowledgeable, pro-active and secure banking partner that will position the City to achieve its strategic goals.

We have reviewed the requirements contained in the RFP and there are a few points we would light to highlight.

- If safety and soundness is one of your main objectives, we are the bank for you. Please review our ratings included in this proposal. We have the ability to meet your collateral requirements of 110% in accordance with Minnesota state statutes.
- Finding solutions and streamlining your day to day activities are our number one goal. We are a community bank with big bank services, so you never have to worry about outgrowing us.
- We have the ability to receive a daily file from your lockbox provider, Opus 21, as long as the file format meets the requirements. The specifications are included in the exhibits section as well as more information regarding the process of image clearing services.
- We will agree to a one year contract with a chance to renew each year thereafter as stated in your request. We will review the contact each year thereafter to make sure

the contract and structure still makes sense for both parties. It is our goal to keep you as a long time happy customer and we will work together to ensure this happens.

- We will be able to provide you with an increased Earnings Credit Rate of .46% as well as earn a rate of return of .05% in a Money Market Savings account. We offer repurchase sweeps, however, do not recommend them in most scenarios due to the low rate of return and the cost of the sweep.
- The banking world is ever changing. We want to ensure you know we are a partner who will keep you abreast of the changes so you can rest assured your deposits will always be safe and secure and your cash will be leveraged to give you the most bank for your buck.
- Should we earn your business we intend to meet with you on an annual basis (or by request) to review the cash management products and services you have with us to ensure they still make sense. In addition, if we see any product that could benefit your bottom line or create efficiency, we will be sure to bring those to your attention. We want to be an innovative partner to the City.

If you wish to contact some of our existing clients to see what they have to say about banking with Bank of the West, we would be happy to provide you with a list of references upon your request. We would like to thank you for your time in advance for considering our proposal. Please contact us with any questions.

Sincerely,

Joan Wood	Melissa Sutton	Chris Randall
Vice President	Assistant Vice President	Financial Service Officer
Branch Manager	Cash Management Consultant	Ramsey Branch

Tab 2: Independence of Proposer

A. Describe any business, investment or family relationships with the City, City officials, appointed employees or department heads.

Chris Randall's father, Gerald Randall, is a partner in the law firm Randall & Goodrich, with the city attorney, William Goodrich. This partnership also banks with Bank of the West.

B. Describe any formal independence guidelines used by your institution.

Policy: Conflict of Interest
Revised: September 11, 2011

Our reputation for honesty and integrity is the sum of the personal reputations of every Bank of the West team member. You should manage your personal and business affairs to avoid situations that might lead to an actual, potential or perceived conflict between self-interest and responsibility to customers, the community or Bank of the West.

A conflict of interest arises in situations where personal activities or outside interests may directly or indirectly influence judgment in carrying out your responsibilities for Bank of the West. The appearance of a conflict of interest may be just as damaging to our reputation as a real conflict. While we depend on you to be the primary judge of your own conduct, this policy and these guidelines have been developed with the intention of providing you with uniform guideposts that help prevent conflicts which could result in reputational, regulatory or legal risk for Bank of the West, team members or customers.

It is our policy that team members (including accounts or legal entities in which you control or hold 20% or more of the capital or the voting right) will not engage, directly or indirectly, in any activity, outside interest, financial relationship or investment that conflicts with Bank of the West's interests, competes with Bank of the West, or interferes with your Bank of the West responsibilities, whether or not there is any personal financial or other gain to the team member. Additionally, team members and their immediate families (defined as spouse, domestic partner, child, parent, grandparent, grandchild, sibling, and step and in-law relations of same, and any other person dependent upon a team member or living in their home for more than a year) should avoid entering into relationships, transactions or situations where it may appear that they are improperly benefiting from their relationship with Bank of the West or which are in violation of laws governing fiduciary relationships. You should avoid using Bank of the West's name in any manner, which may imply our endorsement of any outside activity or product. You should also avoid discussing and/or communicating the affairs of Bank of the West with anyone, including through Internet social media sites unless there is a legitimate business reason for that person to know.

Team members engaging in activities where there may be a question of conflict of interest, or where there is an obligation to report, should document their activities, have their manager review it, and send this information to the Human Resources Compliance Manager for review and approval (team members should use the "Conflict of Interest Form" for this approval process). Should you have a question about a particular activity or outside interest, you should consult MyHR Support Center immediately. Actions by team members inconsistent with this policy may result in a disciplinary action up to and including immediate termination of employment.

DISCLOSURE AND APPROVAL PROCEDURES

Per the Guidelines below, team members must disclose certain outside interests and activities and obtain prior written approval before engaging in or continuing to engage in certain outside interests and activities. Team members are expected to follow these disclosure and approval procedures.

You must have prior approval from your department head or group head before engaging in any type of secondary employment or outside directorship. If you are considering secondary employment or outside directorship, you must report your intentions to your immediate supervisor in sufficient time to obtain prior approval.

Requests for approval must be prepared and submitted on a "Conflict of Interest Form." Your immediate supervisor should submit the form to the department head or group head for review. The department head or group head should forward the form to the Human Resources Compliance Manager for approval.

Upon approval, the Human Resources Compliance Manager will notify the department head or group head if the request is approved or denied. The "Conflict of Interest" form will be forwarded to the Team Member Records Unit for inclusion in your file, and a copy of the form will be returned to you.

GUIDELINES

It is impossible to set forth each situation in which a conflict of interest or the appearance of a conflict of interest may arise. Possible situations include, but are not limited to:

Outside Financial Interests
You must disclose to Bank of the West any personal outside financial interests, which represent more than a nominal portion of a business enterprise. It is against our policy for team members or their immediate families to approve, vote on, or take part in any way in transactions between Bank of the West and any such financial interests. You are not required to report financial interest in employer-sponsored 401k plans or other similar retirement investment accounts.

A team member may not have a financial interest in another bank, savings and loan association, finance company or any other institution that competes with Bank of the West.

Outside Business Interests or Activities
You must disclose to Bank of the West any management ownership or positions held in outside businesses. The operation or ownership of an outside business by a team member involving lending, investing or any other service also rendered by Bank of the West is considered a conflict of interest and is against our policy.

Outside Directorships
You must disclose to Bank of the West any current or potential outside directorship or other significant function (whether paid or unpaid and whether in an industrial, commercial, educational or not-for-profit organization) so we may determine whether a conflict of interest exists. You must receive prior written approval from the Human Resources Compliance Manager before continuing or accepting outside directorships. In serving as a director of an outside organization, you must not make or approve loans to that organization or represent Bank of the West in any other transactions with that organization.

A team member may not become a director of another bank, savings and loan association, finance company or any other institution that competes with Bank of the West.

Interest in the Enterprise of a Customer or Supplier
Team members (including accounts and legal entities which they control or hold an interest) and their immediate families must refrain from taking a personal interest of any kind in a transaction carried out by Bank of the West, whether with a customer or supplier or for its own account, or carried out by a customer or supplier, unless they have prior written authorization from Bank of the West.

Similarly, unless written disclosure is provided to and approved by Bank of the West, it is against our policy for a team member, or any member of their immediate family, to hold any direct or indirect financial interest in the business of a Bank of the West customer or supplier, or in any enterprise to which financing or other products/services are, or may be, extended or offered by Bank of the West. "Interest" as used in this section does not include an interest in a company whose shares are publicly traded, or an interest in a family owned business.

Outside Employment and Compensation
Bank of the West discourages outside employment, but it may be allowed if it does not interfere, compete or conflict with Bank of the West's interests. You must obtain prior written approval from your manager and the Human Resources Compliance Manager before accepting outside employment by completing a "Conflict of Interest Form." Even if such approval is given, team members are expected to devote their full and best efforts to Bank of the West during all working hours.

It is against our policy for a team member to work for another bank, savings and loan association, finance company or other institution that competes directly with Bank of the West.

A team member who has received approval from the Human Resources Compliance Manager to serve as an officer, director, or team member of an outside organization or to engage in other outside employment can normally retain all compensation paid for such service. Honorariums received by a team member for publications, public speaking, appearances, teaching, and the like may also be retained by the team member. However, you must obtain approval from your manager prior to engaging in such activities. Once approval is obtained, you must seek guidance from Corporate Communications with respect to public speaking and media relations policies. In most outside activities, you will not be allowed to present yourself as a Bank of the West representative.

Community and Political Activities
While you are encouraged to take an active part in community, religious and political affairs on your own time, your involvement must be on an individual basis, and must avoid inference that Bank of the West is endorsing or taking a particular position that is in conflict with the interests of Bank of the West.

Under no circumstance may a team member authorize any direct or indirect political contribution of Bank of the West funds or other property of Bank of the West.

You must disclose to Bank of the West any public or political office you seek or hold so we may determine whether a conflict of interest exists. You must receive prior written approval from the Human Resources Compliance Manager before seeking or remaining in a public or political office. In serving as a public or political official, you must not make or approve loans to that public or political entity or represent Bank of the West in any other transactions with that public or political entity.

Loans to Relatives, Creditors and Others
Team members with authority to make Bank of the West loans may not grant credit to relatives or to businesses owned or operated by relatives. It is also against our policy for you to grant credit to personal creditors, Bank of the West customers wishing to purchase your private property or the private property of your relatives, or to businesses in which you are an officer, director or employee or in which you or your relatives have a financial interest.

Loans from Bank Customers, Suppliers or Team members
It is against our policy for a team member to borrow money from Bank of the West customers, suppliers or fellow team members. This restriction does not apply to loans from recognized lending institutions or normal credit granted by businesses for purchases carried on account.

Individual Fiduciary Activity
Team members may serve in a fiduciary capacity only for immediate family members.

Outside Securities Accounts (BWIS)
In accordance with applicable regulatory rules, team members of BancWest Investment Services (BWIS) must disclose all of their outside brokerage accounts in writing to the BWIS Compliance Officer or on the Outside Brokerage Account Questionnaire. In addition, BWIS team members must notify the firm(s) executing their outside brokerage accounts of their association with BWIS. Industry regulations and Bank of the West require that duplicate confirmations and duplicate monthly statements of all outside account(s) be sent to the BWIS Compliance Department. It is the responsibility of BWIS team members to arrange for such duplicate confirmations and statements.

The above requirements extend to accounts in the name of BWIS team members' spouses and persons with whom BWIS team members have a financial interest and have discretionary authority. [See BWIS Broker-Dealer Compliance Manual.]

Disclosure of Information
It is against our policy for a team member to establish a personal, business, financial or other relationship with a customer without Bank of the West's prior knowledge and approval. You must always disclose to Bank of the West information that may affect Bank of the West's position in a credit or other Bank related transaction.

Personal Fees, Commissions or Money
It is against our policy for a team member to accept, directly or indirectly, personal fees, commissions, or services in connection with customer banking transactions. Such compensation must be politely refused if offered.

Gifts or Favors
It is improper for team members (including accounts or legal entities in which you control or hold an interest) or your immediate family to accept or give a gift, favor, invitation, gratuity, honoraria or any other item of value (whether physical or non-physical) (e.g. objects, financial income and all types of services including designation as beneficiary of a life insurance policy, bequests or the making available of other benefits), either directly or indirectly, from a customer, supplier or from any other person having or seeking a relationship with Bank of the West. This rule does not apply to (a) food, refreshments, or entertainment at business meals or business meetings, (b) advertising or promotional material of nominal value, (c) awards from charitable organizations, or (d) gifts of nominal value given on special occasions such as year-end holidays. ('Nominal value' would be within your ability to reciprocate on a personal basis or with a legitimate claim to Bank of the West for reimbursement under similar circumstances. Questions regarding 'nominal value,' or gifts in general, should be directed to the Human Resources Compliance Manager.) Accepting such gifts may imply to the team member or the giver of the gift that a reciprocal favor is expected. Gifts of more than nominal value must be politely declined.

All cash gifts or other means of payment whatever the circumstances are prohibited and must be politely refused if offered. In addition, both applicable law and our policy prohibit any team members from directly seeking, accepting or receiving anything of value in a business transaction for the benefit of Bank of the West or themselves (other than normal authorized compensation or permissible gifts as described above). Similarly prohibited is the offering of anything of value with the intent to influence or reward an officer, director, team member or agent of a financial institution. These restrictions on gifts are aimed at avoiding situations in which you find yourself indebted to a customer, supplier, or other party, facing a potential conflict of interest, or exposed to a risk that may compromise the proper execution of your employment responsibilities. These restrictions are also aimed at maintaining impartiality and independence of decisions.

Wealth Management Personnel
Team members in the Wealth Management area of Bank of the West must exercise particular care in handling personal investments in order to avoid any conflict with the execution of orders for customers, as well as any possible misuse of material insider information.

Personal Transactions
Bank of the West team members must not extend loans, accept loan payments, open new accounts, issue ATM cards, accept deposits, cash checks, pay out withdrawals, waive or reverse fees, or otherwise approve or process any transaction for themselves, for relatives or friends, or on any account on which they are a signer [Employee-Signer Accounts - See Guidelines for Ethical Conduct.]

In addition, you (including accounts and legal entities which you control or hold an interest) and your immediate family must refrain from the following personal transactions:

Any purchase or sale of goods or services with a customer with whom you have direct professional relations,
Any purchase or sale of goods or services with Bank of the West
Any purchase or sale of goods or services that imitates, accompanies or takes place alongside a transaction or service carried out by a customer or Bank of the West, unless such purchases or sales relate to a public offering, relate to a team member benefit program, or where the team member has obtained authorization from Bank of the West.
Referrals to Other Financial Resources
Team members must not refer customers to lawyers, tax advisors, accountants, financial planners or other financial resources or otherwise endorse the services provided by such resources, except as authorized by Bank of the West. Team members must not accept gifts, favors or payments of any kind arising from such a referral.

Professional Conduct
You must conduct yourself in a professional manner at all times and not engage in or facilitate any discriminatory, harassing or other inappropriate behavior directed towards fellow team members, customers, suppliers or others in the context of activities related to Bank of the West. Personal conflicts you may have with others should not enter the workplace or affect the interests of Bank of the West.

Non-Interference with Bank Relationships
You must not persuade or attempt to persuade any customer, supplier, contractor or any other person with any actual or potential relationship with Bank of the West to terminate, curtail, or not enter into a relationship with Bank of the West, or to in any way reduce the monetary or other benefits to Bank of the West of such relationship, except as authorized by Bank of the West.

Tab 3: Profile of Proposer

Bank of the West, with $62.3 billion in assets at March 31, 2012, is a full-service commercial bank serving the personal and business banking needs of customers in nineteen states through a network of more than 660 retail and commercial locations. A subsidiary of holding company BancWest Corporation, Bank of the West has resources and capabilities that make it one of the largest financial services providers west of the Mississippi, while emphasizing personalized customer service.

Founded in 1874, Bank of the West originates commercial, small business and consumer loans and leases, as well as providing a range of other individual and commercial deposit, banking, trust and investment products. Through four major business areas – *Commercial Banking, Regional Banking, National Finance and Wealth Management* – Bank of the West and its subsidiaries offer clients a broad range of retail, small business and commercial banking products and services to fit their evolving financial needs. In addition to banking products, the Bank and its subsidiaries provide clients with comprehensive investment services through BancWest Investment Services, and insurance products and services through BW Insurance Agency, Inc.

BancWest Corporation is a partnership of two dynamic financial institutions: First Hawaiian Bank and Bank of the West. BancWest Corporation serves more than four million households and business accounts through over 700 retail branch banking locations and dozens of commercial banking offices in twenty Western and Midwestern states, and overseas in Guam and Saipan. The banks have representative offices in Tokyo, Japan and Taipei, Taiwan and an offshore location in Grand Cayman, West Indies.

BancWest Corporation is a wholly owned subsidiary of *BNP Paribas (BNPP)*, a European leader in banking and financial services and *the fifth highest rated bank in the world according to Standard & Poor's.* Present in more than 80 countries, BNPP has more than 200,000 employees with a significant presence in the United States and Europe, and strong positions in Asia and the emerging markets.

Provide a description of your institution's financial status, officers, and business practices and philosophy, including:

A. Current summary financial data, including summary income statements and balance sheets, and financial ratios.

RATINGS
Bank of the West has strong investment-grade credit ratings from S&P, Moody's and Fitch. We maintain a strong balance sheet and demonstrate a consistent financial performance.

	BANK OF THE WEST CREDIT RATINGS		
Rating Agency:	S&P	MOODY'S	FITCH
Long Term	A	A2	A+
Short Term	A-1	P-1	F1

	BNP PARIBAS CREDIT RATINGS		
Rating Agency:	S&P	MOODY'S	FITCH
Long Term	AA-	Aa3	A+
Short Term	A-1+	P-1	F1+

STRONG CAPITAL POSITION
Bank of the West is one of the 25 largest commercial banks out of over 9,400 in the United States. Bank of the West's Tier 1 Capital ratio was 14.20% in Q4, 2011, a capital position that is significantly higher than regulatory requirements.

CAPITAL RATIO	BANK OF THE WEST Q4, 2011
Tier 1 Risk-Based Capital Ratio	14.20%
Total Risk-Based Capital Ratio	15.45%
Tier 1 Leverage Ratio	11.57%

Bank of the West's Annual Financial Statements can be downloaded here:
https://www.bankofthewest.com/about-us/our-company/annual-reports.html

We have also printed paper copy for your records.

B. Names and positions of officers at the local branch(s) of the institution.

Chris Randall, Financial Services Officer
Paulette Bork, Assistant Customer Service Manager
Penny Coons, Customer Service Manager
Joan Wood, Area Manager, Vice President
Melissa Sutton, Cash Management Consultant, Assistance Vice President

C. Formally defined statement of institution's goals.

Our long term strategic initiatives are designed to ensure we keep our company strong and customer focused. We take pride in ensuring that our customers interact with knowledgeable bankers, fully committed to helping them achieve their professional goals. We are proud that our high-quality customer service has been recognized by the prestigious consulting firm Greenwich Associates for excellence in business banking and that Money magazine named Bank of the West the best regional bank in 2011. For more information, we have attached our 2011 Annual Report for your review in the exhibits section.

Tab 4: Scope of Services

A. FDIC/FSLIC Insurance on deposits at limits prescribed by law.

Until the end of 2012, all funds in a non-interest bearing account will be fully FDIC insured. We have the ability to fully collateralize any interest bearing account with balances greater than $250,000 (so any amount above and beyond FDIC coverage) in accordance with state and federal laws.

B. Pledged collateral to the City, in a form acceptable under State Statutes.

Bank of the West's pledged collateral is in accordance with Minnesota State Statues.

C. Daily "sweep" to money market checking, money market savings, electronic funds transfer (ACH for payroll), and other accounts as necessary.

You will have the ability to make online transfers via WebDirect, our online treasury platform. Those transfers can include, but not limited to account transfers, ACH, Wires, and Stop Payments. If you are looking for an automatic sweep to an investment account such as a Repurchase sweep, we offer this solution. Given the current economic times, many clients chose to set up a Money Market Savings Account rather than a Repurchase Sweep.

D. Depository for federal withholding and FICA taxes.

If you wish to have a separate account for your federal withholdings and FICA taxes to be taken from, we can accommodate this.

E. Wire transfer services

We can set you up with the ability to initiate wire transfers online through WebDirect. You can set up necessary separation of duties and/or layers of approval through the site if you wish. Should you move forward with Bank of the West, you will be provided training on WebDirect so you are familiar with how to use the system.

F. Online Services

The Bank's WebDirect Cash Management system offers a full suite of cash management services to meet your specific needs. You can select from the following modules:

- *Account Reconcilement* – We offer full, partial and deposit reconcilement services and you can upload check issues online as single items or in batches using a simple Excel file

- *Account* Transfers – Make real time transfers between Bank of the West accounts

- *ACH* – Make individual electronic transactions online or import batches using a standard ACH file format and process through the Automated Clearing House

- *Bill Payment* – Eliminate the burden of check writing and the uncertainty of mail delays by creating payments online

- *Customer Administration* – Control access to accounts and functions. Monitor usage with audit logs and operator reports

- *Electronic Images* – Retrieve images of paper items such as paid checks and deposits

- *Information Reporting* – Retrieve balance, summary and detail of account activity by 8:00 a.m. CST.
  - Previous Day account balance with summary and detail information
  - Current Day account balance with summary and detail information
  - Information Reporting account subtotal report

- *Positive Pay* – Prevent fraud by monitoring account activity. Send us a file of the checks issued each day and we will cross reference this against the checks being presented for payment against your account. An image of any item(s) not matching the information included in the file you sent us will be available for you to make a pay no pay decision.

- *Special Reports* – Receive electronic versions of monthly bank statements, account analysis and investment statements, as well as ACH, Account Reconcilement, Cash Vault and EDI reports

- *Stop Payments* – Conveniently place a stop payment for a single check or range of checks with real time confirmations. Also provides the capability to renew or delete a stop

- *Wire Transfers* – Create one time or recurring payments to domestic or international locations in US or foreign currency with real time confirmations

INFORMATION REPORTING

With WebDirect, the City has the power to obtain convenient access to current and previous day account balances and transaction detail, 24/7. The innovative design of WebDirect allows the City to choose only the reports, and services needed, and as those needs change or grow, the City can easily add on other features. The following types of reports are available through WebDirect:

Previous Day Account Balance with summary and detail information including:

- Balance and detail reports, including float breakdown: ledger balance, available balance, day 1 float, day 2 float.
- Check images and deposit tickets
- Miscellaneous credit and debit images

Current Day Account Balance with summary and detail information including:

- Incoming wire transfers with all associated detail
- Controlled disbursement funding and detail of checks
- Detail lockbox report
- ACH transactions
- Memo post transactions
- All other electronic, intra-day activity on your accounts

Special Reports

- Depository services reports
- ACH service with numerous specialized reports
- Account reconciliation with various specialized reports
- Cash vault receipts and adjustment reports
- Account analysis statement
- Monthly bank account statements
- Investment sweep reports

Security Administration

One of Bank of the West's key advantages is our online Administration module (Admin). From here, Administrators can build users and can customize access by:

- Restricting/Limiting account access
- Restricting/Limiting transaction size
- Restricting/Limiting online module access

Admin can also generate audit reports that report on user activity via the "User Audit Log". The User Audit Log shows exactly what time (in CST) each user logged into WebDirect and what modules they accessed. It also details each transaction executed during that user's session. We also provide the IP address of the PC the user used to access WebDirect. Reports are exportable in Excel format.

As users join and leave the City, you can also pull reports to review user permissions using the "User Profile Report". Your team can manage user access to ensure that each user has the appropriate rights. This report can also be exported as an Excel file.

Under a Dual Control setting, the City will have the peace of mind knowing that changes made to users by Administrators must be approved by another Administrator.

Image Retrieval
WebDirect Images: Bank of the West provides a default 90-day archive of images through the online banking platform WebDirect. Images of deposits, checks written, and any other paper transaction are available for viewing. Electronic transactions are searchable and available on WebDirect for 90-days as a default. (Note: images of electronic transactions are not available because there is no paper item negotiated and therefore no item to scan/capture). Additional storage (180-day or 1-year) is available through WebDirect at an additional cost.

Stop Payment
The City can place a stop payment on a single check or on a range of checks online via WebDirect's Stop Payment module, at a local branch office or by calling our client services.

When the stop payment is placed, the system will simultaneously perform an automatic check inquiry from an inventory of 90 days of paid check history. If the check has not been paid within the last 90 days, a stop payment will be placed. WebDirect is available 24 hours a day, 7 days a week with one hour scheduled for routine system maintenance from 2:00 a.m. – 3:00 a.m. (CST) daily.

Training
The Bank and the City will work together to determine exact requirements, expectations, training, timing and task responsibility. **A demo can be facilitated upon request**.

Hardware
- Intel Pentium® II or higher class processor.
- Microsoft Windows® 2000 or XP
- Microsoft Internet Explorer® version 6.0 or higher*
- Internet Access (broadband recommended)
- For network settings, refer to your IT department

G. Interest compounded daily on a money market account(s) (include rate).

Interest is compounded monthly in our Money Market Savings Accounts. Interest paid out in our fully collateralized Money Market Savings Account is .05%. *rates are subject to change with market changes and fluctuations.

H. Same day credit of deposits and incoming wire transfer (include cutoff time for deposits)

Availability is assigned as follows:

All paper checks deposited and received before the cutoff time published in the branch, cash vault, or any other department/office, will receive collected funds in accordance with the following schedule:

• Bank of the West Checks	Same Day
• U.S Government Checks	One Day
• Financial Institutions	One Day
• In City Institutions	One Day
• Out of District	One Day
• Other Checks: Canadian, Foreign*, Country*	Two Days

Collected funds are stated in whole business days. Fractional float is applied to each transit check deposited. For all local and non-local items, 95% of the face value of the item is available on day 1 and the remaining 5% is available on day 2.

This schedule is subject to change without notice.

ACH Cut-off Times

Customer Input Method	Cut-Off Time		
	Book Transfer (Same Day Settlement)	Next Day Settlement	2 or more Days Settlement
Direct Transmission	7:30 p.m. CST	7:30 p.m. CST	7:30 p.m. CST
Internet	7:30 p.m. CST	7:30 p.m. CST	7:30 p.m. CST

Wire Availability and Cut-off Times

Type of Transfer	(All times listed are in CENTRAL Standard Time.) Input Method		
	Telephone	Internet	Automatic Standing Transfer
Intra-district (within Fed district)	8:00 a.m. 4:30 p.m.	8:00 a.m. 4:30 p.m.	8:00 a.m. 4:30 p.m.
Inter-district (between Fed districts)	8:00 a.m. 4:30 p.m.	8:00 a.m. 4:30 p.m.	8:00 a.m. 4:30 p.m.
Book transfer/Internal	8:00 a.m. 6:00 p.m.	8:00 a.m. 7:00 p.m.	8:00 a.m. 6:00 p.m.
Drawdown	8:00 a.m. 4:00 p.m.	8:00 a.m. 4:30 p.m.	8:00 a.m. 4:30 p.m.
International	8:00 a.m. 4:30 p.m.	8:00 a.m. 4:30 p.m.	8:00 a.m. 4:00 p.m.

I. Electronic Deposits

Please see above for availability schedules. If you chose to make check deposits through remote capture, the availability schedule changes. Checks on Bank of the West are given same day credit. All other checks are 50% day 1 and 50% day 2.

J. Lockbox Service

It is my understanding Opus 21 is processing your lockbox payments on your behalf. Currently, they are depositing the checks and sending Village Bank an ACH file weekly. We have the ability to accept certain file formats from 3rd party vendors (in this case Opus 21) on a daily basis. In the exhibits section we have detailed out the specifications for this. Opus 21 can send us images of the checks processed and you will receive the same credit as describe above for electronic deposits. The service is called Image Clearing Service as is explained in more detail under Letter N, Electronic Check Imaging.

K. Competitive Investment Options

These are effective Tuesday, October 09, 2012 and are only to be used as indicative rates for the purpose of Bank of the West's proposal to the city of Ramsey.

Term	Rate
Up to 89 days	0.03
90-179 days	0.05
180-239 days	0.10
240-359 days	0.10
360 days	0.12
18 months	0.19
2 years	0.30
3 years	0.45
4 years	0.65
5 years	0.90

*Money Market Savings Accounts are fully collateralized and are at a rate of .05%. Subject to change with market fluctuations.

L. Electronic balance & Transaction reporting

Please see above under online banking services F.

M. Positive Pay Services

Bank of the West assists in mitigating fraud risk with daily Positive Pay services.

How Positive Pay Works

1. Prior to your checks being printed and released, you provide us with an "issue file" containing the account number, check number, dollar amount and issue date of each item.

2. As each check is presented to the Bank for payment we electronically match them to the checks listed on your issue file. Checks matching your issue file are paid.

3. Any check *not* matching the checks listed on your issue file is identified as an "exception", and is presented to you for a "pay" or "return" decision via WebDirect online. You may view images of exception items online to assist with your "pay" or "return" decision.

4. Using simple drop-down menus make your final "pay" or "return" decision by 3:00 p.m. (CST) each day.

Positive Pay Reports
Our reports are easy to use and we integrate the Exception Report with images of the checks for additional check authentication. The following Positive Pay reports are available via WebDirect:

- Positive Pay Exception Report
- Positive Pay Customer Transactions
- Positive Pay User Transactions
- Customer Recap Report

N. Electronic Check Imaging – Receive electronic check images from a lockbox for utility customer account payments

Bank of the West offers a service called Image Clearing Service (ICS). We can receive a *daily* file from Opus 21 to process your lockbox items. This would benefit the City because you don't have to wait for the weekly ACH to receive your funds. The specifications are attached in the Exhibits sections along with the communication profile for sending the file. Please feel free to pass this along to Mike at Opus 21 to ensure file capability. A brief overview of ICS:

How it works (ICS is subject to Eligibility Requirements)

- Customer (Opus 21) will scan their checks using their vendor's approved scanner and software.
- At end of day, the customer's Remote Deposit Capture software will process all the checks and create an industry standard Image Deposit File (X9.37)
- Image Deposit File is securely transmitted over the public internet.
- Files will be transmitted to BOW's Secure Transport via a web portal or using the customer's transmission software.
- Files transmitted via Portal has file Limit of 2 Gig.

- Email acknowledging the receipt of the deposit.
- Transaction Processing will pick up the files every few minutes throughout the day.
- Image Deposit Files will be processed and cleared through the "optimal" clearing channel
- Customers can review their image deposits on WebDirect
- Commercial Customers will receive the float assignment of 50% one day availability on all local and non-local deposits made through Image Clearing Services. The remaining 50% will be available on day 2. All on-us checks deposited will continue to receive same day availability.
- Financial Customer will have a varied float assignment based on the item pricing selected. See the pricing section.

O. Responsive, accurate, cooperative and courteous customer service.

Bank of the West prides itself on being a commercial bank with "big bank services" and "community bank service". The local staff at the Ramsey branch will get to know your employee's by name if they do not already so that when you walk into the branch you are always greeted and feel welcomed. You will have multiple contacts locally (both in Ramsey and the metro area) to take care of you should questions come up. More importantly, we have an entire service team within the cash management group where you can inquire with questions. Having experts in each field allows us to deliver on high class service.

P. Additional Recommended services:

IMAGE EXPRESS

In addition to being able to access images on WebDirect, Images of paper transactions are available through two methods that include longer archiving:

Online: the City can access an online archive of paper transactions including deposits, deposit items (not available in any other image service), and checks written. This online service will archive images for seven years starting from the beginning date of service.

CD-ROM: another storage option is our CD ROM. Via secure login the City can receive a monthly CD that is indexed and searchable for ease in executing research tasks, and includes monthly statements and images of deposits, checks written and other paper transactions. CD ROMs are produced monthly, multiple copies can be delivered to multiple locations and each disc can hold 20,000 items with front and back images. The disc is available within 5 days after month-end cut-off.

City personnel can search the CD-ROM using various criteria such as serial number, account number, dollar amount or date paid. Once the check image has been located, the City can print a copy of the image directly on its printer. The City can select the cycle which best meets its disbursement reporting requirements including daily, weekly, semi-monthly, monthly or quarterly.

ACH POSITIVE PAY

ACH Positive Pay is a web-based security tool that prevents unauthorized ACH transactions from posting to the City's account. It has an easy-to-use web interface that gives the City the opportunity to review incoming ACH credit and ACH debit "exceptions", and to make a "pay" or "return" decision online. The many benefits include:

- Fraud Mitigation – Monitor and manage ACH credit and debit items before transactions are posted to accounts.
- Security – Advanced online security features help reduce the possibility of unauthorized access.
- Convenience – Provides the convenience of setting up filters to permit previously authorized ACH transactions to post without having to be reviewed.
- Notifications – Set up alerts regarding specific ACH activity that may affect your accounts.

BANK AT WORK

Bank of the West Rewards Your Employees!

Bank of the West is pleased to extend our Bank at Work program to all full and part-time employees of the City. This program is free to the City and offers *free and discounted products and services* to your active employees while Bank of the West is your primary bank. Bank at Work features include:

- Free Checking – No monthly service charge or minimum balance requirement on a personal checking account with Check Safekeeping
- Free Regular Savings account when linked to a checking account – No monthly service charge or minimum account balance required
- Free eTimeBanker – our online banking service – with free personal Bill Pay
- Free Debit Card – The easiest way to pay for purchases
- Free box of Bank of the West corporate image checks or $5.00 off any wallet style checks
- Annual fee waived for the first year on Overdraft Protection
- 0.25% Annual Percentage Rate reduction on Home Equity and Auto Loans with automatic loan payment from a Bank of the West checking account
- 1% Annual Percentage Rate reduction on your new Home Equity Line of Credit with automatic payments from your Bank of the West checking account

Tab 5: Compensation and Service Charges

1. Daily Deposits – 200 items (20 deposits with 10 items each).
Approximately 2500 checks are deposited annually. Deposits are made on a daily basis except holidays and weekends. Each deposit consists primarily of checks.

A "proposed analysis statement" is inserted at the end of this tab for your review. Please note these numbers are based upon information provided in this RFP in addition to numbers provided to us by Denelle for the utility payments through Opus 21 (Lockbox and ACH items). Should any of the implementation require programming costs (example image clearing service) we will discuss this in further detail.

2. Checks – 250 items – approximately 3000 checks written annually payable to various vendors.

Please see proposed analysis statement.

3. Wire Transfers: Outgoing – 5, Incoming 5
Certain purchases/maturities of investments are wired to/from City's checking account.

Pricing provided is assuming you are initiating the wires online. If you wish to initiate wires at the branch, please let us know and we will update the proposal. It is more cost effective for you to do it online.

4. Returned NSF check/ACH – Approximately 1-5 per month.
Varies upon quarterly utility billing cycle. Incoming ACH payments for utilities average approximately 5 NSF transactions from resident accounts. Non-utility checks average 1 per month.

Pricing included in proposed analysis statement.

5. Credit Card EFT's – Daily
The City contracts with RevTrak to process credit card transactions initiated on the city's website, phone, and municipal center. Funds are deposited into the city's checking account daily as an EFT.

Please see proposed analysis statement– these are considered ACH credits to your account in the proposed analysis statement. We assumed 20 ACH credits for the proposal.

6. ACH Fee's – Approx. 220 Items
Two payrolls with approximately 75 items each, one monthly payroll of approximately 30 items each. Quarterly firefighter payroll of approximately 60 items each. Approximately 2600 payroll payments issued annually. Includes all full-time and regular part-time, seasonal workers (all bi-weekly); elected/appointed

positions (monthly); firefighters (quarterly). Most payroll employee and employer contributions/withholdings are paid by electronic transfer.

For the estimated proposed analysis statement that follows, we have used your estimate of approximately 220 items. In addition to the 220 items, we are including an additional 296 items to account for the utility payments that Opus 21 is processing on your behalf through Village Bank today. Denelle advised us that 2nd quarter billing had about 889 accounts, so we are taking the months average to provide you with a better idea of the costs. The ACH returns from the utility payments were divided out to average about 1.67 per month, or 5 a quarter for basis of the proposed analysis statement.

7. **Misc. service charges – such as internet charges, daily sweep, monthly service charge, stop payments, etc.**

Please see proposed analysis statement to follow. Please note, we offer investment sweeps, however, do not recommend them as typically money market savings accounts will give you a higher rate of return and there is not a fee associated with having them.

8. Future Services – Electronic Accounts Payable Service
The city is researching implementing an alternative ACH payment method for payment claims to the city. The possible implementation date may be as soon as January 1, 2013. Our financial institution should be able to accept a balanced upload file generated from our financial system to process ACH Transactions. The city issues payments two times per month plus processes immediate payments as needed (not more than two times per week).

Pricing for ACH services is included below. Please see ACH per Item pricing to get an idea of what this would cost based upon how many of your vendors/suppliers would be interested in this. You will notice, it is much more cost effective than cutting a check. We do not accept balanced files, only unbalanced. We do not accept balanced files because this opens the bank and the City up to fraud. For example, the person sending the ACH file could "balance" the file by putting their personal account number on there, and then withdraw the funds. So, if you send an unbalanced file, the bank balances it with the account we have on file for you.

Miscellaneous Information:

The process for handling additional collateral is as follows:

The rule for collateralization of public funds in Minnesota is that we set aside securities with a value of 110% of the funds on deposit not covered by FDIC insurance. The balance is checked daily in order to ensure compliance. Upon receipt of deposit, we will assign the appropriate amount of collateral and provide the City with a detailed list of the securities we're using, including CUSIP and market value.

City of Ramsey RFP | Prepared October 2012

Balance and Compensation Information - Balance information is estimated. Our knowledge of the average deposits is around $3MM

For purposes of this proposal we assumed $2MM in the operating account and $1MM would be in a Savings Account @ .05%

Average Daily Ledger Balance	$2,000,000.00
Less Average Daily Float	$100,000.00
Average Daily Collected Balance	$1,900,000.00
Less Legal Reserve Requirement (10%)	$190,000.00
Balance Available for Earnings Credit	$1,710,000.00

Analyzed Position	**ECR**	**Fee Basis**	**Balance Basis**
Earnings on Available Balances	0.46%	$666.25	$1,710,000.00
Less Total Monthly Service Charges		$616.72	$1,758,762.04
Analyzed Charges Due After Earnings Credit		**-$49.53**	
Balance Shortage for the Current Period			-$48,762.04
Net Additional Recommended Service Charges		$276.10	$787,381.95
Analyzed Charges Due After Earnings Credit as Recommended		**$226.57**	**$646,143.99**

Service Charge Detail	**Volume**	**Unit Price**	**Charge**	**Compensating Balance**
Miscellaneous Services				
Checks Paid	250	0.120	$30.00	85,554.00
Deposits Processed	20	0.500	$10.00	28,518.00
Branch Currency Deposited	0	0.0009	$0.00	0.00
Returned Items (Checks)	1	7.5000	$7.50	21,388.50
Interest on Uncollected Funds	0	0.0725	$0.00	0.00
Deposit Administration Fee	2,000	0.1500	$300.00	855,539.97
Monthly Account Maintenance	1	10.000	$10.00	28,518.00
On Us Check Deposited	0	0.080	$0.00	0.00
Not on Us Check Deposited	200	0.120	$24.00	68,443.20
Incoming ACH Credits & Debits	20	0.0800	$1.60	4,562.88
Subtotal			**$383.10**	**1,092,524.54**
Information Reporting Services				
WebDirect Mid-Market Pkg (1-5 Accounts)	1	40.000	$40.00	114,072.00
Additional Accounts	0	10.000	$0.00	0.00
Previous Day Information Reporting (1-500 Items)	500	0.000	$0.00	0.00
Current Day Information Reporting (1-500 Items)	500	0.000	$0.00	0.00
Current Day/Previous Information Reporting (501 - 1000 Items)	0	0.100	$0.00	0.00
Account Transfers	0	1.000	$0.00	0.00
Stop Payment 6 Month	0	8.000	$0.00	0.00
Stop Payment 12 Month	0	16.000	$0.00	0.00
Deposit Statements via WebDirect	1	1.000	$1.00	2,851.80
Analysis Statements via WebDirect	1	1.000	$1.00	2,851.80
One Time Set Up Fee	0	100.000	One Time	0.00
Subtotal			**$42.00**	**119,775.60**
WebDirect ACH Transfer				
WebDirect ACH Transfer Base Fee	1	20.000	$20.00	57,036.00
WebDirect ACH Items (item includes utility payment averages)	516	0.100	$51.60	147,152.88
ACH Returned Item	1.67	5.000	$8.35	23,812.53
ACH Special Reports (Return / NOC)	1.67	1.000	$1.67	4,762.51
Subtotal			**$81.62**	**232,763.91**
WebDirect Money Transfer				
Incoming Wires	5	9.000	$45.00	128,331.00
WebDirect Wire Transfer Base Fee	1	20.000	$20.00	0.00
Book Transfer (Wire to another BOTW Account)	0	7.000	$0.00	0.00
Domestic Wire Trasnfer	5	9.000	$45.00	128,331.00
International Wires	0	15.000	$0.00	0.00
Subtotal			**$110.00**	**256,661.99**

Proposed Analysis Statement

BANK OF THE WEST

City of Ramsey RFP — Prepared October 2012

Balance and Compensation Information - Balance information is estimated. Our knowledge of the average deposits is around $3MM

For purposes of this proposal we assumed $2MM in the operating account and $1MM would be in a Savings Account @ .05%

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Service Charge Detail	Volume	Unit Price	Charge	Compensating Balance
Sweep Services				
Investment Sweep (Investment Rate of .05%)	0	150.000	0.00	0.00
Subtotal			**0.00**	**0.00**
TOTAL SERVICE CHARGES			**$616.72**	**1,758,762.04**

Additional Recommended Services

	Volume	Unit Price	Charge	Compensating Balance
Electronic Deposit Service				
EDS Monthly Maintenance - Customer Level	1	40.000	40.00	114,072.00
Electronic Deposit	20	0.400	8.00	22,814.40
EDS Items	200	0.060	12.00	34,221.60
Scanner Purchase	1	$400-$1200	One Time	
One Time set up fee	1	100.000	One Time	
Fees Eliminated by Implementing Service	0			
Deposits Processed	20	-0.500	(10.00)	(28,518.00)
Checks Deposited -On US	0	-0.080	0.00	0.00
Checks Deposited - Not on us	200	-0.120	(24.00)	(68,443.20)
Subtotal			**26.00** w/ fee	**74,146.80**
Image Clearing Service				
Monthly Maitenance	1	40.000	40.00	114,072.00
Electronic Deposit	20	0.400	8.00	22,814.40
ICS Items (Average for last 6 months provided from Denelle)	2,035	0.060	122.10	348,204.77
One Time set up and testing fee	1	100.000	One Time	
Subtotal			**170.10** w/o fee	**485,091.16**
Stand Alone Positive Pay				
Positive Pay Monthly Maintenance	1	30.000	$30.00	85,554.00
Positive Pay Issue Input - Per Item	250	0.100	$25.00	71,295.00
Positive Pay Exception Item with Image	0	1.250	$0.00	0.00
Positive Pay Exception Return	0	5.000	$0.00	0.00
Subtotal			**$55.00** w/ fee	**156,848.99**
ACH Block/Filter/ ACH Positive Pay Services				
ACH Positive Pay Company Set Up	1	25.000	One Time	
ACH Positive Pay Monthly Maitenance	1	20.000	$20.00	57,036.00
ACH Block/ Filter per Account (1-5 Accounts)	1	5.000	$5.00	14,259.00
ACH Debit Filter - Recurring	0	1.000	$0.00	0.00
ACH Debit Filter Maintenance (one time)	0	2.500	$0.00	0.00
Subtotal			**$25.00** extra	**14,259.00**

Proposed Analysis Statement

City of Ramsey RFP

Prepared October 2012

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Service Charge Detail	**Volume**	**Unit Price**	**Charge**	**Compensating Balance**
Image Services				
Image Express Online	0	100.000	$0.00	0.00
CD ROM per CD	0	20.000	$0.00	0.00
Images Written to CD	0	0.060	$0.00	0.00
Subtotal			**$0.00**	**0.00**
TOTAL ADDITIONAL RECOMMENDED SERVICE CHARGES			**276.10**	**787,381.95**

Notes:

1. Required Balances are calculated as follows: Total Fees / Actual Days in Period x 366 Day Base / ECR x Reserve Rate
2. The earnings credit rate is based on several market indicators and is subject to change monthly
3. Fees stated in this pro-forma are valid for ninety (90) days.
4. Other fees such as one-time setup charges and software licenses may apply
5. For purposes of this proforma, volumes and balances were obtained from: JP Morgan March analysis
6. Electronic Deposit Service requires the purchase of a bank approved scanner, Costs vary $400 to $1200

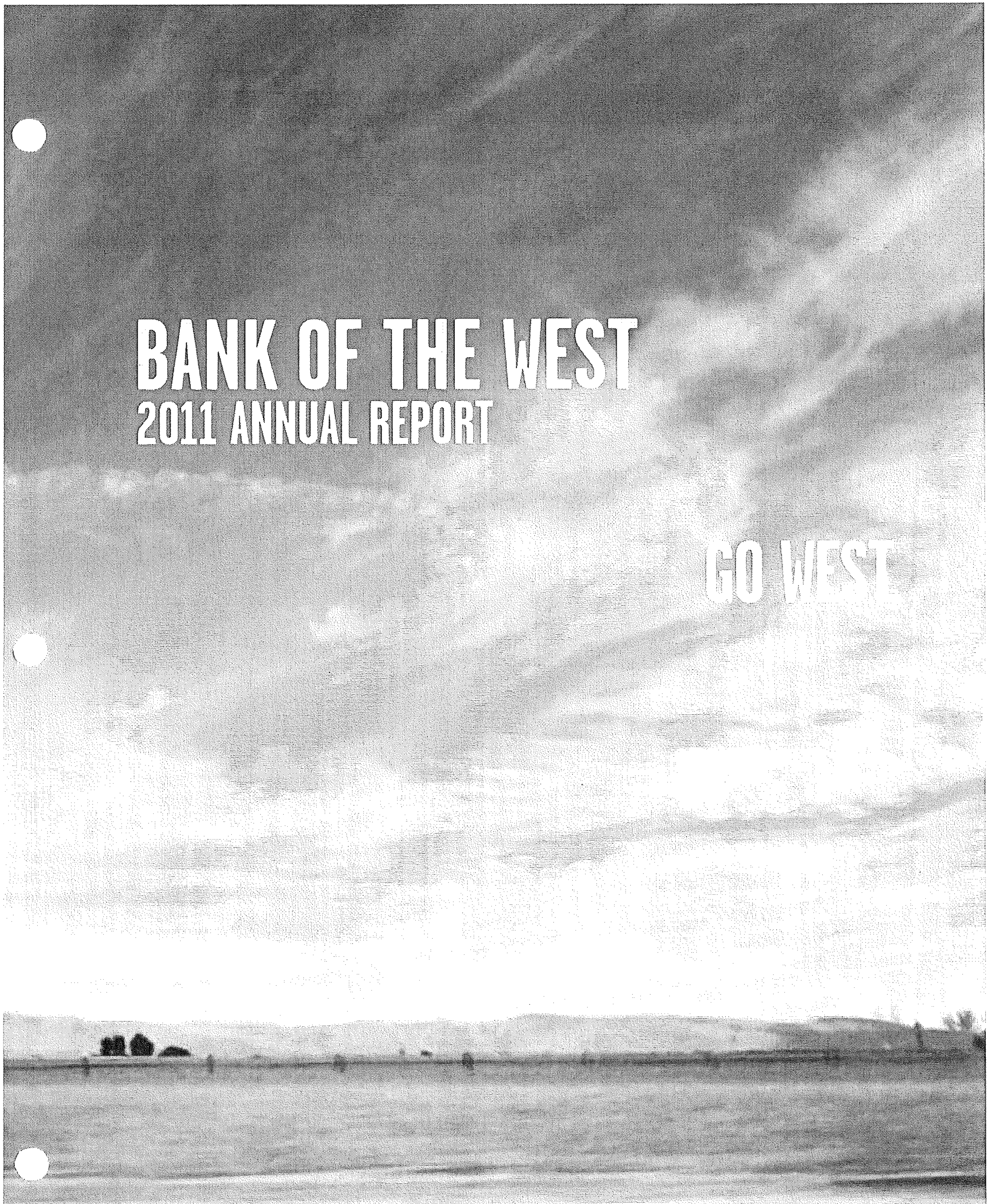
Tab 6: Exhibits

The following Exhibits Are Attached:

2011 Annual Report
Financial Statements
ICS Specifications
Communication Profile

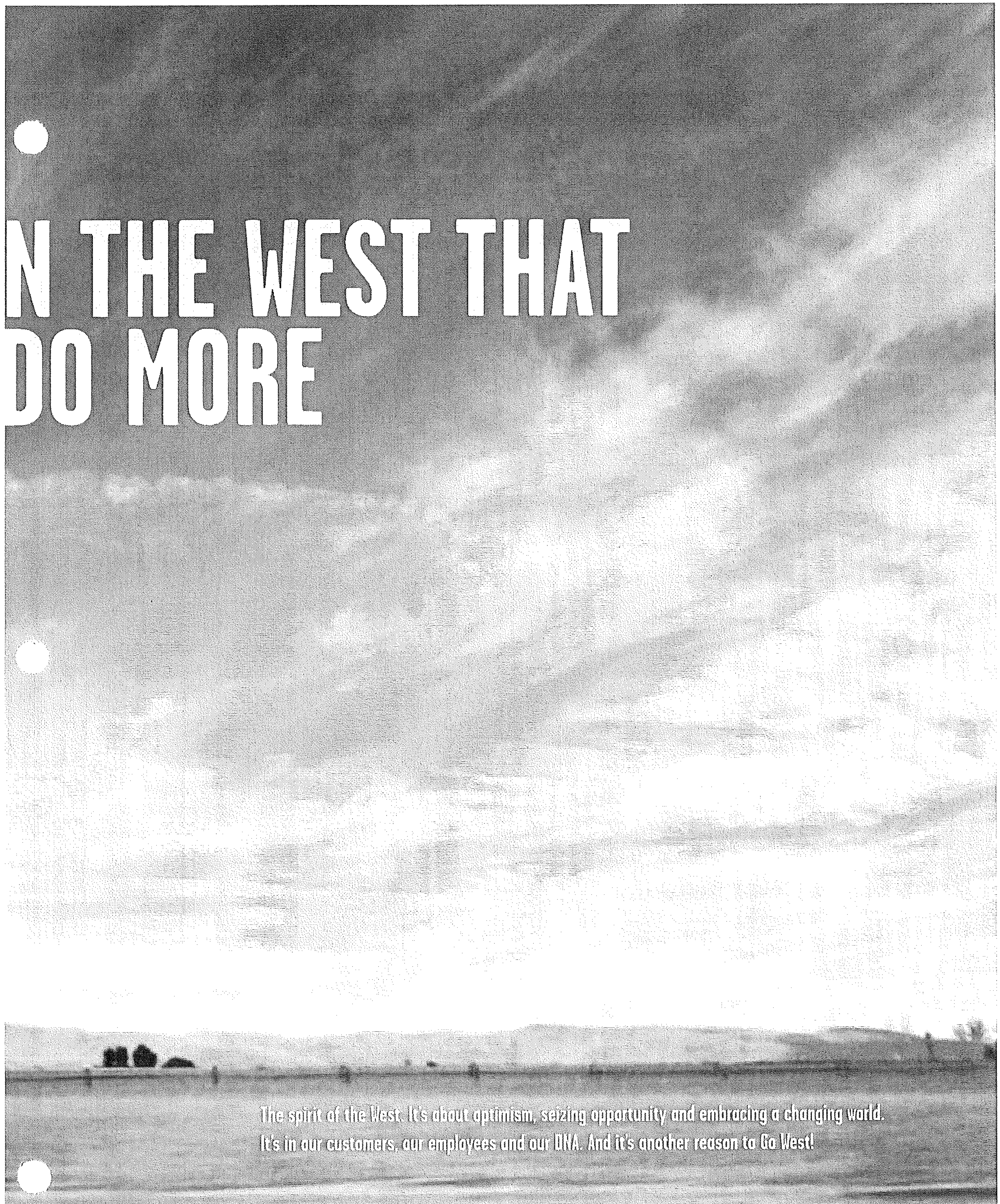
BANK OF THE WEST
2011 ANNUAL REPORT

GO WEST



BANK OF THE WEST | BNP PARIBAS GROUP


THERE'S A SPIRIT
DRIVES PEOPLE T


N THE WEST THAT
DO MORE
The spirit of the West. It's about optimism, seizing opportunity and embracing a changing world.
It's in our customers, our employees and our DNA. And it's another reason to Go West!

TO OUR CUSTOMERS AND COMMUNITIES

Bank of the West enjoyed another positive year in 2011. We gratefully attribute much of this success to the extraordinary businesses and individuals who have given us the opportunity to serve them and contribute to their growth.

The Bank achieved full-year net income of $442 million – more than double 2010 earnings. These results – combined with the strong performance of our sister bank, First Hawaiian Bank – produced meaningful results for our holding company, BancWest Corporation. For the full-year 2011, BancWest earned $517.7 million, up 102 percent from 2010. Our parent company BNP Paribas achieved a full-year 2011 profit of €6 billion ($7.86 billion).

Our performance in 2011 built on the firm financial foundation that has been a keystone of Bank of the West's business model for more than a century. But our strong results would not be possible without the trust of our more than 1.6 million customers. We are honored to be chosen to help them achieve their financial aspirations. As a profitable, well-capitalized bank backed by a stable global parent, we were able throughout the year to extend credit to businesses and consumers and provide the deposit, cash management and investment products that our customers need.

Bank of the West's combination of financial strength and detailed understanding of client needs allowed us to expand lending in 2011 and help grow the communities where we live and work. Commercial lending grew, including a dramatic increase in credit to small businesses, which are vital to job creation.

For more than 135 years, and through all economic cycles, individuals, families, public entities, non-profits and businesses large and small have entrusted Bank of the West with their deposits. In 2011, our total deposits rose by 11 percent, including an 8 percent increase in core deposits. This increase in deposits is testimony to our customers' satisfaction and trust.

We appreciate this trust, and we strive to deepen relationships with clients and provide for their diverse financial needs. In 2011, Bank of the West remained focused on building out our services and product sets to better meet the needs of our clients. We introduced an enhanced Wealth Management offering, for example, and opened several dedicated Wealth Centers to serve affluent individuals and families. Our Commercial Banking Group added offices in Chicago and Phoenix. We added small business bankers and mortgage bankers to better serve customers across our 19-state footprint.

The Bank also made important progress in 2011 on our long-term strategic initiatives that are designed to ensure we keep our company strong and customer-focused in the future. In the continued low interest rate environment, we took steps to diversify our revenue base. We invested in new products and delivery channels, gained market share in key segments, and continued to recruit extraordinarily talented people, which we have always known are the foundation of any great customer-focused organization.

We are inspired by our customers and community partners. Their spirit of determination and optimism—the spirit of the West—is what we see each day and what drives us to work hard and deliver on our customer commitment. We are proud of our positive performance in 2011—rising profitability, recognition for service, and investments in our Bank's future.

We take pride in ensuring that customers interact with knowledgeable bankers, fully committed to helping them achieve their personal and professional financial goals. Our 10,000 employees worked hard once again last year to show our customers that they are at the core of everything we do at Bank of the West. We are proud that our high-quality customer service has been recognized by the prestigious consulting firm Greenwich Associates for excellence in business banking and that *Money* magazine named Bank of the West the Best Regional Bank in the West in 2011. We are grateful for our team members' good efforts and the dedication of our executive management team and Board of Directors, including Stefaan Decraene, Head of International Retail Banking and member of the Executive Committee of BNP Paribas, who joined our Board in 2011.

Finally, our commitment to the Bank's extraordinary customers inspired us in 2011 to begin a major branding campaign: Go West! You see it on the cover of this Annual Report, in our more than 650 branches, and in our television and national print marketing campaigns. We believe this simple phrase embodies the spirit of the West – the optimism, the breadth of opportunity, the determination. It's this spirit of the West – the spirit we see every day in our extraordinary customers – that inspires all of us at Bank of the West.

Michael Shepherd
Chairman and CEO

Maura Markus
President and COO

March 30, 2012

BANK OF THE WEST

A diversified bank to fulfill multiple financial needs

Commercial Banking

- Cash Management Services that can help streamline accounting functions
- Commercial Deposit and Fixed Income Products
- Commercial Credit, including term loans, working capital and loan syndications
- Equipment Finance for direct and indirect equipment financing and vendor equipment financing
- Global Trade Services with foreign exchange and financing services and overseas offices
- Capital Market Services to put capital to work and manage interest rate and currency risks

Business Banking

- Business Checking, including interest checking, value package checking and analyzed business checking
- Web Direct online banking for efficient and secure management of business finances
- Small Business Loans for short-term working capital and long-term business needs, including SBA loans
- Business Credit Cards for diverse needs
- Business Services including cash management, foreign exchange and merchant and payroll services

Pacific Rim Banking

- Deposit Services for personal, small- and medium-sized business and corporate needs
- Loan Products including personal and business loans, real estate and construction loans, and equipment finance
- Personal Banking Services online and through branches with multilingual staff
- Business Services that can help with new enterprises in the U.S. and assist new Asian immigrants in building credit histories in the U.S.
- Representative offices in Tokyo and Taipei

Bank of the West's diversified business model enables us to provide the array of financial products and services needed by families and individuals, small businesses and large commercial enterprises. Our Commercial Banking Group serves businesses with annual revenue of $25 million and up. Our Business Banking Division provides expertise in deposit and cash management services and conventional and SBA loans. The Pacific Rim Banking Division serves tens of thousands of Asian and Asian-American families, businesses and corporations.

Wealth Management

- Private Client Advisors offering personalized wealth guidance
- BancWest Investment Services providing investment products and brokerage services
- Retirement, Trust and Estate Services
- Business Succession Planning
- Online Portfolio Services

Personal Banking

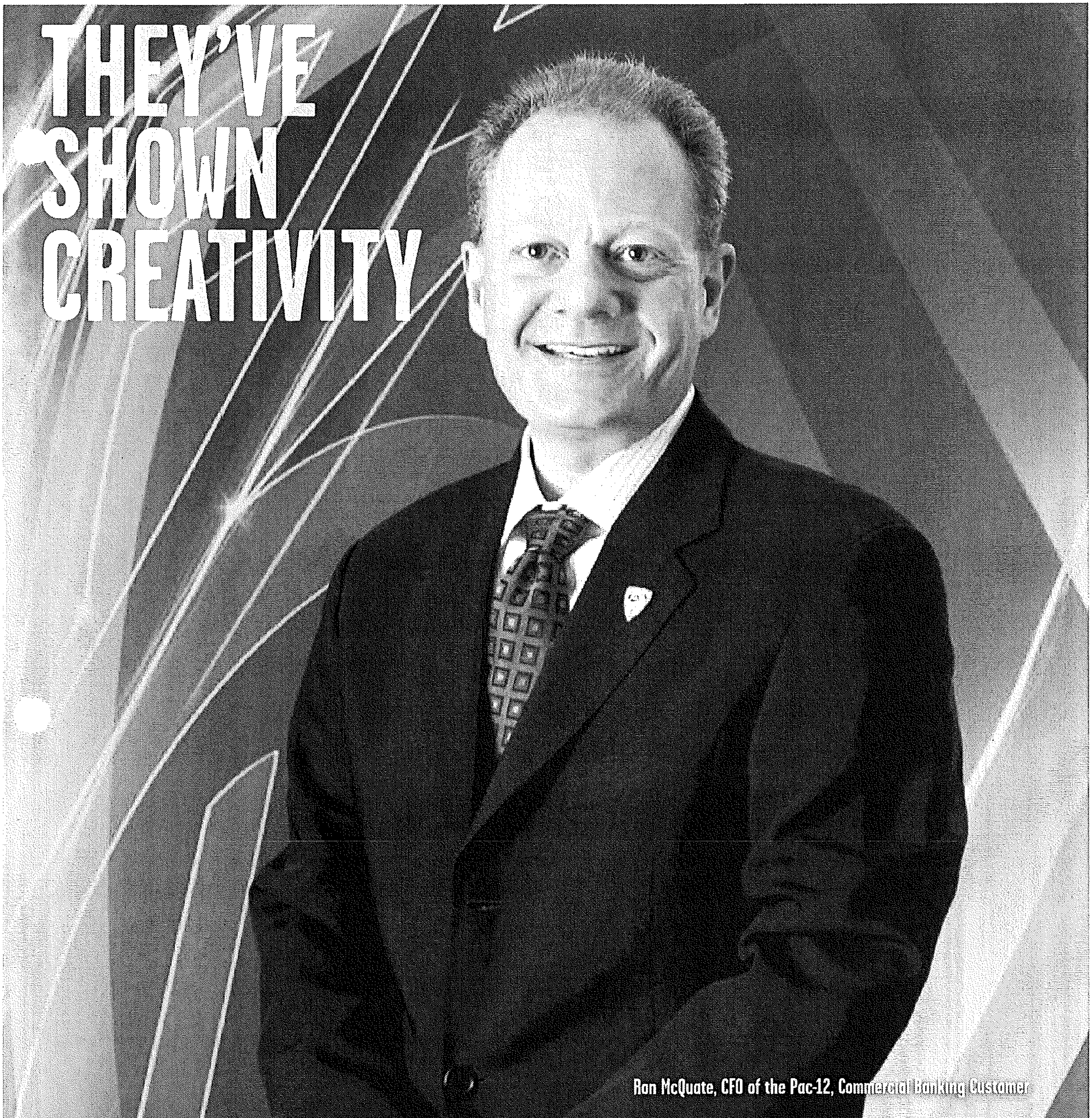
- Checking Accounts for diverse needs, including Choice Interest Checking
- Debit Cards for access to more than 700 Bank of the West ATMs
- Savings and Money Market Accounts and CDs
- Retirement Savings, including Money Market IRAs and Flexible IRAs
- Mobile Banking that includes mobile web and text banking
- Online Statements, Bill Pay and Budgeting Tools
- Insurance Services for individuals, families and businesses

Consumer Finance

- Mortgages including jumbos, fixed-rate, adjustable, FHA and VA for home purchases and refinancing
- Home Equity Loans and Lines of Credit
- Recreational Vehicle and Boat Loans offered nationwide
- Auto Loans for new and used vehicles providing quick decisions on loan applications
- Credit Cards with no annual fees, competitive rates and compelling rewards

Our Wealth Management Group's Private Client Advisors offer expert guidance to high net worth families and individuals. Bank of the West's Personal Banking meets the banking needs of families and individuals through our 659 branches and our online, mobile and telephone banking services. Consumer Finance provides mortgages and home equity loans in 19 Western states, credit cards, and auto, recreational vehicle and boat loans nationwide.

THEY'VE SHOWN CREATIVITY



Ron McQuate, CFO of the Pac-12, Commercial Banking Customer

"From our founding in a Portland, Oregon, hotel in 1915, we have come to be known as the Conference of Champions®," says Ron McQuate, CFO of the Pac-12. Conference schools are home to more than 100 Nobel Laureates. If the Pac-12 were a nation, its athletes would have placed 5th in the 2008 Summer Olympic Games medal count. "We are an athletic conference that embodies the traditions of the West – opportunity, excellence, innovation. That spirit of innovation is really now at the forefront in the conference's headquarters in Walnut Creek, California, as we start to push the envelope in college athletics through a digital portal and plans to construct a broadcast facility that will provide programming for seven dedicated Pac-12 TV channels. Bank of the West has been there for our essential banking needs and as a sponsor. Now, in the midst of our growth they've shown creativity in their financial solutions that we appreciate and that help us achieve our business goals."

COMMERCIAL BANKING

We have built our commercial bank on relationships.

Our relationship managers' dedication to knowing our clients' financial priorities and our ability to package products and services to meet the needs of growing businesses have made Bank of the West the commercial bank of choice for nearly 10,000 corporate customers.

The Bank's business banking services were recognized in 2011 by the prestigious consulting firm Greenwich Associates for Excellence in Middle Market Banking. The Bank received six awards, including national recognition for overall satisfaction, financial stability, relationship manager performance, and treasury management satisfaction and product capabilities.

In 2011, our National Banking Division extended its network of regional offices, opening locations in Phoenix and Chicago. The addition of these offices brings to 19 the number of National Banking Offices from Seattle to New York that facilitate the delivery of our full range of deposit, cash management and credit products to companies with annual revenues of $25 million and up.

Relationship banking and industry expertise

Our knowledgeable and dedicated commercial bankers work with corporate executives who look to Bank of the West for capital to expand their business, for corporate cards to manage cash flow, for foreign exchange for their overseas business, and for equipment leasing. We are dedicated to relationships based on trust and a commitment to steadily support our customers for the long term.

Bank of the West offers financial expertise in specialized sectors such as agriculture, including corporate agribusiness, wineries, dairies, greenhouses and nurseries, as well as government and public institutions, religious institutions, and commercial real estate.

In 2011, the Bank introduced Canadian corporate cards and purchasing cards that facilitate Canadian-dollar transactions for companies based in the U.S. and elsewhere.

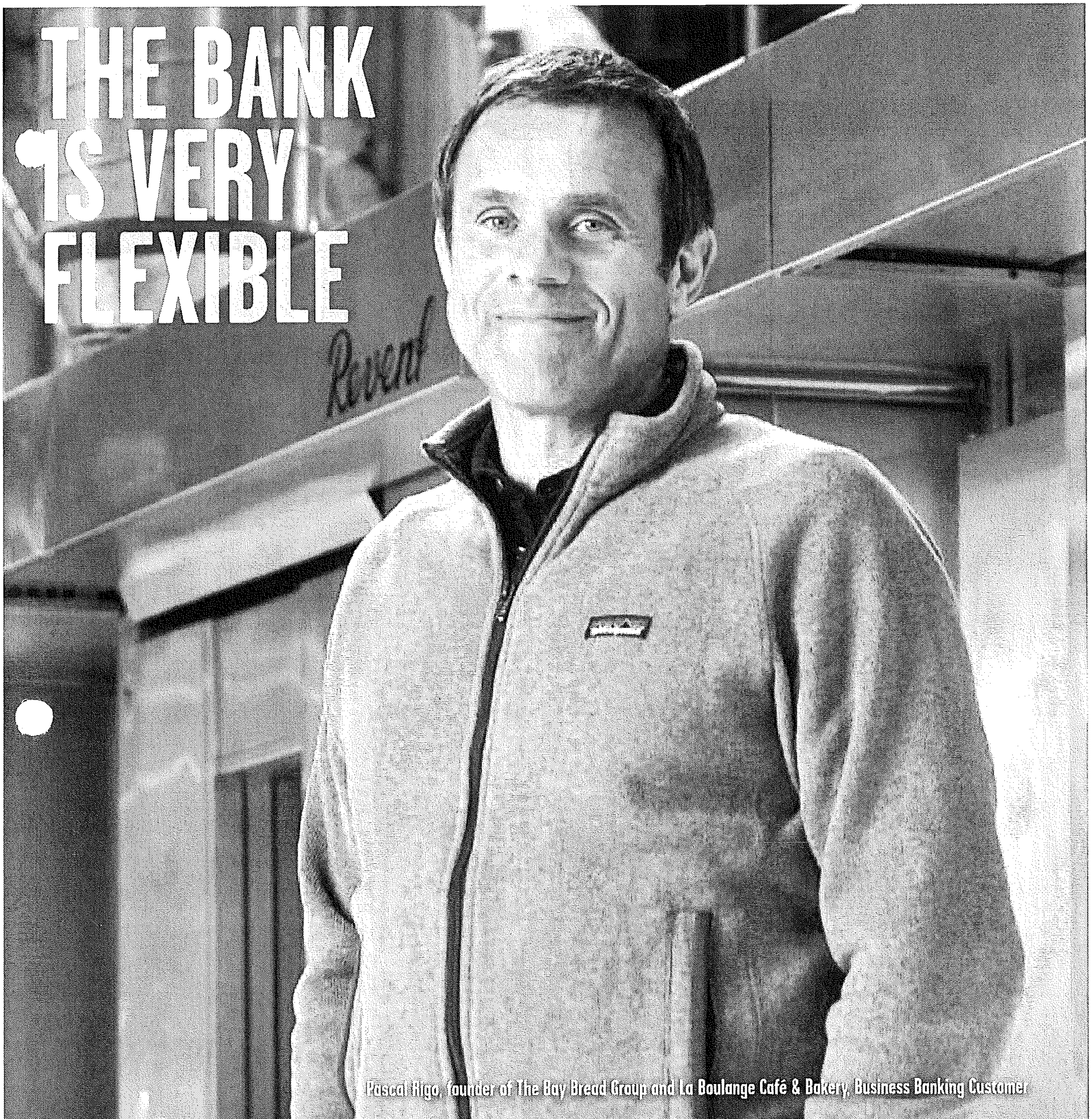
Broad product offering

Our commercial customers receive the benefits of relationship banking that extend beyond our loan and deposit products. We provide corporate cards and cash management services, and our commercial customers have access to our Capital Markets team to help maximize return on working capital, preserve liquidity, and hedge interest rate risk.

Many U.S. companies increasingly need global finance capabilities. The Global Trade Network of our parent company BNP Paribas provides trade finance in 54 countries to help companies succeed overseas. Coordinating with BNP Paribas, Bank of the West is able to provide companies the customer-focused attention of a local commercial banker and access to the breadth of products provided by one of the world's largest and strongest financial groups.

#2
agribusiness
bank in
the nation

"THE BANK IS VERY FLEXIBLE"



Pascal Rigo, founder of The Bay Bread Group and La Boulange Café & Bakery, Business Banking Customer

"I started to bake when I was seven years old and never stopped," says Pascal Rigo. Raised in Bordeaux, he dreamt of owning a bakery in California. He started one in Los Angeles after the owner of the restaurant where he worked offered to buy from him if Pascal had his own bakery. Four months later, he was selling bread to 70 of Los Angeles' finest hotels and restaurants. He moved to San Francisco and founded The Bay Bread Group, a wholesale artisan bakery. A few years later, he opened La Boulange Café & Bakery. Today he has four baking facilities in Northern and Southern California, 18 cafés and 800 employees. "You need to genuinely love what you do and the people you do it for – your customers, your employees, everybody. It needs to transcend everything that you do. We love our customers and I think they feel it." Bank of the West has helped finance his company's growth. "The Bank is very knowledgeable – really looking at the right things on the balance sheet. They understand the business. There are a lot of things that we like. Flexibility is a great word – the Bank is very flexible."

BUSINESS BANKING

Small business is big at Bank of the West.

In 2011 we more than doubled the number of small business bankers to keep pace with strong demand for credit from small businesses.

We understand small business and we understand businesses need choices when it comes to loans. That's why our business bankers are knowledgeable in conventional loans and lines of credit as well as in Small Business Administration lending.

Access to credit

As the economy began to expand again, many business owners were eager to invest in their companies and grow. That required access to credit. And Bank of the West has made lending a focus. Direct small business lending through our more than 650 branches rose 81 percent in 2011 compared to 2010. Small Business Administration (SBA) loans increased 58 percent.

Our Bank moved up to become the fifth largest provider in 2011 of SBA 504 loans, which help business owners acquire commercial real estate. And in SBA 7a lending, we moved from being in the top 100 in 2010 to being among the nation's top 40 in 2011.

We are not done. Bank of the West is continuing to expand our business banking capabilities. During 2012, Bank of the West expects to add more than 50 bankers to the 63 now working on the small- and medium-sized business banking team.

A range of business banking products

Our relationships with customers rarely end with a loan. We understand growing businesses require more than financing. We provide checking and savings accounts, plus credit cards and cash management services that enable small and medium-sized businesses to manage their cash flow – and their business – more effectively. Our small business customers also take advantage of our equipment leasing and insurance capabilities.

Small- and medium-sized businesses are a cornerstone of our communities and our economy and a vital source of jobs. In fact, according to the SBA's data, Bank of the West's SBA lending in 2011 contributed to the creation of more than 1,000 jobs.

We are building on those 2011 results. We have a long tradition of lasting relationships with business owners, whether they are entrepreneurs, franchisees, or partners in family-owned businesses. We see tremendous opportunities to continue lending, providing deposit products and sharing financial advice to help businesses thrive and our economy grow.

58%
increase in SBA loans from 2010

BANK OF THE WEST IS LIKE THE SUN RISING

Kurt Fulle, President and CEO, and Toshizo Watanabe, Chairman, of Nikken Inc., Pacific Rim Banking Customer

"Ours is a business that offers people a better, more satisfying way of life. Nikken provides people the opportunity to become an entrepreneur and achieve their financial goals. It is based on empowering oneself," says Kurt Fulle, President and CEO of Nikken Inc., a direct marketer of health and nutritional products that has flourished since 1975. "Our mission is to inspire people to discover this new way of living, and to provide them the means to make it their own. The products are very effective and unique. Hundreds of thousands of people have had positive experiences with our products." For many years, Nikken has counted on Bank of the West for its banking needs. "The relationship is sound, because their service level is exemplary. The best compliment is we never really think much about our banking relationship because they've always been there for us. Bank of the West is like the sun rising every morning - they are always there, ready to serve."

PACIFIC RIM BANKING

謝謝, ありがとう, 감사합니다, Cám Ón. Thank you.

Our Pacific Rim Banking Division speaks one language: relationship banking.

Bank of the West's Pacific Rim bankers offer clients a full range of business, corporate, personal, wealth and international banking services. Clients have access to more than 180 bilingual relationship managers able to communicate in Mandarin, Cantonese, Taiwanese, Japanese, Korean, Vietnamese and Tagalog, and, of course, English.

Committed to the Asian market

Bank of the West is strongly committed to the Asian and Asian-American clients we work with, and our customers know they can depend on our relationship managers to understand the issues and opportunities unique to their families and their businesses. Amidst the growth of the Pacific Rim economies, we're anticipating the many ways we can contribute to the financial success of each client – whether they are a first-time entrepreneur, a growing family business or a large organization building on a long tradition of success.

With $3 billion in deposits, our Pacific Rim Banking Division has grown to nearly 38,000 families and individuals, 6,000 business customers, including many Asia-based corporations, and about 1,000 corporate banking relationships with U.S. subsidiaries of Japanese corporations.

We provide knowledgeable and dedicated relationship managers through a network of offices in key U.S. cities and 19 specialized branches in Asian-American communities in California. In addition to personal banking and wealth management, we support a large commercial banking clientele, including entrepreneurs and business owners with operations in both the United States and in Asia. The Pacific Rim Division has a strong tradition of deep corporate banking relationships with U.S. subsidiaries of Asia-based corporations.

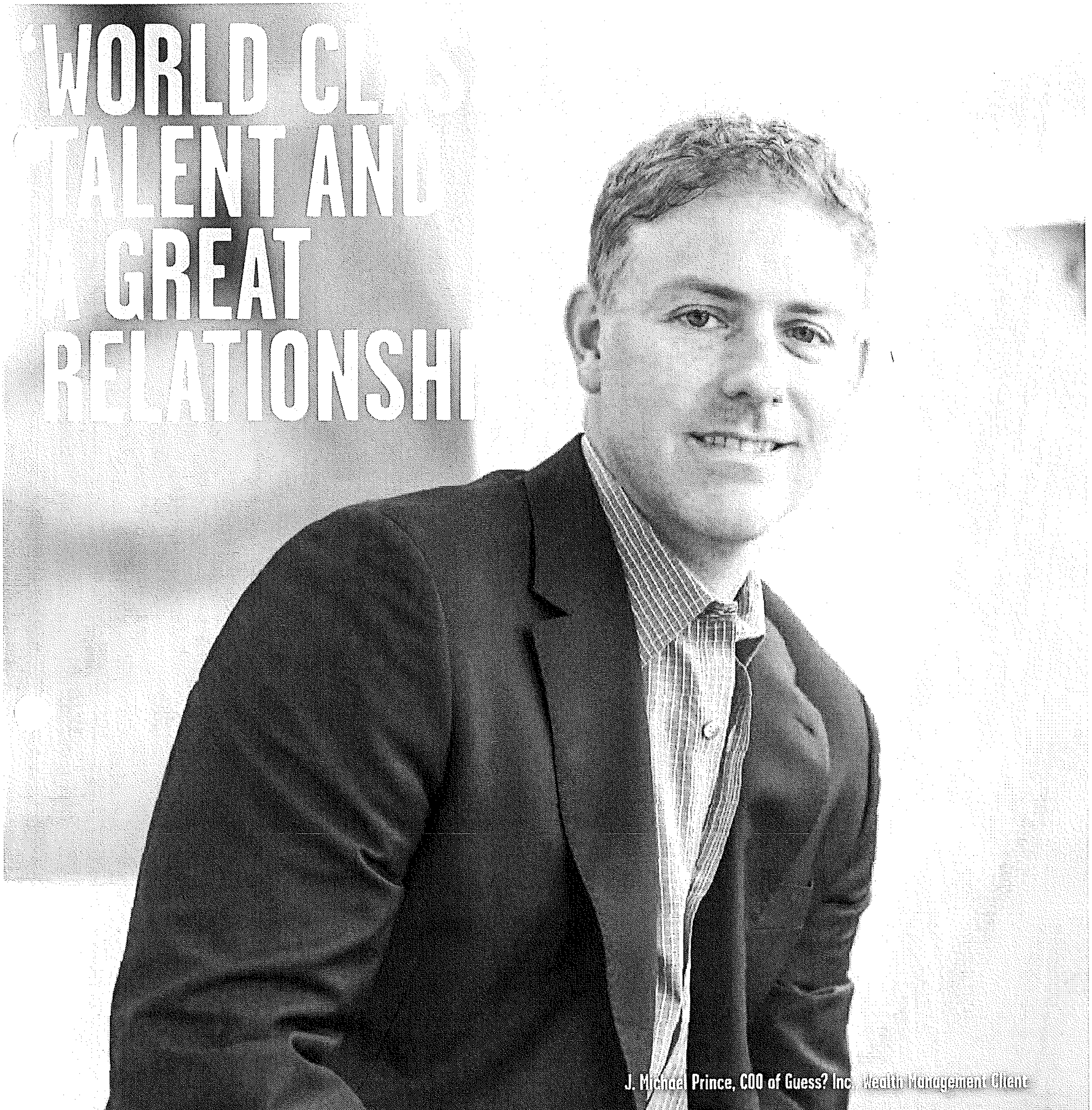
From New York to Tokyo

Through representative banking offices in Chicago and New York and corporate banking offices in select California cities, clients with operations in the United States and Asia can access credit and deposit services – including cash management, foreign exchange, global trade finance and other banking services.

To serve a growing number of U.S. subsidiaries of Asian-based companies, Bank of the West operates representative offices in Tokyo and Taipei. BNP Paribas China's International Business Development Desk can meet the banking needs of subsidiaries of Bank of the West's customers in China.

180+
bilingual
relationship
managers

'WORLD CL TALENT AND A GREAT RELATIONSHI



J. Michael Prince, COO of Guess? Inc., Wealth Management Client

"Growing up in rural Oklahoma, I never envisioned that I would be part of the global sports and fashion world," says J. Michael Prince, COO of Guess? Inc. "Over the years, I have had the good fortune to work for 'world class' global brands such as Converse, Nike, and most recently, Guess? While my career developed, I learned the importance of working with the 'best and brightest' and developing strong partnerships with people you trust." One of those strong relationships has been with Bank of the West and its parent company BNP Paribas. Both were instrumental when Guess? recently refinanced its multi-million dollar credit facility. "On a personal level, the Wealth Management and personal banking teams have been critical in assisting me with refinancing my home and evaluating financial options that help me plan for the future. From the bankers in its National Banking Division to its Wealth Management Group, Bank of the West provides 'world class' talent and a great relationship."

WEALTH MANAGEMENT

We believe Wealth Management clients at Bank of the West gain access to something unique: the financial expertise and commitment to personal service of our Private Client Advisors, a team of technical experts, and the global resources of our parent BNP Paribas. There is a passion to deliver a distinctive experience at Bank of the West.

Changing client needs

Client needs are changing, and it is our dedication to go beyond their expectations that inspired Bank of the West to refine and reintroduce our Wealth Management offering in the spring of 2011. Our goal? Enhance the way we work with each client. During the year, our Wealth Management Group introduced a new Private Client Services model focused even more strongly on nurturing deep relationships with affluent and high net worth individuals and families.

Dedicated Wealth Management Client Centers are a cornerstone of our approach. In 2011, we opened these centers in five cities – Denver, Los Angeles, Pasadena, Palo Alto and San Jose. We also broke ground on a flagship location in San Francisco to open in 2012.

Private Client Advisors

Clients today are looking for integrated banking and investment services, an advisory-based relationship, a comprehensive range of solutions, and outstanding service. Our Private Client Advisors (PCAs) are focused on personally understanding each client and their overall financial goals. After developing a comprehensive picture of the issues a client faces, PCAs bring together experts and solutions from across the Bank to meet those needs. We introduced nearly 30 PCAs in 2011 and plan to grow to more than 50 in 2012.

Our emphasis on relationship building extends to the Bank's broker-dealer subsidiary, BancWest Investment Services (BWIS), member FINRA/SIPC. BWIS has shifted its financial advisors' focus to providing clients with more holistic investment product solutions, such as managed money programs, while continuing to serve the retirement and education savings needs of clients in our branches.

As the Wealth Management Group reintroduced itself and invested in its offering during the year, the business gained momentum, attracting more than $2 billion in new client balances, which include investments, loans and deposits. We are honored by those clients who have allowed us to serve them, but we measure our success by what our new model allows us to give to our clients – an advisory-based relationship that provides comprehensive solutions to meet their financial needs.

$2
billion new client balances in 2011

Jorge Mendoza, founder of Sav-On Supplies, Personal Banking Customer

"Before I was 10 years old, I was working the fields in Mexico. As a teenager in the '80s I worked the apple orchards of Washington State. I started working. And I saw the need to work very hard," says Jorge Mendoza. In 2000, he started a business in his garage. Now, Sav-On Supplies sells automotive paints and supplies from two Southern California locations and employs a dozen people. "Every year we have had growth – anywhere from 10 percent to close to 40 percent. Honesty, integrity and value in what you do go a long ways." He has several business and personal accounts with Bank of the West. On the road a lot, he relies on the branches. "It's nice to actually know the branch managers. They say 'Hi' to you every time you walk in. It's not like other banks. When I go to Bank of the West it's always that warm feeling, you are actually a person, actually a human being. They care about what you are doing and they really get to know you."

PERSONAL BANKING

Personal banking at Bank of the West is truly personal.

We work hard every day for our customers, because we are not just a place to get a loan or a checking account. We believe that Bank of the West is more than our 659 branches in 19 states, more than our 700 ATMs, more than an online banking platform, more than an iPhone® app.

Sure, personal banking is about convenience. A place to get cash on the go, tools to transfer money to a daughter in Chicago, a quick way to view that account balance in the supermarket checkout line.

More than convenience

In today's busier-than-ever world, we get convenience. But we know banking has to be more than convenience. It's about providing choices. Smart and personalized choices, so customers can bank when and where they prefer and, more importantly, manage their personal finances and build their financial future and the financial future of their families.

Personal banking to us begins with listening. We've been listening to our customers for more than 135 years. Our branch staff and customer service representatives take the time to learn the goals of our customers, the product needs of our customers, the names of our customers. That's personal.

Committed to our customers

Maybe that's why in 2011 *Money* magazine named Bank of the West the Best Regional Bank in the West. And why Bank of the West ranked #1 in customer loyalty among large U.S. banks, according to Bain & Company Inc.'s *Customer Loyalty in Retail Banking, Americas 2011*. Bain's study found that customers praised Bank of the West for, among other things, service and the care we demonstrate for their well-being.

We appreciate awards. They are one indicator that families and individuals value our commitment to their financial well-being. And we are building on that commitment. In 2011 we introduced a mobile app for the iPhone® and enhanced our online banking and bill pay features. We installed more than 100 image-processing ATMs so customers can more easily deposit checks or cash without deposit slips or envelopes.

We also introduced new checking and savings products designed for the ways our customers manage their personal finances. To more easily interact with customers and the public, we launched Bank of the West on Facebook.

We are making further investments in mobile and online banking, enhancing our network of branches and introducing new product choices to ensure our customers continue to experience the level of service they've come to enjoy from personal banking at Bank of the West.

#1

in customer loyalty among large U.S. banks

Bryan DeBoer, President and COO of Lithia Motors Inc., Consumer Finance Customer

"We promote an entrepreneurial spirit. We rely on the knowledge of the people in our stores and give them the autonomy to deliver great customer service," says Lithia Motors COO Bryan DeBoer. Founded in 1946 by his grandfather, Lithia has grown from a few stores in Southern Oregon to become one of the nation's ten largest auto dealers with 86 stores in 11 Western states. Lithia offers personal, convenient, flexible hometown service combined with the large company advantages of selection, competitive pricing, broad access to financing and consistent service. Bank of the West finances many of the cars Lithia sells and provides commercial banking services. "There's this downhome feeling to the Bank that fits our company. Our DNA seems similar. Our roots are grounded in relationships rather than what the numbers say or the bank telling us 'You should do this or that.' They have always been about 'What are you looking for and how can we accommodate you?'"

CONSUMER FINANCE

We know that in a slow economy consumer credit can sometimes be hard to find. That's why over the years – through economic ups and downs – we have not faltered in our tried and true model of consumer finance.

Our approach starts with putting our customers at the core of what we do, and this proved to be the right approach once again in 2011. In a year when the Mortgage Bankers Association reported lending nationwide declined 37 percent, we increased our mortgage originations. And as the auto industry and consumer spending improved, we were there to help. Our auto loan originations in 2011 increased 27 percent.

Prudent lending standards

Our prudent and dependable approach to lending meant that through the recent economic downturn we stood by consumers by continuing to provide credit for the purchase of autos, recreational vehicles and boats. When home values declined we stood by our customers by continuing to offer mortgages and home equity lines of credit. Through economic peaks and lulls the Bank of the West approach to all our consumer finance products – credit cards, mortgages, home equity loans, RV, marine and auto loans – has held steady.

Now we are growing to further meet the needs of American families. In 2011, we increased by 34 percent the number of mortgage bankers serving our 19-state footprint. For the second consecutive year we originated more than $2 billion in new mortgages so families and individuals could achieve their dreams of homeownership from the banks of the Missouri River to the Malibu coast.

We remained the largest RV lender in America in 2011. Our combined auto, RV and boat lending originations grew by more than 12 percent compared to 2010. Our financial strength, which enables us to lend steadily, and our commitment to customer service are valuable assets. Essex Credit Corporation, a Bank subsidiary, is the preferred lender for members of Costco and Sam's Club, as well as other affinity clubs and specialty manufacturers.

Commitment to dealerships

We took our auto finance expertise into new territories in 2011, adding approved dealerships in Illinois and Texas. And we introduced improved technology so we can now give dealers and their customers swift and accurate decisions on applications – frequently in less than 60 seconds.

Our expertise in vehicle finance, combined with our customer focus and financial strength, has allowed us to deepen our banking relationships with many auto, RV and marine dealerships. From New Jersey to Oregon, dealers turn to us to finance their inventory floor plans and provide other financial products and services.

Bank of the West has financed autos, RVs, boats, homes and credit card purchases for decades. We are committed to helping consumers achieve their dreams. Our prudent approach to lending met the needs of individuals and families in 2011. And as the economic recovery begins to take hold, we expect to be there for consumers in 2012 and beyond.

#1
RV lender
in the nation

THEY CARE. THEY ARE STEADFAST.

Oral Lee Brown, founder of the Oral Lee Brown Foundation, 2011 Bank of the West Philanthropy Award Recipient

"To help a child give him a job, to free a child give him an education," says Oral Lee Brown, who promised college to a classroom of underprivileged kids in the 1980s. Then to another class. And another. And another. Twenty-five years after creating the Oral Lee Brown Foundation, she has helped more than 130 kids go to college. Living and working in Oakland and raised in Mississippi where she worked the cotton fields for two bucks a day, she knows hardship, hard work and the value of an education. Her relationship with Bank of the West began with a CD but soon became more than just a business relationship. "There are a number of aspects that the Bank has involved itself with in its relationship with the Oral Lee Brown Foundation. They care. They are steadfast. They are always trying to come up with ideas to help. The Bank shows an interest not only from a banking standpoint but also as a good organization: 'What else can we do to make the lives of these kids more bearable considering their situation and the times we are involved in?'"

COMMUNITY SUPPORT

Commitment to community is at the heart of our approach to banking.

We understand that meeting the needs of our customers and communities is based on mutual trust. Trust begins by offering responsible financial products and services; it is deepened through a commitment to exceptional customer service and enhanced by our culture of giving back to the communities in which we live and work.

Commitment to community at Bank of the West means employees and executives volunteering; it means donations to nonprofit groups in every county in our 19-state footprint; it means celebrating community involvement with our annual Bank of the West Philanthropy Awards; it means sponsoring concerts and events; and it means lending and investing in under-served neighborhoods.

Investing in neighborhoods

We know reinvestment in our neighborhoods benefits all of us. That is why we established a $75 billion community support goal in 2002. Since then, we have reached 95 percent of that goal, including $7.2 billion in community development loans. Last year alone we made $1.3 billion in community development loans, $51.3 million in community development investments, and the Bank, along with our Charitable Foundation and employees, donated $7 million to 2,400 nonprofit organizations. Responding to increased needs in our communities for economic development, we invested in affordable housing and homeownership, small business development and free income tax preparation services.

Bank of the West employees are passionate about their community involvement: they serve in board positions and volunteer in our communities. Our employees lend their financial expertise to schools and community organizations to teach financial education to individuals of all ages. In 2011, our financial education efforts reached 11,000 students, providing them with the tools to promote self-sufficiency. Our employees volunteered 10,000 hours of their time toward making our communities better and more sustainable places to live.

Sponsoring community events

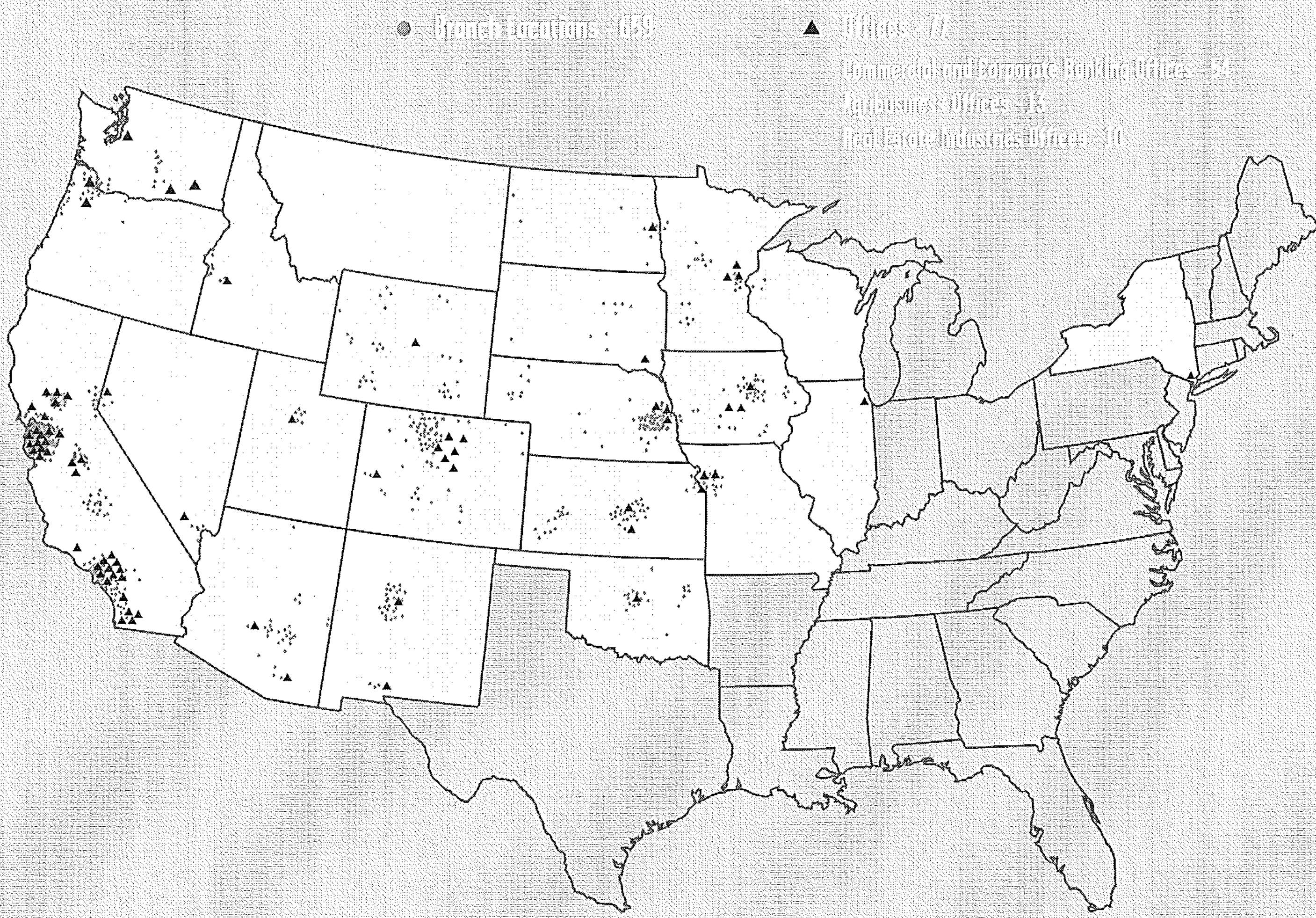
Civic and cultural events are important to the vitality of every community. Last year, Bank of the West was once again the official bank of the Pac-12. We hosted the Bank of the West Classic, the longest running women's tennis tournament in the world, and we sponsored numerous public events and concerts – such as Cheyenne Frontier Days, and one of the country's largest free outdoor concerts, Bank of the West Celebrates America in Omaha.

Through sponsorships, grants, donations of time, and loans to promote community development, Bank of the West is determined to promote the well-being of the neighborhoods and communities where we work and live.

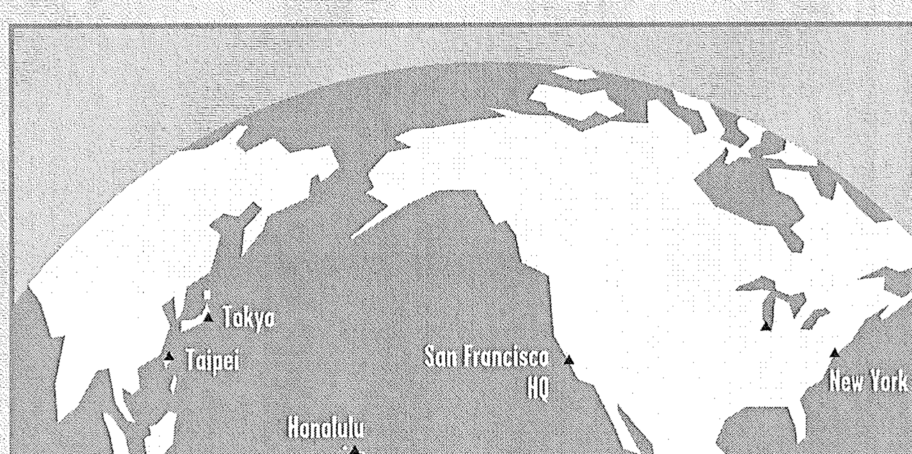
We understand that communities are the product of our interconnections and that reinvestment in our neighborhoods makes us all stronger.

95%
of $75 billion community support goal reached

RETAIL AND COMMERCIAL LOCATIONS



Based in San Francisco, we have representative offices in Chicago, New York, Taipei and Tokyo. Our sister bank, First Hawaiian Bank, is based in Honolulu.



AWARD WINNING BANKING

Money magazine named Bank of the West Best Regional Bank in the West for 2011. In addition, Bank of the West ranked #1 in customer loyalty among large U.S. banks, according to Bain & Company Inc.'s *Customer Loyalty in Retail Banking, Americas 2011*. Research company TNS gave Bank of the West a *2011 TNS Choice Award* for outstanding performance in the consumer banking marketplace in the West.

Bank of the West's business banking services were recognized in 2011 by the prestigious consulting firm Greenwich Associates for Excellence in Middle Market Banking. The Bank received six awards, including national recognition for overall satisfaction, financial stability, relationship manager performance, and treasury management satisfaction and product capabilities.

EXECUTIVE MANAGEMENT COMMITTEE

Michael Shepherd
Chairman & Chief Executive Officer

Maura Markus
President & Chief Operating Officer

Thibault Fulconis
Vice Chairman
Finance Group

John Bahnken
Senior Executive Vice President
Wealth Management Group

Michael Bracco
Senior Executive Vice President
Chief Administrative Officer

Duke Dayal
Executive Vice President
Chief Financial Officer

Donald Duggan
Senior Executive Vice President
Banking Services

Scott Germer
Senior Executive Vice President
Risk Management

Andrew Harmening
Senior Executive Vice President
Regional Banking Group

Gilles Karpowicz
Director of Audit and Inspection

Russell Playford
Senior Executive Vice President
Chief Risk Officer

Jean-Marc Torre
Senior Executive Vice President
Commercial Banking Group

Vanessa Washington
Senior Executive Vice President
General Counsel and Secretary

Paul Wible
Senior Executive Vice President
National Finance Group

Left to right: Scott Germer, Jean-Marc Torre, John Bahnken, Thibault Fulconis, Michael Shepherd, Michael Bracco, Vanessa Washington, Duke Dayal, Gilles Karpowicz, Russell Playford, Maura Markus, Paul Wible, Andrew Harmening, Donald Duggan

SENIOR MANAGEMENT COMMITTEE

EXECUTIVE VICE PRESIDENTS

Lynne Anstadt
Branch Support and
Financial Services Manager

Chris Ball
Deputy General Counsel

Dan Beck
Controller

Ross Biatek
Audit and Inspections

Sue Bulloch
National Finance Group
Financial Manager

Bob Dalrymple
Great Plains Division

Richard Davis
Southern California Division

Michelle Di Gangi
Small & Medium Enterprises Division

Bernard Digeon
Commercial Banking Group
Risk Manager

Ted Dunn
Syndications

Eric Eisenberg
Transaction and Contact Center Services

Joe Ford
Chief Security Officer

James Fujinaga
President & CEO
BancWest Investment Services

Kirsten Garén
Chief Information Officer

Tani Girton
Treasurer

Mark Glasky
National Banking Division

Raj Gopal
Enterprise Risk Management Architect

James Hanna
Chief Technology Officer

Bruce Heysse
National Finance Group
Direct Lending

Arcinee Hovanessian-Hermiston
Chief Credit Officer

Jim Kennedy
Specialized Corporate Solutions

Allen Kirschenbaum
Real Estate Industries Division

John Krenitsky
Chief Compliance Officer

Stew Larsen
Mortgage Banking Division

Maria Lazzarini
Northern California Division

Richard Lewis
National Finance Group
Group Risk Officer

Carole Merchant
Consumer Finance Division
Indirect Consumer Lending

Dan Mikes
Religious Institution Banking

Paul Nakae
REMAD Section/OREO Manager

Jerry Newell
Equipment Finance Division

Yukinori Nishio
Pacific Rim Banking Division

Patrick Poupon
Cash Management Division

Brad Rasmus
Midwest Division

Martin Resch
Commercial Banking Group
Strategy and Administration

Michael Robinson
Rocky Mountain Division

Andrew Rosen
Chief Marketing Officer

George Stanfield
Southwest Division

Michael Stead
Capital Markets

Roger Sturdevant
Agribusiness Division

John Thomason
Corporate Real Estate

Bill Williamson
Northwest Division

Dan Wilson
National Banking Division
Area Manager

Gina Wolley
Regional Banking Group Administration
and Branch Support

SENIOR VICE PRESIDENTS

Mark Beecher
National Finance Group
Sales and Marketing

Lance Berg
Corporate Communications

Jill Gonzalez
Card Services Division

John Hyche
Syndications

Lori Rivers
National Finance Group
Projects and Systems

Dan Rosenbaum
Corporate Development and Strategy

George Saleh
Operations Manager
Commercial and Treasury Services

BOARD OF DIRECTORS

Bernard Brasseur
Risk Manager (retired)
Bank of the West

Francois Dambrine
Head of U.S. Retail Banking
BNP Paribas, Paris

Richard Daniel
Vice Chair and CFO (retired)
Bankers Trust

Stefaan Decraene
Member of the Executive Committee and
Head of International Retail Banking
BNP Paribas, Paris

Walter A. Dods, Jr.
Chairman (retired)
First Hawaiian Bank
Chairman, Alexander & Baldwin, Inc.
Trustee, Estate of S.M. Damon

Michael Drake, M.D.
Chancellor
University of California, Irvine

Stuart A. Hall
President & CEO (retired)
Liberty Northwest

Guido van Hauwermeiren
Head of Coverage for International Strategic
Clients Corporate and Investment Banking
BNP Paribas, New York

Conrad W. Hewitt
Chief Accountant, Securities and Exchange
Commission (retired)
California Superintendent of Banking,
and Commissioner of Financial Institutions
1995-98

Geraldine Knatz
Executive Director
Port of Los Angeles

Vivien Levy-Garboua
Senior Advisor
Direction Générale
BNP Paribas, Paris

A. Ewan Macdonald
Chairman & CEO (retired)
Del Monte Foods

Maura Markus
President & COO
Bank of the West

Yves Martrenchar
Chief Operating Officer
Retail Banking
BNP Paribas, Paris

Isao "Steve" Matsuura
Chairman (retired)
Sanwa Bank California

Rodney R. Peck
Senior Partner
Pillsbury Winthrop Shaw Pittman

Frank Roncey
Global Head of Risk Retail and
Corporate Risk Management Group
BNP Paribas, Paris

Michael Shepherd
Chairman & CEO
BancWest Corporation
Chairman & CEO
Bank of the West

Tim Taylor
President & CEO (retired)
Public Service Co. of Colorado

Admiral Robert L. Toney
U.S. Navy (retired)

Jacques H. Wahl
Senior Advisor to the Chairman (retired)
BNP Paribas
Former Director & President
Banque Nationale de Paris

FINANCIAL HIGHLIGHTS

AUDITED FINANCIAL STATEMENTS

The financial highlights immediately below are extracted from the Bank's audited financial statements for 2011. These detailed financial statements are available in print or online at:
https://www.bankofthewest.com/about-us/our-company/annual-reports.html

(dollar amounts in thousands)	2011	2010	2009
Net interest income	[illegible]	$ 1,783,045	$ 1,704,645
Total noninterest income	[illegible]	358,682	158,408
Total noninterest expense	[illegible]	1,354,005	1,329,713
Net income (loss)	[illegible]	184,600	(403,356)
Return on average assets	[illegible]	0.31%	(.63)%
Total assets	[illegible]	57,652,826	60,000,590
Total loans and leases	[illegible]	43,115,160	44,476,351
Total deposits	[illegible]	39,547,244	40,205,146
Total risk based capital ratio	[illegible]	14.59%	11.08%

STRONG CREDIT RATINGS

Credit ratings* are a key measure of capital strength and financial stability. They are also recognition from rating agencies of a strong balance sheet and consistent financial performance.

Agency	Rating
Moody's	A1
Standard & Poor's	A+
Fitch	AA-

* long-term deposit ratings

STRONG CAPITAL POSITION

Bank of the West is one of the largest commercial banks in the United States. Our capital position exceeds regulatory requirements.

	Bank of the West Q4, 2011	Well-Capitalized Requirement
Tier 1 Leverage Ratio	11.57%	5.00%
Tier 1 Risk-Based Capital Ratio	14.20%	6.00%
Total Risk-Based Capital Ratio	15.45%	10.00%

As of December 31, 2011

BANK OF THE WEST

Headquartered and chartered in San Francisco, California, Bank of the West is a full-service commercial bank with $62.4 billion in assets and $44 billion in deposits at December 31, 2011. The bank operates more than 700 branch and commercial banking offices in 19 states – Arizona, California, Colorado, Idaho, Iowa, Kansas, Minnesota, Missouri, Oklahoma, Oregon, Nevada, New Mexico, Nebraska, North Dakota, South Dakota, Utah, Washington, Wisconsin and Wyoming. Bank of the West originates commercial, small business and consumer loans and leases, and offers a wide range of banking, insurance, trust and investment solutions for individuals and businesses. See www.bankofthewest.com.

BANCWEST
A BNP PARIBAS company

Bank of the West is a subsidiary of BancWest Corporation, a bank holding company with assets of approximately $78.1 billion at December 31, 2011. BancWest Corporation also owns First Hawaiian Bank, with $15.8 billion in assets at December 31, 2011 and 63 branches in Hawaii, Guam and Saipan. See www.bancwestcorp.com.

BNP PARIBAS

BNP Paribas (www.bnpparibas.com) has a presence in 80 countries with nearly 200,000 employees, including more than 150,000 in Europe. It ranks highly in its three core activities: Retail Banking, Investment Solutions and Corporate and Investment Banking. In Europe, the Group has four domestic markets (Belgium, France, Italy and Luxembourg) and BNP Paribas Personal Finance is the leader in consumer lending. BNP Paribas is rolling out its integrated retail banking model across Mediterranean basin countries, in Turkey, in Eastern Europe and a large network in the western part of the United States. In its Corporate and Investment Banking and Investment Solutions activities, BNP Paribas also enjoys top positions in Europe, a strong presence in the Americas and solid and fast-growing businesses in Asia.

CORPORATE ADDRESS

Bank of the West
180 Montgomery Street
San Francisco, CA 94104
Phone: 415.765.4800
www.bankofthewest.com

GENERAL INFORMATION

For news media and for general information:

Lance Berg
Corporate Communications
corporate.communications@bankofthewest.com

For financial information about
Bank of the West and BancWest Corporation:

Duke Dayal
Chief Financial Officer
cfo@bankofthewest.com

REPRESENTATIVE OFFICES

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155 North Wacker Drive, 44th floor
Chicago, IL 60606

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Bank of the West
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New York, NY 10019

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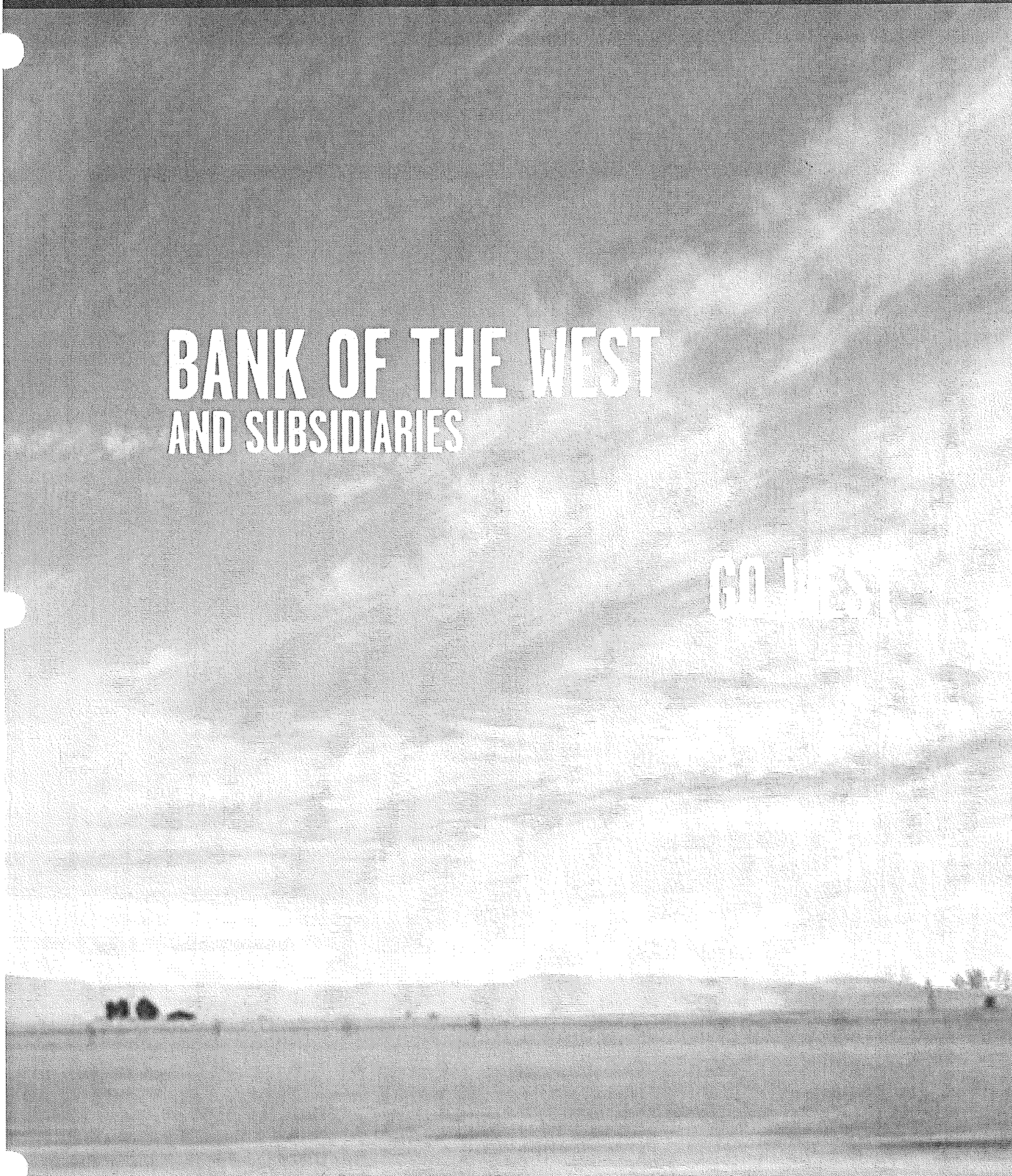
Gran Tokyo North Tower, 39th Floor
9-1 Marunouchi, 1 Chome,
Chiyoda-Ku
Tokyo 100-6742, Japan

Taipei
Bank of the West
Taipei 101 Tower
Room D, 72F-1, No. 7
Xin Yi Road Section 5,
Taipei, Republic of China

2011 ANNUAL REPORT FINANCIAL STATEMENTS



BANK OF THE WEST
AND SUBSIDIARIES

BANK OF THE WEST | BNP PARIBAS GROUP

Report of Independent Auditors

To the Board of Directors and Stockholders
of Bank of the West and its Subsidiaries:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, consolidated statements of changes in equity and comprehensive income, and consolidated statements of cash flows present fairly, in all material respects, the financial position of Bank of the West and its subsidiaries (the "Bank") at December 31, 2011 and December 31, 2010, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
San Francisco, CA
March 5, 2012

BANK OF THE WEST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	Year Ended December 31,	
(dollars in thousands)	**2011**	**2010**
Interest income		
Loans	**$1,891,344**	$1,997,946
Lease financing	**134,069**	144,464
Securities available for sale	**188,237**	181,550
Other	**5,797**	4,470
Total interest income	**2,219,447**	2,328,430
Interest expense		
Deposits	**156,459**	255,502
Short-term borrowings	**637**	863
Long-term debt	**154,108**	289,020
Total interest expense	**311,204**	545,385
Net interest income	**1,908,243**	1,783,045
Provision for credit losses	**319,865**	512,782
Net interest income after provision for credit losses	**1,588,378**	1,270,263
Noninterest income		
Service charges on deposit accounts	**153,698**	173,556
Trust and investment services income	**18,684**	17,647
Brokerage service fees	**41,105**	46,336
Credit and debit card fees	**109,503**	102,789
Other service charges and fees	**98,240**	89,323
Net gains (losses) on debt securities available for sale[1]	**34,099**	(35,951)
Income from bank-owned life insurance	**23,318**	21,624
Net gains on customer accommodation derivatives	**15,603**	10,271
Loss on credit guarantee derivative	**(6,351)**	(73,201)
Write-downs of other real estate owned assets, net	**(34,174)**	(36,770)
Other	**60,935**	43,058
Total noninterest income	**514,660**	358,682
Noninterest expense		
Salaries and employee benefits	**764,103**	697,617
Occupancy	**131,606**	134,434
Outside services	**124,201**	125,089
FDIC assessments	**61,886**	85,060
Intangible amortization	**51,455**	55,712
Equipment	**56,328**	56,558
Advertising and marketing	**38,618**	41,817
Collection and repossession	**47,320**	33,710
Other	**132,478**	124,008
Total noninterest expense	**1,407,995**	1,354,005
Income before income taxes and noncontrolling interest	**695,043**	274,940
Income tax expense	**251,936**	89,600
Net income before noncontrolling interest	**443,107**	185,340
Net income attributable to noncontrolling interest	**1,096**	740
Net income attributable to Bank of the West	**$ 442,011**	$ 184,600

(1) Includes other-than-temporary impairment (OTTI) losses of $1.9 million and $8.2 million recognized in earnings ($1.9 million and $12.3 million of total OTTI losses, net of nil and $4.1 million recognized in other comprehensive income) for the years ended December 31, 2011 and 2010, respectively.

The accompanying notes are an integral part of these consolidated financial statements.

BANK OF THE WEST AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(dollars in thousands, except per share amounts)	December 31, 2011	December 31, 2010
Assets		
Cash and due from banks	**$ 763,987**	$ 683,530
Interest-bearing deposits in other banks	**2,832,249**	118,738
Trading assets	**6,000**	5,500
Securities available for sale	**7,717,655**	6,128,762
Loans held for sale	**244,509**	107,440
Loans and leases:		
Loans and leases	**43,427,394**	43,007,720
Less allowance for loan and lease losses	**870,188**	1,059,017
Net loans and leases	**42,557,206**	41,948,703
Premises and equipment, net	**451,035**	446,469
Customers' acceptance liability	**4,101**	7,469
Goodwill	**4,201,513**	4,201,143
Other intangibles, net	**170,447**	205,700
Other real estate owned and repossessed personal property	**156,049**	195,017
Interest receivable	**167,562**	158,852
Bank-owned life insurance	**1,301,847**	1,289,392
Other assets	**1,834,144**	2,156,111
Total assets	**$62,408,304**	$57,652,826
Liabilities and Equity		
Deposits:		
Interest-bearing	**$32,261,182**	$28,257,259
Noninterest-bearing	**11,734,014**	11,289,985
Total deposits	**43,995,196**	39,547,244
Federal funds purchased and securities sold under agreements to repurchase	**352,060**	733,172
Short-term borrowings	**1,560**	6,465
Acceptances outstanding	**4,101**	7,469
Long-term debt	**5,676,868**	5,812,535
Liability for pension benefits	**202,057**	162,769
Other liabilities	**964,004**	761,593
Total liabilities	**51,195,846**	47,031,247
Equity:		
Common stock, par value $0.001 per share in 2011 and 2010		
Authorized — 20,000,000 shares		
Issued and outstanding — 5,548,359 shares at December 31, 2011 and 2010	**6**	6
Additional paid-in capital	**9,730,732**	9,728,178
Retained earnings	**1,469,882**	1,027,871
Accumulated other comprehensive loss	**(10,664)**	(158,325)
Total Bank of the West stockholder's equity	**11,189,956**	10,597,730
Noncontrolling interest	**22,502**	23,849
Total equity	**11,212,458**	10,621,579
Total liabilities and equity	**$62,408,304**	$57,652,826

The accompanying notes are an integral part of these consolidated financial statements.

BANK OF THE WEST AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY AND COMPREHENSIVE INCOME

(dollars in thousands)	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Bank of the West Stockholder's Equity	Non-controlling Interest	Total Equity
Balance, January 1, 2010	5,039,194	$5	$8,332,394	$ 843,271	$(234,584)	$ 8,941,086	$ 5,774	$ 8,946,860
Comprehensive income:								
Net income	-	-	-	184,600	-	184,600	740	185,340
Other comprehensive income (loss), net of tax:								
Pension	-	-	-	-	(7,394)	(7,394)	-	(7,394)
Net change in unrealized gains on securities available for sale	-	-	-	-	76,651	76,651	-	76,651
Net change in unrealized gains on cash flow derivative hedges	-	-	-	-	7,002	7,002	-	7,002
Comprehensive income	-	-	-	184,600	76,259	260,859	740	261,599
Stock options	-	-	2,333	-	-	2,333	-	2,333
Stock issuance	509,165	1	1,000,000	-	-	1,000,001	-	1,000,001
Capital infusion	-	-	393,451	-	-	393,451	-	393,451
Noncontrolling interest	-	-	-	-	-	-	17,335	17,335
Balance, December 31, 2010	5,548,359	$6	$9,728,178	$1,027,871	$(158,325)	$10,597,730	$23,849	$10,621,579
Comprehensive income:								
Net income	-	-	-	**442,011**	-	**442,011**	**1,096**	**443,107**
Other comprehensive income (loss), net of tax:								
Pension	-	-	-	-	**(26,034)**	**(26,034)**	-	**(26,034)**
Net change in unrealized gains on securities available for sale	-	-	-	-	**168,770**	**168,770**	-	**168,770**
Net change in unrealized gains on cash flow derivative hedges	-	-	-	-	**4,925**	**4,925**	-	**4,925**
Comprehensive income	-	-	-	**442,011**	**147,661**	**589,672**	**1,096**	**590,768**
Stock options	-	-	**2,554**	-	-	**2,554**	-	**2,554**
Noncontrolling interest	-	-	-	-	-	-	**(2,443)**	**(2,443)**
Balance, December 31, 2011	**5,548,359**	**$6**	**$9,730,732**	**$1,469,882**	**$ (10,664)**	**$11,189,956**	**$22,502**	**$11,212,458**

The accompanying notes are an integral part of these consolidated financial statements.

BANK OF THE WEST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(dollars in thousands)	Year Ended December 31, 2011	2010
Cash flows from operating activities		
Net income	$ 442,011	$ 184,600
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	319,865	512,782
Net (gains) losses on securities available for sale	(34,099)	35,951
Net gains on sale of loans	(22,006)	(21,620)
Net increase in trading assets	(500)	(393)
Depreciation, amortization and accretion, net	195,168	168,777
Deferred income taxes	(24,060)	(18,899)
Decrease in interest receivable and other assets	72,510	39,858
Increase in interest payable and other liabilities	142,678	141,907
Change in fair value of credit guarantee derivative	6,351	73,201
Originations of loans held for sale	(1,092,158)	(1,052,128)
Proceeds from sales of loans held for sale	1,123,551	1,046,169
Other, net	82,383	49,217
Net cash provided by operating activities	1,211,694	1,159,422
Cash flows from investing activities		
Securities available for sale:		
Proceeds from maturities and prepayments	1,429,134	3,100,984
Proceeds from sales	4,423,454	2,524,515
Purchases	(7,163,979)	(5,241,818)
Net (increase) decrease in loans resulting from originations and collections	(1,325,460)	521,729
Purchases of loans and leases	(105,473)	(68,514)
Proceeds from sales of loans	188,394	37,891
Purchase of premises, equipment and software	(83,112)	(55,738)
Decrease in bank-owned life insurance investments	10,863	6,481
Other, net	159,665	182,292
Net cash (used) provided by investing activities	(2,466,514)	1,007,822
Cash flows from financing activities		
Net increase (decrease) in deposits	4,568,447	(488,381)
Net (decrease) increase in short-term borrowings under three months	(386,483)	211,680
Proceeds from issuance of short-term borrowings	468	5,371
Proceeds from issuance of long-term debt	2,100,000	-
Repayment of long-term debt	(2,232,297)	(3,741,704)
Proceeds from issuance of common stock	-	1,000,001
Noncontrolling interest	(1,347)	2,966
Net cash provided (used) by financing activities	4,048,788	(3,010,067)
Net increase (decrease) in cash and cash equivalents	2,793,968	(842,823)
Cash and cash equivalents at beginning of year	802,268	1,645,091
Cash and cash equivalents at end of year	$ 3,596,236	$ 802,268
Supplemental disclosures		
Interest paid	$ 322,457	$ 577,167
Income taxes paid	324,291	48,016
Noncash investing and financing activities:		
Capital infusion	-	393,451
Transfer from deposits for the settlement of credit guarantee derivative	120,495	169,521
Transfers into loans held for sale	259,037	42,136
Transfers from loans to foreclosed properties	126,882	171,432
Increase in loans and leases due to consolidation of variable interest entities	-	15,109

The accompanying notes are an integral part of these consolidated financial statements.

1. Organization and Summary of Significant Accounting Policies

Bank of the West ("BOW") is a State of California chartered bank. BOW has 659 retail branch banking locations (645 full service retail branches and 14 limited service retail offices) and other commercial banking offices located in Arizona, California, Colorado, Idaho, Iowa, Kansas, Minnesota, Missouri, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin and Wyoming providing a wide range of financial services to both consumers and businesses. BOW also has branches serving Pacific Rim customers, specializing in domestic and international products and services in predominantly Asian American communities. In addition, the Bank has a commercial banking office in New York and an offshore office in the Cayman Islands. Lending and other services focus on corporate, consumer and smaller middle market businesses. Bank of the West's principal subsidiaries include Essex Credit Corporation ("Essex"), BW Insurance ("BWI") and BancWest Investment Services, Inc. ("BWIS"). The terms "the Bank," "we," "our," "us" and similar terms as used in this report refer to Bank of the West and its subsidiaries.

BancWest Corporation ("BancWest"), a financial holding company, as of December 31, 2011 and 2010, owned 100% and 83.22% of the outstanding common stock of the Bank, respectively. The balance of the Bank's common stock at December 31, 2010 was held by BNP Paribas ("BNPP"). During 2011, BancWest repaid the outstanding debt owed to BNPP that was collateralized by these common shares of the Bank's stock. The Bank issued 509,165 shares of common stock to BancWest in 2010, which received the related funding from BNPP. The Bank also had authorized 1,000,000 shares of preferred stock, none of which were issued or outstanding at December 31, 2011 and 2010.

BancWest is a wholly owned subsidiary of BNPP, a financial institution based in France. BancWest's other bank subsidiary (wholly owned) is First Hawaiian Bank.

Regulation

The Bank's primary regulators are the Federal Deposit Insurance Corporation ("FDIC") and the California Department of Financial Institutions. The Bank is a member of the Federal Home Loan Bank System and is required to maintain an investment in the capital stock of the Federal Home Loan Bank ("FHLB"). The Bank maintains insurance on its customer deposit accounts with the FDIC, which requires quarterly assessments of deposit insurance premiums.

Basis of Presentation

The accounting and reporting policies of the Bank and its subsidiaries conform to accounting principles generally accepted in the United States ("GAAP"). The accompanying consolidated financial statements include the accounts of the Bank and all of its wholly-owned, majority-owned or controlled subsidiaries and variable interest entities ("VIEs") if the Bank determines it is the primary beneficiary. All material intercompany transactions among the Bank and its consolidated entities have been eliminated.

For consolidated entities where it holds less than a 100% interest, the Bank reports income or loss attributable to noncontrolling shareholders in the consolidated statements of income, and the equity interest attributable to noncontrolling shareholders in the equity section of the consolidated balance sheets.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in accordance with GAAP requires management to make judgments using estimates and assumptions. Actual results could differ from these estimates and assumptions.

Reclassifications

Certain amounts in the financial statements and notes thereto for the prior year have been reclassified to conform to the current financial statement presentation.

Cash and Due from Banks

Cash and due from banks include amounts due from other financial institutions as well as in-transit clearings. For purposes of the consolidated statement of cash flows, the Bank includes as cash and cash equivalents, cash and due from banks, interest-bearing deposits in other banks and federal funds sold and securities purchased under agreements to resell (with original maturities of less than three months).

Securities

Securities are classified as trading, available for sale or held-to-maturity.

Securities used for trading purposes are classified as trading and are carried at fair value with unrealized gains and losses included in the consolidated statements of income.

Investments in debt securities and marketable equity securities having readily determinable fair values and not used for trading purposes are classified as available for sale and are carried at estimated fair value with net unrealized gains and losses included in accumulated other comprehensive income (loss), net of applicable income taxes. Amortization of premiums and accretion of discounts for the available for sale securities are included in interest income. Upon sale, realized gains and losses are reported in earnings. Refer to Note 16 for information on fair value measurement of the securities.

Nonmarketable equity securities are carried at cost and included in other assets.

The Bank evaluates its investment securities portfolio for impairment on a quarterly basis. The cost basis of a security is written down through a charge to earnings when a decline in fair value below amortized cost is considered to be other-than-temporary ("OTTI"). The new cost basis is not increased for subsequent recoveries in fair value.

For a debt security, OTTI is recognized in earnings when the Bank intends to sell or will more likely than not be required to sell before recovery of its amortized cost basis. However, even if the Bank does not intend to sell the security, we evaluate the expected cash flows to be received on the security to determine if a potential credit loss exists, which is recognized as a charge to earnings. Amounts relating to factors other than credit losses are recorded in other comprehensive income ("OCI"). For equity securities, the Bank evaluates the securities for OTTI based on the length of time fair value is below cost and the severity of the differences, the Bank's intent and ability to hold the security until forecasted recovery of the fair value of the security, and the investee's financial condition and capital strength.

Loans Held for Sale

Loans that the Bank intends to sell are classified as held for sale ("HFS") and are carried at the lower of cost or fair value. Fair value is determined on an individual loan basis and collective basis for commercial and consumer loans, respectively. Fair value is measured based on collateral value, estimated cash flows or prevailing market prices for loans with similar characteristics. Any excess between cost and fair value upon transfer to held for sale is recorded through the allowance for credit losses. Subsequent declines in fair value or recoveries of such declines are recognized as increases or decreases in a valuation allowance and reported in noninterest income. Gains and losses upon sale are reported as part of noninterest income.

Loan origination fees and direct costs on loans held for sale are deferred until the related loan is sold and recognized in noninterest income upon sale.

For consumer loans originated for sale, the Bank enters into short-term loan commitments to fund the loans that it originates at specified rates and also enters into forward commitments to sell those loans at specified prices. Such interest rate lock commitments to fund the loans and the commitments to sell those loans are accounted for as derivatives at fair value with subsequent changes in fair value recorded through noninterest income.

Loans and Leases

Loans and leases make up a portfolio that the Bank has the intent and the ability to hold for the foreseeable future or until maturity or payoff. The Bank's loans and lease portfolio is divided into two portfolio segments, which are the same segments used by the Bank to determine the allowance for credit losses, commercial and consumer. The portfolio segments are well diversified by borrower, collateral and industry. The Bank further disaggregates its portfolio segments into various classes of loans for purposes of monitoring and assessing credit risk as described below.

Commercial Loans

The Bank disaggregates the commercial loan portfolio into the following classes:

- Loans to businesses for commercial, industrial and professional purposes ("Commercial & industrial");
- Loans that are secured by real estate properties ("Commercial real estate");
- Loans secured by real estate to finance land development and construction of industrial, commercial, residential or farm building ("Construction");
- Indirect and direct leases to finance commercial equipment purchases ("Equipment leases");
- Loans to finance agricultural production and other loans to farmers ("Agriculture").

Consumer Loans

The Bank disaggregates the consumer loan portfolio into the following classes:

- Consumer loans and leases such as autos, marine, recreational vehicles, personal lines of credit and credit cards ("Installments and lines");
- Closed-end loans secured by first and junior liens on 1-4 family residential properties ("Residential secured – closed-end");
- Revolving, open-end loans secured by 1-4 family residential properties ("Residential secured – revolving, open-end").

Loans that the Bank originates are recorded at the principal amount outstanding, net of unamortized deferred loan origination fees and costs. Loans purchased by the Bank are initially measured at fair value at the date of acquisition at a premium or discount, as appropriate. At the time of acquisition, the seller's estimate for expected credit losses is not carried over or recorded by the Bank as a credit loss allowance against the loans (see Allowance for Credit Losses below).

Net deferred fees or costs and premiums and discounts are recognized in earnings over the contractual term of the loans, adjusted for actual prepayments, using the interest method or on a straight line basis for revolving loans.

Interest income is accrued unless the loan is determined to be impaired and placed on nonaccrual status (see Nonaccrual Loans and Leases below). The Bank recognizes unaccreted or unamortized fees, costs, premiums and discounts on loans and leases paid in full as a component of interest income.

Direct financing leases are carried at the aggregate of lease payments receivable plus estimated residual value less unearned income. Unearned income on financing leases is accreted over the lives of the leases to provide a constant periodic rate of return on the net investment in the lease. The Bank reviews commercial lease residual values at least annually and recognizes residual value impairments that are deemed to be other-than-temporary through earnings.

The Bank also charges other loan and lease fees consisting of delinquent payment charges and servicing fees, including fees for servicing loans sold to third parties, and recognizes such fees as income when earned.

Nonaccrual Loans and Leases

The Bank generally places a loan or lease on nonaccrual status when management believes that full and timely collection of principal or interest has become doubtful; or it is 90 days past due as to principal or interest payments based on its contractual terms, unless it is well secured and in the process of collection. The Bank determines loans to be past due if payment is not received in accordance with contractual terms.

When the Bank places a loan or lease on nonaccrual status, previously accrued but uncollected interest is reversed against interest income of the current period. When there are doubts about the ultimate collection of the recorded balance on a nonaccrual loan or lease, cash payments by the borrower are applied as a reduction of the principal balance, under the cost recovery method. Otherwise, the Bank records such payments as income.

Nonaccrual loans and leases are generally returned to accrual status when either (1) they become current as to principal and interest, there is a sustained period of repayment performance by the borrower and the bank expects payment of remaining contractual principal and interest; or (2) they are both well secured and in the process of collection.

Not all impaired loans or leases are placed on nonaccrual status; for example, restructured loans performing under restructured terms beyond a specific period may be classified as accruing, but may still be deemed impaired (see Allowance for Credit Losses and Troubled Debt Restructurings below).

Allowance for Credit Losses

The Bank maintains an allowance for loan and lease losses (the "Allowance") against the carrying value of the loans and leases to absorb estimated probable credit losses within the portfolio. The Allowance is maintained at a level which, in management's judgment, is adequate to absorb probable losses that have been incurred and can be reasonably estimated as of the balance sheet date. The Allowance is increased through provisions for loan and lease losses charged to earnings and reduced by principal charge-offs, net of recoveries.

The Allowance consists of two components, allocated and unallocated. The Bank determines the allocated component of the Allowance by measuring credit impairment on (i) an individual basis for larger balance loans in the commercial portfolio that are on nonaccrual status and commercial and mortgage loans in a troubled debt restructuring, and (ii) on a collective basis for groups of loans with similar risk characteristics and large groups or pools of homogeneous loans with smaller balances that are not evaluated on a case-by-case basis such as credit card, residential mortgages and consumer installment loans.

The Bank considers a loan to be impaired on an individual basis when, based on current information and events, it is probable that it will be unable to collect all amounts due according to the contractual terms of the loan. The Bank measures impairment by comparing the present value of the expected future cash flows discounted at the loan's effective interest rate with the recorded investment in the loan, except for collateral-dependent loans. For collateral dependent loans, the Bank measures impairment by comparing the fair value of the collateral on an "as-is" basis less disposition costs with the recorded investment in the loan. On a case-by-case basis, the Bank may measure impairment based upon a loan's observable market price.

For loans assessed on a collective basis, the calculation of the allocated reserve considers historical loss experience for each type of loan, management's ongoing review of internal risk ratings and associated trends and factors including:

- Trends in the volume and severity of delinquent loans, nonaccrual loans, troubled debt restructuring and other loan modifications;
- Trends in the quality of risk management and loan administration practices including findings of internal and external reviews of loans and effectiveness of collection practices;

- Changes in the quality of the Bank's risk identification process and loan review system;
- Changes in lending policies and procedures including underwriting standards and collection, charge-off and recovery practices;
- Changes in the nature and volume of the loan portfolio;
- Changes in the concentration of credit and the levels of credit;
- Changes in the national and local economic business conditions, including the condition of various market segments.

The unallocated component of the Allowance is maintained to cover uncertainties in our estimate of credit losses. While the Bank's allocated reserve methodology strives to reflect all risk factors, there may still be certain unidentified risk elements. The purpose of the unallocated reserve is to capture these factors. The relationship of the unallocated component to the total Allowance may fluctuate from period to period. Management evaluates the adequacy of the Allowance based on the combined total of allocated and unallocated components.

In addition to the Allowance, we also maintain a reserve for losses on unfunded loan commitments and letters of credit which is recorded within other liabilities. We determine this reserve using estimates of the probability of the ultimate funding and losses related to those credit exposures based on a methodology similar to our methodology for determining the Allowance.

While the Bank has a formal methodology to determine the adequate and appropriate level of the allowance for credit losses, estimates of inherent loan, lease and unfunded commitment losses involve judgment and assumptions as to various factors, including current economic conditions. Management's determination of adequacy of the total allowance for credit losses is based on quarterly evaluations of the above factors. Accordingly, the provision for credit losses will vary from period to period based on management's ongoing assessment of the adequacy of the Allowance. See Note 5 for discussion on how the Bank's experience and current economic conditions have influenced management's determination of the Allowance.

Charge-off and Recovery Policies for Loans and Leases

The Bank's policy is to charge off a loan or lease when there is evidence that the loan or lease balance is uncollectible. A commercial loan or lease that is individually assessed for impairment is charged off when potential recovery of the recorded loan balance is uncertain as a result of shortfall in collateral value or borrowers' financial difficulty. Consumer installment loans and leases are generally charged off, partially or fully, upon reaching a predetermined delinquency status that ranges from 120 to 180 days depending on the type of consumer installment loans and leases.

Recoveries of amounts that have previously been charged off are credited to the Allowance and are generally recorded only to the extent that cash or other assets are received.

Troubled Debt Restructurings

On July 1, 2011, we adopted an amendment to the accounting guidance related to the classification of loans as TDRs. This amendment clarified when a restructuring such as a loan modification is considered a TDR. For additional information, see "Recent Accounting Standards – A Creditor's Determination of Whether a Restructuring is a Troubled Debt Restructuring," below.

In situations where for economic or legal reasons related to the borrower's financial difficulties, the Bank grants a concession to the borrower that it would not otherwise consider, the related loan is classified as a troubled debt restructuring ("TDR"). Concessions generally include modifications to the loan's terms, including but not limited to interest rate modifications and reductions, principal or interest forgiveness, term extensions or renewals, or any other actions that may minimize the potential economic loss to the Bank.

A nonaccrual loan involved in a TDR continues to be recorded as nonaccrual until some period of performance on the restructured terms, generally six months, can be evidenced. Loans whose contractual terms have been modified in a TDR and are current at the time of restructuring remain on accrual status if payment in full under the restructured terms is expected.

Regardless of its accrual status, the Bank continues to measure and recognize impairment on an individual basis for its restructured commercial loans. For residential secured loans, we assess for individual impairment at time of restructure.

Premises and Equipment

Premises and equipment, including leasehold improvements, are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are computed on a straight-line basis over the estimated useful lives as follows:

Premises	10-39 years
Furniture and equipment	3-20 years
Leasehold improvements	Shorter of the lease term or estimated remaining life

We periodically evaluate our long-lived assets for impairment. We perform these evaluations whenever events or changes in circumstances suggest that the carrying amount of an asset or group of assets is not recoverable. If impairment recognition criteria are met, an impairment charge would be reported in noninterest expense. For the years ended December 31, 2011 and 2010, the Bank's evaluation did not result in any impairment.

Goodwill

The net assets of entities acquired by the Bank are recorded at their estimated fair value at the acquisition date, and the excess of the cost of an acquired entity over the fair value of the identifiable net assets acquired represents goodwill.

Goodwill is not amortized, but is tested for impairment annually, or whenever events or changes in circumstances suggest that the carrying value may not be recoverable. The Bank first compares the fair value of an identified reporting unit with its carrying amount, including goodwill. If the fair value of a reporting unit exceeds its carrying value, the goodwill of the reporting unit is not considered impaired. Otherwise, the Bank measures impairment as the difference between the recorded goodwill and the implied fair value of the reporting unit's goodwill.

Other Intangible Assets

Core deposit and other intangible assets determined to have finite lives are amortized over their estimated useful lives. They are generally amortized using accelerated methods over estimated useful lives of five to ten years. The Bank reviews core deposit intangibles for impairment annually or whenever events or changes in circumstance indicate that we may not recover our investment in the underlying deposits. Other finite-lived intangible assets are reviewed for impairment whenever events or changes in circumstance suggest the carrying value may not be recoverable.

Internal-use Software Development Costs

The Bank incurs costs to purchase and develop computer software, classified as other intangibles. The treatment of costs to purchase or develop the software depends on the nature of the costs and the stage of construction. Costs incurred in the initial design and evaluation phase, such as the cost of performing feasibility studies and evaluating alternatives are charged to expense. Costs incurred in the committed project planning and design phase, and in the construction and installation phase, are capitalized as part of the cost of the software. The Bank stops capitalizing costs when the software is substantially completed and ready for its intended use at which point it begins to amortize.

Internal-use software development costs are amortized over their estimated useful lives, generally five to seven years. The Bank reviews internal-use software development costs for impairment annually or whenever changes in circumstances indicate that the carrying amount of the assets may not be recoverable from their expected use and eventual disposition. If such an asset is considered impaired, the impairment to be recognized is measured as the amount by which the carrying basis of the asset exceeds its fair value.

Other Real Estate Owned and Repossessed Personal Property

Other real estate owned ("OREO") and repossessed personal property are primarily comprised of properties that we acquired through foreclosure proceedings. Assets acquired in satisfaction of a defaulted loan are recorded at fair value upon acquisition. The amount by which the recorded investment in the loan exceeds the fair value (less estimated costs to sell) is charged off against the Allowance. The amount by which the fair value (less estimated costs to sell) exceeds the recorded investment in the loan is recognized first against prior charge-off (as a recovery) with any excess recognized through noninterest income. Subsequent declines in fair value and recoveries in those declines of the assets are recognized in a valuation allowance through noninterest income. Gains and losses upon sale of the foreclosed asset are reported as part of noninterest income.

Transfers and Servicing of Financial Assets

The Bank enters into loan participations and loan sales, including originations to sell residential mortgage loans to the Federal National Mortgage Association ("FNMA"). The Bank records these transactions as sales and derecognizes the financial assets in accordance with GAAP.

Any interests in the loans retained by the Bank in a participation are recognized by allocating the carrying amount of the loans between the participating interests sold and interests retained based on their relative fair values at the date of transfer. Gain or loss on the sale of the participating interests is based on the proceeds received and the allocated carrying amount of assets transferred.

The Bank retains the servicing on mortgage loans sold which is recognized as a mortgage servicing right ("MSR") on our balance sheet in other intangibles, net. Our servicing activities include collecting principal, interest, tax and insurance payments from borrowers while accounting for and remitting payments to investors on behalf of the borrowers. MSRs are initially recognized at fair value at the date of transfer as a component of the sales proceeds and subsequently amortized and carried at the lower of cost or fair value. Fair value of MSRs is determined based on the present value of estimated future net servicing income. The MSRs are amortized over the estimated period that net servicing income is expected to be received. Projections of the amount and timing of estimated future net cash flows are calculated using management's best estimates including, prepayment speeds, forward yield curves and default rates. These estimates are updated based on actual results, industry trends and other economic considerations.

The Bank periodically evaluates its MSR assets for impairment by evaluating the fair value of those assets based on a disaggregated, discounted cash flow method. For purposes of measuring impairment, MSRs are stratified based on predominant risk characteristics, such as loan category or maturity. We assess impairment using a present value of expected cash flows model for each strata based upon assumptions for estimated servicing income and expense as discussed in Note 3, Loans Held for Sale and Servicing Activity. The impairment, if any, is measured as the amount by which the carrying value of the servicing right strata exceeds its estimated fair value. Impairment is recognized through a valuation allowance and a charge to earnings if it is considered to be temporary or through a direct write-down of the asset and a charge to earnings if it is considered other than temporary.

Securities purchased under agreements to resell and securities sold under agreements to repurchase are treated as collateralized financing transactions and are recorded at the amounts at which the securities were acquired or sold plus accrued interest. The fair value of collateral either received from or provided to a third party is continually monitored and additional collateral is obtained or is requested to be returned to the Bank as in accordance with the agreement. The Bank or a custodian holds all collateral.

Fair Value

The Bank uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants on the measurement date. Trading assets, securities available for sale, certain other assets and certain liabilities are recorded at fair value on a recurring basis in accordance with applicable accounting guidance. The Bank may also be required to record other assets at fair value on a nonrecurring basis, such as loans held for sale and impaired loans held for investment. These nonrecurring fair value adjustments typically involve application of lower of cost or fair value accounting or write-downs of individual assets.

The Bank values its assets and liabilities based on observable market prices or parameters or derived from such prices or parameters, if available. If observable prices or inputs are not available, fair values are measured using valuation models. In the case of securities, fair values are adjusted for credit rating, prepayment assumptions, credit loss assumptions and market liquidity.

Fair value measurements are classified within one of three levels in a valuation hierarchy based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets to which the Bank has access on the measurement date.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. See Note 16 for more information regarding fair value measurements.

Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated to the U.S. dollar equivalent at the rate of exchange at the balance sheet date. Transactions in foreign currencies are translated to the U.S. dollar equivalent at the rate of exchange in effect at the time of the transaction. Foreign currency gains and losses are included in the consolidated statement of income within other noninterest income in the period in which they occur.

Lease Commitments

Lease commitments are transactions entered into by the Bank where the Bank is the lessee. Leases are classified as capital or operating depending on the terms and conditions of the contracts; the accounting for these leases depends on the nature of the lease transactions. For assets accounted for as capital leases, depreciation is recorded on a straight-line basis over the period of the lesser of the lease term or asset life. Lease obligations recorded under capital leases are reduced by lease payments net of imputed interest. Operating leases are contracts that do not transfer substantially all of the benefits and risk of ownership and do not meet the accounting requirements for capital lease classification. Operating lease payments are charged as rental expense on a straight-line basis over the lease term. Lease incentives received as part of the lease agreement are recognized as a reduction of rental expense on a straight-line basis over the term of the lease.

Income Taxes

The Bank is included in the consolidated federal income tax return filed by BancWest. We also file various combined and separate company state returns according to the laws of the particular state. Federal and state income taxes are generally allocated to individual subsidiaries as if each had filed a separate return. Amounts equal to income tax benefits of those subsidiaries having taxable losses or credits are reimbursed by other subsidiaries which would have incurred current income tax liabilities.

The Bank recognizes current income tax expense in an amount which approximates the amount of tax to be paid or refunded for the current period. The Bank recognizes deferred income tax liabilities and assets for the expected future tax consequences of events that the Bank includes in our financial statements or tax returns. Under this method, the Bank determines deferred income tax liabilities and assets based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the years in which the differences are expected to reverse. Deferred tax assets are recognized if it is more likely than not that they will be realized. Realization is dependent on generating sufficient taxable income prior to expiration of any loss carry forward balance. The Bank's net tax asset is presented as a component of other assets.

Income tax benefits are recognized and measured based upon a two-step model: (1) a tax position must be more-likely-than-not to be sustained based solely on its technical merits in order to be recognized, and (2) the benefit is measured as the largest dollar amount of that position that is more-likely-than-not to be sustained upon settlement. The difference between the benefit recognized and the tax benefit claimed on the return is referred to as an unrecognized tax benefit. Foreign taxes paid are generally applied as credits to reduce federal income taxes payable. Tax-related interest is recognized as a component of income tax expense. Penalties are recognized as a component of other noninterest expense.

Derivative Instruments and Hedging Activities

Derivatives are recognized on the consolidated balance sheet at fair value and designated as (1) a hedge of the fair value of a recognized asset or liability or of an unrecognized firm commitment ("fair value" hedge), (2) a hedge of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability ("cash flow" hedge) or (3) held for trading, customer accommodation or not designated for hedge accounting ("free standing derivative instrument").

The Bank formally documents the relationship between hedging instruments and hedged items, as well as the risk management objective and strategy for undertaking various hedge transactions. The Bank also formally assesses both at the inception of the hedge and on a quarterly basis, whether the derivative instruments are considered effective in offsetting changes in fair values of or cash flows related to hedged items. For a fair value hedge, changes in the fair value of the derivative instrument and changes in the fair value of the hedged asset or liability or of an unrecognized firm commitment attributable to the hedged risk are recorded in current period income. For a cash flow hedge, to the extent that the hedge is considered effective, changes in the fair value of the derivative instrument are recorded in other comprehensive income within stockholder's equity. The fair value is subsequently reclassified into the income statement in the same period and classification of the hedged transaction. Any portion of the changes in fair value of derivatives designated as a hedge that is deemed ineffective is recorded in current period earnings.

For free standing derivative instruments, changes in the fair values are reported in current period income.

Valuations of derivative assets and liabilities reflect the value of the instrument including the values associated with counterparty risk and the Bank's own credit standing; refer to Note 15, Derivative Financial Instruments for additional information.

The Bank occasionally purchases or originates financial instruments that contain embedded features that may require recognition as separate embedded derivative instruments. Such embedded derivatives are separated from the hybrid financial instrument and carried at fair value with changes recorded in current period earnings.

Recent Accounting Standards

The following Accounting Standard Updates ("ASU") were issued during the year by the Financial Accounting Standards Board ("FASB") and are applicable to the Bank:

ASU No. 2011-02: *Receivables (Topic 310) – A Creditor's Determination of Whether a Restructuring is a Troubled Debt Restructuring:*

In April 2011, the FASB issued guidance to clarify existing standards for determining whether a modification represents a TDR from the perspective of the creditor. The guidance became effective in the third quarter of 2011 and must be applied retrospectively to January 1, 2011. Refer to Note 5 for the impact of the application of this guidance in 2011.

ASU No. 2011-04: *Fair Value Measurement (Topic 820) – Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs (International Financial Reporting Standards):*

In May 2011, the FASB issued new guidance on the measurement of fair value and expanded disclosure requirements in an effort to develop a single, converged fair value framework between U.S. GAAP and IFRS. This ASU is largely consistent with the existing fair value measurement principles in U.S. GAAP; however it expanded the existing disclosure requirements for fair value and amended how the fair value measurement guidance in ASC 820 is applied. The amendments in this ASU are effective for the Bank for fiscal years beginning on January 1, 2012 and are to be applied prospectively.

ASU No. 2011-05: *Comprehensive Income (Topic 220) – Presentation of Comprehensive Income:*

In June 2011, the FASB issued revised guidance on the presentation of comprehensive income and its components in the financial statements. As a result of the guidance, the Bank will be required to present net income and other comprehensive income either in a single continuous statement or in two separate, but consecutive statements. The ASU does not change the items that must be reported in other comprehensive income or the determination of net income. The new guidance is applied retrospectively. This ASU is effective for the Bank for fiscal years beginning on January 1, 2012.

ASU No. 2011-08: *Intangibles – Goodwill and Other (Topic 350) – Testing Goodwill for Impairment:*

In September 2011, the FASB issued revised guidance intended to simplify how an entity tests goodwill for impairment. As a result of the guidance, an entity will be allowed to first assess qualitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test. An entity will not be required to calculate the fair value of a reporting unit unless the entity determines, based on a qualitative assessment, that it is more likely than not that its fair value is less than its carrying amount. The accounting guidance is effective for the Bank on January 1, 2012. The accounting guidance is not expected to have a material impact on the Bank's consolidated financial statements.

ASU No. 2011-11: *Balance Sheet (Topic 210): Disclosure about Offsetting Assets and Liabilities*:

In December 2011, the FASB issued new disclosure requirements about the nature of an entity's rights to setoff and related arrangements associated with its financial instruments and derivative instruments. The new disclosures are designed to make financial statements that are prepared under GAAP more comparable to those prepared under IFRS. This ASU is effective for the Bank for fiscal years beginning on January 1, 2013 and will be applied retrospectively.

ASU No. 2010-20: Receivables *(Topic 310): Disclosures about the Credit Quality of Financing Receivables and the Allowance for Credit Losses:*

In July 2010, the FASB issued new guidance that requires the Bank to provide more robust and disaggregated disclosures about the credit quality of financing receivables, allowances for credit losses and troubled debt restructurings. Except for troubled debt restructuring disclosures, the new disclosure guidance became effective for the Bank's 2010 financial statements. New disclosures related to troubled debt restructurings are effective for our 2011 financial statements.

2. Securities Available for Sale

Amortized cost and fair value of securities available for sale at December 31, 2011 and 2010 were as follows:

(dollars in thousands)	2011 Amortized Cost	2011 Unrealized Gains	2011 Unrealized Losses	2011 Fair Value	2010 Amortized Cost	2010 Unrealized Gains	2010 Unrealized Losses	2010 Fair Value
U.S. Treasury and other U.S. Government agencies and corporations	**$1,009,189**	**$ 18,776**	**$ (382)**	**$1,027,583**	$ 174,181	$ 126	$ (76)	$ 174,231
Government sponsored agencies	**119,233**	**541**	**(13)**	**119,761**	483,192	958	(1,039)	483,111
Mortgage and asset-backed securities:								
Government agencies[1]	**4,043,843**	**129,337**	**(283)**	**4,172,897**	239,209	1,429	(1,116)	239,522
Government sponsored agencies[1]	**1,444,937**	**30,776**	**(11)**	**1,475,702**	1,178,263	33,605	(329)	1,211,539
Collateralized debt obligations	**65,192**	**-**	**(20,059)**	**45,133**	127,674	-	(60,682)	66,992
Collateralized loan obligations	**171,510**	**-**	**(42,855)**	**128,655**	223,390	-	(93,484)	129,906
Other asset-backed securities	**1,782**	**44**	**(1)**	**1,825**	8,546	50	(924)	7,672
Collateralized mortgage obligations:								
Government agencies	**9,623**	**99**	**-**	**9,722**	1,084,543	15,813	(828)	1,099,528
Government sponsored agencies	**59,260**	**433**	**-**	**59,693**	1,451,179	5,943	(19,699)	1,437,423
States and political subdivisions	**649,698**	**25,091**	**(4,201)**	**670,588**	1,299,297	18,885	(45,589)	1,272,593
Equity securities	**6,160**	**254**	**(318)**	**6,096**	6,244	271	(270)	6,245
Total securities available for sale	**$7,580,427**	**$205,351**	**$(68,123)**	**$7,717,655**	$6,275,718	$77,080	$(224,036)	$6,128,762

[1] Backed by residential real estate.

The following tables present the unrealized gross losses and fair values of securities in the available for sale portfolio by length of time that individual securities in each category have been in a continuous loss position.

	December 31, 2011					
	Less Than 12 Months		12 Months or More		Total	
(dollars in thousands)	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value
U.S. Treasury and other U.S. Government agencies and corporations	$ (382)	$146,753	$ -	$ -	$ (382)	$146,753
Government sponsored agencies	(13)	50,368	-	-	(13)	50,368
Mortgage and asset-backed securities:						
Government agencies[1]	(283)	127,828	-	-	(283)	127,828
Government sponsored agencies[1]	(10)	47,216	(1)	23	(11)	47,239
Collateralized debt obligations	-	-	(20,059)	45,133	(20,059)	45,133
Collateralized loan obligations	-	-	(42,855)	128,655	(42,855)	128,655
Other asset-backed securities	(1)	47	-	-	(1)	47
State and political subdivisions	(360)	9,975	(3,841)	59,255	(4,201)	69,230
Equity securities	-	-	(318)	5,824	(318)	5,824
Total securities available for sale	$(1,049)	$382,187	$(67,074)	$238,890	$(68,123)	$621,077

[1] Backed by residential real estate.

(dollars in thousands)	December 31, 2010					
	Less Than 12 Months		12 Months or More		Total	
	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value
U.S. Treasury and other U.S. Government agencies and corporations	$ (75)	$ 90,839	$ (1)	$ 330	$ (76)	$ 91,169
Government sponsored agencies	(1,039)	330,445	-	-	(1,039)	330,445
Mortgage and asset-backed securities:						
Government agencies[1]	(1,069)	189,008	(47)	890	(1,116)	189,898
Government sponsored agencies[1]	(329)	97,620	-	-	(329)	97,620
Collateralized debt obligations	-	-	(60,682)	66,992	(60,682)	66,992
Collateralized loan obligations	-	-	(93,484)	129,906	(93,484)	129,906
Other asset-backed securities	-	-	(924)	3,492	(924)	3,492
Collateralized mortgage obligations:						
Government agencies	(828)	141,128	-	-	(828)	141,128
Government sponsored agencies	(19,699)	695,627	-	-	(19,699)	695,627
State and political subdivisions	(27,740)	550,576	(17,849)	165,041	(45,589)	715,617
Equity securities	-	-	(270)	5,957	(270)	5,957
Total securities available for sale	$(50,779)	$2,095,243	$(173,257)	$372,608	$(224,036)	$2,467,851

[1] Backed by residential real estate.

For the securities in the above tables, at year-end we did not have the intent to sell and determined it was more likely than not that we would not be required to sell the securities prior to recovery of the amortized cost basis. We have also assessed each of the securities in the above tables for credit impairment. We frequently monitor the credit ratings of individual investments within our portfolio and believe that the majority of our unrealized loss positions are due to changes in interest rates and illiquidity within the markets. The Bank may occasionally sell securities at a loss when it decides to restructure portions of the portfolio due to changing market conditions. For equity securities, we consider numerous factors in determining whether impairment exists, including our intent and ability to hold the securities for a period of time sufficient to recover the securities' cost basis.

The following is a description of our security categories, including a description of the nature of the unrealized losses and other-than-temporary impairment ("OTTI") losses within our portfolio:

U.S. Treasury and other U.S. Government agencies and corporations

The unrealized losses associated with United States ("U.S.") Treasury and federal agency securities are driven primarily by changes in interest rates. We do not estimate any credit losses due to guarantees provided by the U.S. Government.

Government sponsored agencies

The unrealized losses associated with U.S. Government sponsored agencies are driven primarily by changes in interest rates. We do not estimate any credit losses due to backing provided by the United States Government.

Mortgage and asset-backed securities:

Government agencies and government sponsored agencies

The unrealized losses associated with federal agency mortgage-backed securities are primarily driven by changes in interest rates. These securities are issued by U.S. Government or government sponsored entities and do not have any expected credit losses given government guarantees.

Collateralized debt obligations

The unrealized losses associated with collateralized debt obligations for securities backed by trust preferred hybrid capital issued by other financial institutions are driven primarily by changes in interest rates and market illiquidity. We estimate credit impairment using a cash flow model that incorporates default rates, loss severities and prepayment rates.

Collateralized loan obligations

The unrealized losses associated with collateralized loan obligations, related to securities backed by commercial loans and individual corporate debt obligations, stem from changes in interest rates and market illiquidity. We estimate credit impairment using a cash flow model that incorporates default rates, loss severities and prepayment rates.

Other asset-backed securities

The unrealized losses associated with other asset-backed securities are driven by changes in interest rates and market illiquidity. These securities will continue to be monitored as part of our ongoing portfolio review process.

Collateralized mortgage obligations:

Government agencies and government sponsored agencies

The unrealized losses associated with federal agency collateralized mortgage obligations are primarily driven by changes in interest rates. These securities are issued by U.S. Government or government sponsored entities and do not have any expected credit losses given government guarantees.

State and political subdivisions

The unrealized losses associated with securities of U.S. states and political subdivisions are primarily driven by changes in interest rates and illiquidity within the markets. These securities will continue to be monitored as part of our ongoing portfolio review process.

Equity securities

The unrealized losses on equity securities are associated with changes in market prices for Community Reinvestment Act-sponsored corporations. The unrealized losses are due to temporary declines in the equity markets.

Assessment of Other-Than-Temporary Impairment

The Bank tests for other-than-temporary impairment of investment securities on a quarterly basis. For 2011 and 2010, we recognized OTTI for certain of our debt securities classified as available for sale. Prior to recording OTTI, we assessed whether we intended to sell or if it was more likely than not that we would have been required to sell a security before recovery of its amortized cost basis, less any current period credit losses. For a debt security that is considered other-than-temporarily impaired that we did not intend to sell and will not be required to sell before recovery of its amortized cost basis less any current period credit losses, we separate the amount of the impairment into the amount that is credit related (credit loss component) and the amount due to all other factors. The credit loss component is recognized in earnings and is the difference between the security's amortized cost basis and the present value of its expected future cash flows discounted at the security's original purchase yield (except for those securities that are beneficial interests in securitized financial assets). The remaining difference between the security's fair value and the present value of expected future cash flows is due to factors that are not credit related and, therefore, is not required to be recognized as a loss in the income statement, but instead is recognized in OCI. We believe that we will fully collect the carrying value of securities on which we have recorded a non-credit-related impairment in OCI.

All collateralized loan obligations and one municipal security that were other-than-temporarily impaired were sold and the related gains and losses were recognized in earnings in 2011. In 2010, previously other-than-temporarily impaired private label mortgage-backed and collateralized debt obligations backed by residential and trust preferred capital were sold. The slow economic recovery continues to negatively affect the creditworthiness of state and local governments, which could result in impairment as the Bank holds bonds issued from various local governments. However, the Bank has reduced its exposure to state and political subdivision debt significantly since 2010. Several other factors including the unemployment level, illiquidity, and credit rating downgrades could continue to negatively affect the real estate market and the value of our portfolio.

Gross realized gains and losses on securities available for sale for the periods indicated were as follows:

(dollars in thousands)	Year Ended December 31, 2011	2010
Realized gains	**$ 74,171**	$ 77,468
Realized losses[1]	**(40,072)**	(113,419)
Realized net gains (losses)	**$ 34,099**	$ (35,951)

[1] Includes other-than-temporary impairment recognized in the income statement of $1.9 million and $8.2 million for 2011 and 2010, respectively. The 2010 amount is net of a $25 million recovery of OTTI.

The table below presents activity related to the credit component recognized in earnings on debt securities held by the Bank for which a portion of the OTTI loss remains in other comprehensive income for the years ending December 31, 2011 and 2010. The credit loss component represents the difference between the present value of expected future cash flows and the amortized cost basis of the security prior to considering credit losses. OTTI recognized in earnings for credit-impaired debt securities is presented as additions in two components based upon whether the current period is the first time the debt security was credit-impaired (initial credit impairment) or is not the first time the debt security was credit-impaired (subsequent credit impairments). The credit loss component is reduced if we sell, intend to sell or believe we will be required to sell previously credit-impaired debt securities. Additionally, the credit loss component is reduced if we receive or expect to receive cash flows in excess of what we previously expected to receive over the remaining life of the credit-impaired debt security, the security matures or is fully written down.

(dollars in thousands)	2011	2010
Balance, beginning of period	**$ 6,478**	$ 147,515
Additions related to the credit component of securities on which OTTI impairment losses were:		
Previously recognized	**-**	21,286
Not previously recognized	**845**	1,979
Reductions for securities sold	**(7,323)**	(164,302)
Balance, end of period	**$ -**	$ 6,478

The fair value, yield and amortized cost of securities available for sale at December 31, 2011, by contractual maturity, are shown below. Expected maturities may differ from contractual maturities because debt issuers may have the right to call or prepay obligations.

(dollars in thousands)	Total Amount	Weighted Average Yield	Remaining Contractual Principal Maturity: Within One Year Amount	Within One Year Yield	After One But Within Five Years Amount	After One But Within Five Years Yield	After Five Years But Within Ten Years Amount	After Five Years But Within Ten Years Yield	After Ten Years Amount	After Ten Years Yield
U.S. Treasury and other U.S. Government agencies and corporations	$1,027,583	0.90%	$ -	-%	$ 840,632	0.87%	$186,848	1.03%	$ 103	2.44%
Government sponsored agencies	119,761	0.91	18,772	2.03	100,989	0.70	-	-	-	-
Mortgage and asset-backed securities:										
Government agencies	4,172,897	3.17	12	4.25	905	4.43	2,609	5.22	4,169,371	3.17
Government sponsored agencies	1,475,702	2.46	54	4.35	5,750	5.32	324,000	2.42	1,145,898	2.46
Collateralized debt obligations	45,133	1.21	-	-	-	-	-	-	45,133	1.21
Collateralized loan obligations	128,655	1.18	-	-	-	-	128,655	1.18	-	-
Other asset-backed securities	1,825	5.49	-	-	8	8.26	198	2.70	1,619	5.82
Collateralized mortgage obligations:										
Government agencies	9,722	1.08	-	-	-	-	-	-	9,722	1.08
Government sponsored agencies	59,693	1.70	-	-	-	-	59,693	1.70	-	-
State and political subdivisions[1]	670,588	6.19	12,017	5.92	105,236	5.99	69,797	5.86	483,538	6.29
Estimated fair value of debt securities[2]	$7,711,559	2.90%	$30,855	3.55%	$1,053,520	1.43%	$771,800	2.13%	$5,855,384	3.27%
Total amortized cost of debt securities	7,574,267		30,453		1,034,479		798,357		5,710,978	

(1) The weighted average yields were calculated on a taxable equivalent basis.

(2) The weighted average yields, except for yields of state and political subdivisions, were calculated on the basis of the cost and effective yields weighted for the scheduled maturity of each security.

Securities with an aggregate carrying value of $4.4 billion and $4.6 billion were pledged to secure public deposits, repurchase agreements and derivative liability positions at December 31, 2011 and 2010, respectively. At December 31, 2011 and 2010, there were no secured parties that had the right to repledge or resell these securities.

We held no securities of any single issuer (other than the U.S. Government and government sponsored agencies) which were in excess of 10% of consolidated stockholder's equity at December 31, 2011 and 2010.

3. Loans Held for Sale and Servicing Activity

Loans held for sale include mortgage loans that we originate for sale to Fannie Mae ("FNMA") and certain commercial loans which we no longer intend to hold to maturity. Mortgage loans are sold to FNMA on a non-recourse basis for which we also retain the rights to service the sold loans. In addition, during 2011, we designated certain commercial loans for sale to non-affiliated parties on a non-recourse basis, of which approximately 90% were nonperforming. We do not have any continuing involvement in these nonperforming commercial loans after their sale.

The following table summarizes the activity on loans held for sale for the years ended December 31, 2011 and 2010:

	2011		2010[1]
(dollars in thousands)	**Commercial**	**Mortgage**	**Mortgage**
Loans originated for sale	**$ -**	**$1,092,515**	$1,052,128
Loans transferred to held for sale	**259,037**	**-**	42,136
Loans sold during the year	**87,745**	**1,112,958**	1,046,169
Net gains on sale of loans recorded in noninterest income	**1,908**	**17,069**	20,142

[1] We did not have any commercial loans held for sale in 2010.

For the years ended December 31, 2011 and 2010, the Bank did not record any adjustments to record loans held for sale at the lower of cost or fair value.

Our mortgage loan servicing activities include collecting principal, interest, tax and insurance payments from borrowers while accounting for and remitting payments to investors, taxing authorities and insurance companies. We also monitor delinquencies and execute foreclosure proceedings. Due to similar risks underlying the residential mortgages and nature of assumptions for estimating the fair value of servicing assets, management has determined that there is a single recognized class of servicing asset.

Mortgage servicing income is recorded in noninterest income as a part of other service charges and fees and is reported net of the amortization of the servicing assets. The unpaid principal amount of mortgage loans serviced for others was $2.5 billion and $1.6 billion for the years ended December 31, 2011 and 2010, respectively. Gross servicing fees include contractually specified fees, late charges and ancillary fees, and were $5.1 million and $2.6 million for the years ended December 31, 2011 and 2010, respectively.

The changes in MSRs using the amortization method including valuation allowance were:

(dollars in thousands)	**2011**	**2010**
Carrying amount, balance at beginning of year	**$14,384**	$ 6,929
Additions[1]:		
Assumption of servicing obligations resulting from asset transfers	**10,594**	10,015
Subtractions[1]:		
Amortization	**(4,634)**	(2,547)
Application of valuation allowance to adjust carrying values of servicing assets	**(1,110)**	(13)
Carrying amount, balance at end of year	**$19,234**	$14,384

Valuation allowance for servicing assets:	**2011**	**2010**
Beginning balance	**$ 24**	$ 11
Provisions	**1,110**	13
Balance at end of year	**$ 1,134**	$ 24

[1] The Bank did not purchase or sell any servicing obligations during the years ended December 31, 2011 and 2010. Additionally, there was no other-than-temporary impairment recorded and no other changes that affected the balance during the years ended December 31, 2011 and 2010.

The MSR asset class is stratified based on loan term and interest rate for purposes of determining impairment. Each stratum is evaluated to determine if the amortized cost basis of the MSR exceeds the fair value. The fair value of each stratum is determined using a present value of expected cash flows model, which is based upon assumptions for future net servicing income. The model incorporates significant inputs classified as Level 3. Those inputs reflect assumptions that market participants use in estimating future net servicing income such as future prepayment speeds, discount rate, cost to service the assets including expected delinquency and foreclosure related costs, escrow account earnings, contractual servicing fee income, late fees and other ancillary income. Impairment of an MSR stratum is recognized through a valuation allowance to the extent the estimated fair value of the stratum falls below its amortized cost basis.

The fair value of the amortized MSRs were:

(dollars in thousands)	2011	2010
Balance at beginning of year	$15,886	$ 7,475
Balance at end of year	19,245	15,886

Key assumptions used in determining the lower of cost or fair value of the Bank's MSRs were as follows:

	2011	2010
Weighted average constant prepayment rate	11.23%	12.19%
Weighted average life in years (of the MSR)	5.66	6.28
Weighted average note rate	3.95%	4.81%
Weighted average discount rate	10.00%	10.00%

In addition to loans held for sale and certain loans which we no longer intend to hold to maturity, the Bank participates out certain commercial loans in transactions negotiated with other financial institutions. The Bank continues to maintain the servicing relationship with borrowers for the entire loan and receives a nominal fee from these borrowers to cover the costs of servicing activities. At the end of 2011 and 2010, the Bank recognized $300 million and $373 million (net of charge-offs), respectively, as its retained interest in the unpaid principal balance of the loans. The unpaid principal balance of loans sold as participating interests at the end of 2011 and 2010 was $309 million and $371 million, respectively. As the Bank sold the participating interests concurrently with the loan origination, there was no difference between the fair value and carrying amount of the loans transferred and therefore no gain or loss on sale was recognized in 2011 and 2010.

4. Loans and Leases

At December 31, 2011 and 2010, loans and leases were comprised of the following:

	2011		2010[2]	
(dollars in thousands)	Outstanding	Commitments[1]	Outstanding	Commitments[1]
Commercial:				
Commercial and industrial	$ 7,626,489	$ 6,653,590	$ 6,596,037	$ 5,496,030
Commercial real estate	8,959,459	410,008	9,349,060	281,098
Construction	725,068	481,821	1,019,614	281,299
Equipment leases	2,641,125	-	2,364,198	-
Agriculture	2,026,176	1,379,487	1,883,867	993,358
Consumer:				
Installments and lines	11,130,273	1,059,716	10,599,290	1,131,820
Residential secured – closed-end	8,051,983	10,205	8,906,869	-
Residential secured – revolving, open-end	2,266,821	2,257,564	2,288,785	2,173,200
Total loans and leases	$43,427,394	$12,252,391	$43,007,720	$10,356,805

[1] Commitments to extend credit represent unfunded amounts and are reported net of participations sold to other lenders.

[2] Certain reclassifications were made to prior year amounts to conform to current year presentation by loan class for all loans and allowance for credit loss tables.

Outstanding loan balances at December 31, 2011 and 2010 are net of unearned income, including net deferred loan fees, of $206.6 million and $227.4 million, respectively.

Loans totaling $26.6 billion were pledged to collateralize the Bank's borrowing capacity at the Federal Reserve Bank and Federal Home Loan Bank at December 31, 2011.

Our leasing activities consist primarily of leasing automobiles and commercial equipment. Generally, lessees are responsible for all maintenance, taxes and insurance on the leased property.

The following lists the components of the net investment in financing leases, which includes equipment and consumer leases at December 31:

(dollars in millions)	2011	2010
Total minimum lease payments to be received	**$2,761**	$2,538
Estimated residual values of leased property	**247**	276
Less: Unearned income	**241**	265
Net investment in financing leases[1]	**$2,767**	$2,549

[1] Includes auto leases of $126 million and $185 million at December 31, 2011 and 2010, respectively.

At December 31, 2011, minimum lease receivables for the five succeeding years and thereafter were as follows:

(dollars in millions)	Lease Receivable
2012	$ 978
2013	784
2014	533
2015	356
2016	186
2017 and thereafter	171
Gross minimum payments	3,008
Less: Unearned income	241
Net minimum receivable	$2,767

In the normal course of business, the Bank makes loans to executive officers and directors of the Bank and to entities and individuals affiliated with those executive officers and directors. The aggregate amount of all such extensions of credit was $4.0 million and $4.2 million as of December 31, 2011 and 2010, respectively. Such loans are made on terms no less favorable to the Bank than those prevailing at the time for comparable transactions with other persons or, in the case of certain residential real estate loans, on terms that were widely available to employees of the Bank who were not directors or executive officers.

In the course of evaluating the credit risk presented by a customer and the pricing that will adequately compensate the Bank for assuming that risk, management may require a certain amount of collateral support. The type of collateral held varies, but may include accounts receivable, inventory, land, buildings, equipment, income-producing commercial properties and residential real estate. The Bank has the same collateral policy for loans whether they are funded immediately or on a delayed basis (loan commitments).

A commitment to extend credit is a legally binding agreement to lend funds to a customer usually at a stated interest rate and for a specified purpose. Such commitments have fixed expiration dates and generally require a fee. The extension of a commitment gives rise to credit risk. The actual liquidity requirements or credit risk that the Bank will experience will be lower than the contractual amount of commitments to extend credit because a significant portion of those commitments are expected to expire without being drawn upon. Additionally, certain commitments are subject to loan agreements containing covenants regarding the financial performance of the customer that must be met before the Bank is required to fund the commitment. For our consumer loan commitments, the Bank may reduce or cancel such commitments by providing prior notice to the borrower or, in some cases, without notice as legally permitted.

The Bank further manages the potential credit risk in commitments to extend credit by limiting the total amount of arrangements, both by individual customer and in the aggregate, by monitoring the size and maturity structure of these portfolios and by applying the same credit standards maintained for all of its related credit activities. A significant portion of our loan and lease portfolio is located in California and, to a lesser extent, the remaining states within our footprint. The risk inherent in our loan and lease portfolio is dependent upon the economic stability of those states, which affects property values, and the financial well-being and creditworthiness of the borrowers.

Standby letters of credit totaled $1.1 billion and $868.5 million at December 31, 2011 and 2010, respectively. Standby letters of credit are issued on behalf of customers in connection with contracts between the customers and third parties. Under standby letters of credit, the Bank assures that the third parties will receive specified funds if customers fail to meet their contractual obligations. The liquidity risk to the Bank arises from its obligation to make payment in the event of a customer's contractual default. The Bank also had commitments for commercial and similar letters of credit of $26.0 million and $65.7 million at December 31, 2011 and 2010, respectively. The commitments outstanding as of December 31, 2011 have maturities ranging from January 1, 2012 to July 25, 2018. In connection with the issuance of such commitments, fees are charged based on contract terms and recognized into income when they are earned.

Credit Quality of Loans and Leases

A significant portion of the Bank's loan and lease portfolio consists of high credit quality loans.

The Bank assesses the credit quality of its commercial loans and leases with an internal credit risk grading system using a ten-point credit risk scale and categorizes the loans and leases consistent with industry guidelines in the following grades: pass, special mention and classified.

Risk grades one through six (or Pass grades) represent loans with strong to acceptable credit quality where the loan is protected by adequate collateral and the borrower is not facing financial difficulties. Risk grade seven (or Special Mention grade) represents loans with borrowers that have potential credit weaknesses which, if not checked or corrected, will weaken the Bank's repayment prospects. Risk grades eight through ten (or Classified grades) represent loans characterized by the distinct possibility that the bank will sustain partial or entire loss. In particular, risk grade eight represents borrowers who have a well-defined weakness but no loss in principal balance is currently anticipated. Risk grade nine represents loans with doubtful borrowers but partial loss is probable based on facts existing at the time of assessment. Risk grade ten represents loans with borrowers who are incapable of repayment or loans that are considered uncollectable and are therefore, charged off. All loans in risk grades nine and ten and certain loans in risk grade eight that are on nonaccrual status are considered impaired loans. Risk grades of commercial loans are reviewed on an ongoing basis and upon a credit event.

The following represents the credit quality of each class of commercial loans and leases based on our internal risk grading system as of December 31, 2011, and 2010:

	December 31, 2011			
(dollars in thousands)	Pass	Special Mention	Classified	Total
Commercial and industrial	$ 7,020,903	$ 279,584	$ 326,002	$ 7,626,489
Commercial real estate	7,639,315	616,102	704,042	8,959,459
Construction	372,167	191,092	161,809	725,068
Equipment leases	2,529,157	41,864	70,104	2,641,125
Agriculture	1,786,545	145,774	93,857	2,026,176
Total Commercial	$19,348,087	$1,274,416	$1,355,814	$21,978,317

	December 31, 2010			
(dollars in thousands)	Pass	Special Mention	Classified	Total
Commercial and industrial	$ 5,786,991	$ 281,852	$ 527,194	$ 6,596,037
Commercial real estate	7,656,667	580,601	1,111,792	9,349,060
Construction	355,832	350,765	313,017	1,019,614
Equipment leases	2,190,796	99,960	73,442	2,364,198
Agriculture	1,507,491	224,570	151,806	1,883,867
Total Commercial	$17,497,777	$1,537,748	$2,177,251	$21,212,776

Consumer loans are assessed for credit quality by delinquency status and are placed into one of two categories. The first category is for borrowers who are current in their payments in accordance with their contractual terms and the second category is for borrowers who have missed one or more payments and are past due 30 days or more. The following represents the credit quality of each class of consumer loans and leases based on the delinquency status as of December 31, 2011 and 2010:

(dollars in thousands)	Residential secured - closed-end	Residential secured - revolving, open-end	Installments and lines	Total
December 31, 2011:				
Current[1]	$7,905,241	$2,249,983	$11,014,540	$21,169,764
Past Due	146,742	16,838	115,733	279,313
Total	$8,051,983	$2,266,821	$11,130,273	$21,449,077
December 31, 2010:				
Current[1]	$8,561,439	$2,258,385	$10,447,563	$21,267,387
Past Due	345,430	30,400	151,727	527,557
Total	$8,906,869	$2,288,785	$10,599,290	$21,794,944

[1] Includes loans that are contractually current but on nonaccrual status.

5. Allowance for Credit Losses

The allowance for credit losses reflects management's estimate of credit losses inherent in the loan and lease portfolio and reserve for unfunded lending commitments. We consider the allowance for credit losses of $893.9 million at the end of 2011 to be adequate to cover such losses. Changes in the allowance for credit losses were:

(dollars in thousands)	December 31, 2011	December 31, 2010
Balance at beginning of year	**$1,059,017**	$1,220,661
Provision for credit losses	**319,865**	512,782
Charge-offs:		
Commercial:		
Commercial and industrial	**(64,809)**	(132,851)
Commercial real estate	**(194,336)**	(117,840)
Construction	**(46,043)**	(66,581)
Equipment leases	**(30,737)**	(52,818)
Agriculture	**(8,703)**	(69,769)
Total commercial[1]	**(344,628)**	(439,859)
Consumer:		
Installments and lines	**(157,169)**	(211,568)
Residential secured – closed-end	**(80,827)**	(93,950)
Residential secured – revolving, open-end	**(25,491)**	(27,277)
Total consumer	**(263,487)**	(332,795)
Total charge-offs	**(608,115)**	(772,654)
Recoveries:		
Commercial:		
Commercial and industrial	**19,800**	20,054
Commercial real estate	**22,519**	9,821
Construction	**22,108**	12,649
Equipment leases	**14,346**	14,117
Agriculture	**4,419**	2,281
Total commercial	**83,192**	58,922
Consumer:		
Installments and lines	**28,768**	32,006
Residential secured – closed-end	**9,622**	6,023
Residential secured – revolving, open-end	**1,598**	1,277
Total consumer	**39,988**	39,306
Total recoveries	**123,180**	98,228
Net charge-offs	**(484,935)**	(674,426)
Balance at end of year	**$ 893,947**	$1,059,017
Components:		
Allocated Loan and Leases	**$ 775,188**	$ 966,400
Unallocated Loan and Leases	**95,000**	92,617
Total Allowance for Loans and Leases	**870,188**	1,059,017
Reserve for Unfunded Commitments	**23,759**	-
Allowance for Credit Losses	**$ 893,947**	$1,059,017

[1] Includes $143.4 million of charge-offs due to loans transferred to HFS.

The following table summarizes the activity in the allowance for loan and lease losses by commercial and consumer portfolio segments for the year ended December 31, 2011.

	December 31, 2011			
(dollars in thousands)	Commercial	Consumer	Unallocated	Total
Balance at beginning of year	$ 454,809	$ 511,591	$92,617	$1,059,017
Provision for loan and lease losses	138,357	155,366	2,383	296,106
Charge-offs	(344,628)	(263,487)	-	(608,115)
Recoveries	83,192	39,988	-	123,180
Net charge-offs	(261,436)	(223,499)	-	(484,935)
Balance at end of year	$ 331,730	$ 443,458	$95,000	$ 870,188

The following table disaggregates our allocated component of the allowance for loan and lease losses and recorded investment in loans by impairment methodology as of December 31, 2011.

	December 31, 2011					
	Allocated allowance for loan and lease losses			Recorded investment in loans		
(dollars in thousands)	Commercial	Consumer	Total	Commercial	Consumer	Total
Collectively evaluated	$308,185	$443,458	$751,643	$21,437,062	$21,449,077	$42,886,139
Individually evaluated	23,545	-	23,545	541,255	-	541,255
Total	$331,730	$443,458	$775,188	$21,978,317	$21,449,077	$43,427,394

The following table summarizes the activity in the allowance for loan and lease losses by commercial and consumer portfolio segments for the year ended December 31, 2010.

	December 31, 2010			
(dollars in thousands)	Commercial	Consumer	Unallocated	Total
Balance at beginning of year	$ 565,146	$ 602,514	$53,001	$1,220,661
Provision for loan and lease losses	270,600	202,566	39,616	512,782
Charge-offs	(439,859)	(332,795)	-	(772,654)
Recoveries	58,922	39,306	-	98,228
Net charge-offs	(380,937)	(293,489)	-	(674,426)
Balance at end of year	$ 454,809	$ 511,591	$92,617	$1,059,017

The following table disaggregates our allocated component of the allowance for loan and lease losses and recorded investment in loans by impairment methodology as of December 31, 2010.

	December 31, 2010					
	Allocated allowance for loan and lease losses			Recorded investment in loans		
(dollars in thousands)	Commercial	Consumer	Total	Commercial	Consumer	Total
Collectively evaluated	$374,779	$511,591	$886,370	$20,164,039	$21,794,944	$41,958,983
Individually evaluated	80,030	-	80,030	1,048,737	-	1,048,737
Total	$454,809	$511,591	$966,400	$21,212,776	$21,794,944	$43,007,720

Our total allowance for credit losses decreased compared to the prior year as a result of modest improvements in the current economic conditions for most sectors. The improvement is reflected through our estimate for a lower provision for credit losses for 2011 relative to 2010. While there are some signs of improvement in economic conditions, there remains considerable underlying potential volatility. High unemployment, a fragile recovery in the housing sector, commodity volatility and a stressed commercial real estate sector are all factors that may continue to negatively influence the majority of our loan and lease portfolios.

Impaired Loans

The following tables present information related to impaired loans that are individually assessed as of December 31, 2011 and 2010:

	December 31, 2011					
	Commercial Product					
(dollars in thousands)	Commercial & industrial	Commercial real estate	Construction	Equipment leases	Agriculture	Total
Recorded investment in impaired loans						
Impaired loans and leases with related allowance	$ 53,657	$ 63,202	$ 12,275	$ 1,954	$ 2,808	$133,896
Impaired loans and leases with no related allowance	57,819	186,574	102,676	7,366	52,924	407,359
Total impaired loans	$111,476	$249,776	$114,951	$ 9,320	$55,732	$541,255
Allowance for loan and lease losses on impaired loans	9,009	12,910	760	692	174	23,545
Total unpaid principal balance	138,128	283,320	162,546	9,320	71,464	664,778
Average recorded investment in impaired loans and leases	188,854	392,228	200,906	14,148	72,425	868,561

	December 31, 2010					
	Commercial Product					
(dollars in thousands)	Commercial & industrial	Commercial real estate	Construction	Equipment leases	Agriculture	Total
Recorded investment in impaired loans						
Impaired loans and leases with related allowance	$ 92,683	$130,755	$ 82,669	$13,787	$ 15,460	$ 335,354
Impaired loans and leases with no related allowance	99,435	366,973	169,365	4,467	73,143	713,383
Total impaired loans	$192,118	$497,728	$252,034	$18,254	$ 88,603	$1,048,737
Allowance for loan and lease losses on impaired loans	$ 33,303	$ 28,417	$ 9,209	$ 6,074	$ 3,027	$ 80,030
Total unpaid principal balance	275,358	588,595	372,250	18,253	145,160	1,399,616
Average recorded investment in impaired loans and leases	203,322	442,276	309,598	23,769	111,801	1,090,766

Impaired loans without a related allowance for credit losses are generally collateralized by assets with fair values (on an "as-is" basis) in excess of the recorded investment in the loans. Payments on impaired loans are generally applied to reduce the outstanding principal balance of such loans. Interest income recognized on impaired loans was not material for 2011 and 2010.

Troubled Debt Restructuring

In situations where for economic or legal reasons related to the borrower's financial difficulties, the Bank grants a concession to the borrower that it would not otherwise consider, the related loan is classified as a TDR. At December 31, 2011 and 2010, loan modifications that qualified as TDRs amounted to $653.1 million and $354.1 million for commercial loans (including those that were held for sale) and $266.3 million and $190.8 million for consumer loans, respectively. The Bank had $19.5 million and $3.7 million of commitments to lend additional funds and letters of credit to customers whose troubled debt have been restructured as of December 31, 2011 and 2010, respectively.

For our commercial loan portfolio, concessions granted by the Bank generally include term extensions, renewals, forbearances of principal or interest payments and interest rate modifications for each of the classes shown below. In addition, for smaller balance nonperforming loans, we may use third party collection agencies who generally enter into payment or settlement arrangements with the borrowers in order to protect as much of the Bank's investment in the loan as possible. For our consumer loan portfolio, concessions generally include term extensions, interest rate reductions, payment deferrals and temporary payment reductions.

The following table provides a summary of the financial effects of the modifications during 2011, as well as the outstanding balance at December 31, 2011. In addition, the table provides a summary of loans outstanding at December 31, 2011 that were modified as TDRs within the previous 12 months for which there was a payment default during the period. A payment default is defined as 90 days past due for commercial portfolio and 60 days past due for consumer portfolio. For the commercial portfolio, these are mostly interest only payment defaults.

	2011				
	Financial Effects			Subsequent Defaults	
(dollars in thousands)	Pre Modification Loan Balance	Post Modification Loan Balance	Balance at December 31, 2011	Number of Contracts	Balance at December 31, 2011
Commercial TDRs:					
Commercial and industrial	$149,255	$146,407	$121,440	1	$ 1,126
Commercial real estate	167,205	162,944	114,133	6	11,372
Construction	80,693	73,497	50,150	-	-
Equipment leases	16,174	16,094	15,079	-	-
Agriculture	58,853	56,951	47,645	-	-
Consumer TDRs:					
Installments and lines	16,889	16,889	13,470	29	1,174
Residential secured – closed-end	98,360	102,152	87,871	45	7,351
Residential secured – revolving, open-end	636	636	668	-	-
Total	$588,065	$575,570	$450,456	81	$21,023

Commercial TDR loans, for which we either forbore our rights to take legal action in relation to past due payments or used third party collection agencies, are not considered to be in subsequent payment default and were $20.7 million at December 31, 2011.

Nonaccrual and Past Due Loans and Leases

Total nonaccrual loans and leases were $769.9 million and $1,484.4 million as of December 31, 2011 and 2010, respectively. The following table presents information relating to the past due and nonaccrual status of the loans and leases by class:

	December 31, 2011					
(dollars in thousands)	Current	30 - 89 days past due	More than 90 days	Total loans and leases	Loans and leases on nonaccrual status	Past due 90 days or more but still accruing
Commercial:						
Commercial and industrial	$ 7,529,482	$ 53,019	$ 43,988	$ 7,626,489	$111,588	$ 5,361
Commercial real estate	8,755,994	95,894	107,571	8,959,459	280,563	8,064
Construction	652,001	38,257	34,810	725,068	93,988	2,956
Equipment leases	2,609,384	16,506	15,235	2,641,125	34,860	-
Agriculture	1,978,119	15,846	32,211	2,026,176	42,846	7,372
Consumer:						
Installments and lines	11,005,003	115,733	9,537	11,130,273	9,537	-
Residential secured – closed-end	7,722,443	148,697	180,843	8,051,983	185,737	733
Residential secured – revolving, open-end	2,239,166	16,838	10,817	2,266,821	10,817	-
Total	**$42,491,592**	**$500,790**	**$435,012**	**$43,427,394**	**$769,936**	**$24,486**

(dollars in thousands)	December 31, 2010 Current	30 - 89 days past due	More than 90 days	Total loans and leases	Loans and leases on nonaccrual status	Past due 90 days or more but still accruing
Commercial:						
Commercial and industrial	$ 6,398,455	$ 49,378	$148,204	$ 6,596,037	$ 250,543	$15,127
Commercial real estate	8,820,776	135,674	392,610	9,349,060	603,417	23,483
Construction	820,476	49,379	149,759	1,019,614	258,990	7,648
Equipment leases	2,309,821	24,326	30,051	2,364,198	57,650	-
Agriculture	1,797,118	25,431	61,318	1,883,867	91,714	994
Consumer:						
Installments and lines	10,447,563	137,219	14,508	10,599,290	13,536	972
Residential secured – closed-end	8,558,994	164,937	182,938	8,906,869	200,433	724
Residential secured – revolving, open-end	2,258,386	22,271	8,128	2,288,785	8,128	-
Total	**$41,411,589**	**$608,615**	**$987,516**	**$43,007,720**	**$1,484,411**	**$48,948**

6. Premises and Equipment

At December 31, 2011 and 2010, premises and equipment were comprised of the following:

(dollars in thousands)	2011	2010
Premises	**$696,611**	$692,687
Equipment[(1)]	**264,307**	262,176
Total premises and equipment	**960,918**	954,863
Less accumulated depreciation and amortization	**509,883**	508,394
Net book value	**$451,035**	$446,469

(1) Includes in process equipment not subject to depreciation of $7.4 million and $10.1 million at December 31, 2011 and 2010, respectively.

Occupancy and equipment expenses include depreciation and amortization expenses of $52.1 million and $56.0 million for 2011 and 2010, respectively.

The Bank is obligated under a number of capital and noncancelable operating leases for premises and equipment with terms, including renewal options, up to 50 years, many of which provide for periodic adjustment of rentals based on changes in various economic indicators. Under the premises leases, we are also required to pay real property taxes, insurance and maintenance. The following table shows future minimum payments under leases with terms in excess of one year as of December 31, 2011:

(dollars in thousands)	Capital Leases	Operating Leases	Less Sublease Income	Net Lease Payments
2012	$ 1,479	$ 63,645	$ 3,819	$ 61,305
2013	1,501	60,187	2,987	58,701
2014	1,546	52,531	2,165	51,912
2015	1,514	45,442	969	45,987
2016	1,437	40,878	531	41,784
2017 and thereafter	14,736	199,103	299	213,540
Total minimum payments	$22,213	$461,786	$10,770	$473,229
Less interest on capital leases	11,515			
Total principal payable on capital leases[(1)]	$10,698			

(1) Excludes purchase accounting adjustments of $5.0 million.

The table above includes operating leases for approximately 326,000 square feet of administrative office space in San Ramon, CA with a monthly expense of $0.7 million. The Bank started recognizing expense in November 2010. The lease agreements extend through December 31, 2025 and were entered into to consolidate multiple back offices from other nearby locations.

Rental expense, net of rental income, for all operating leases was $63.4 million and $61.4 million for 2011 and 2010, respectively.

The Bank did not enter into any sale-leaseback transactions in 2011 or 2010. The Bank amortized $5.8 million of deferred gains relating to its prior sale-leaseback transactions into earnings for both 2011 and 2010. The Bank has no obligations or circumstances which require our continuing involvement with any of these properties.

7. Credit Guarantee Derivative

On March 31, 2010 (the "transaction date"), the Bank entered into a Collateralized Credit Guarantee Derivative Agreement (the "Guarantee") with its parent. Under the Guarantee, BancWest agreed to reimburse the Bank for principal charge-offs, write-downs on foreclosed assets and foregone interest for a specific portfolio of commercial loans and foreclosed properties (the "covered assets") for a period of seven years. BancWest makes payments to the Bank under the Guarantee on a quarterly basis, but is not entitled to claim any recoveries on or gains on sale of the covered assets by the Bank.

At the transaction date, the fair value of the Guarantee was estimated at $393.5 million and was based upon the expected future claims to be made under the Guarantee. The transaction was accounted for as a capital contribution to the Bank, and the fair value is reported in other assets within the Consolidated Balance Sheet. To secure payments under the Guarantee, BancWest sent to the Bank collateral in the form of a non-interest bearing cash deposit of $1.1 billion.

The Guarantee is recognized as a derivative, measured at fair value with changes in fair value recorded through earnings. At December 31, 2011, the estimated fair value of the Guarantee asset was $23.9 million; the notional amount of the derivative agreement was $460.8 million and the value of the cash collateral was $0.9 billion. At December 31, 2010, the estimated fair value of the Guarantee asset was $150.7 million; the notional amount of the derivative agreement was $796.6 million and the value of the cash collateral was $1.0 billion. The decline in the fair value of the Guarantee asset since inception was primarily driven by changes in credit forecasts, and decreases in the covered asset principal balances due to charge-offs and paydowns. The net impact of the Guarantee on earnings as of December 31, 2011, was a loss of $6.3 million (reported within noninterest income) due to a $126.8 million decrease in the fair value of the Guarantee significantly offset by payments for claims made under the Guarantee for $120.5 million. The net impact of the Guarantee on earnings as of December 31, 2010, was a loss of $73.2 million due to a $242.7 million decrease in the fair value of the Guarantee significantly offset by payments for claims made under the Guarantee for $169.5 million.

8. Goodwill and Other Intangible Assets

We performed impairment testing of goodwill in the fourth quarter of 2011 and the fourth quarter of 2010 and no impairment of goodwill was found. Our estimates of fair value were based upon factors such as projected future cash flows, discount rates, and other uncertain elements that require significant judgments. While we use available information to prepare our estimates and perform impairment evaluations, actual results in the future could differ significantly. Impairment tests in future periods may result in impairment charges which could materially impact our future reported results. The table below provides the breakdown of goodwill by reportable segment.

(dollars in millions)	Regional Banking	Commercial Banking	National Finance	Wealth Management	Total
Balance as of January 1, 2010:	$2,921	$840	$421	$17	$4,199
Purchase accounting adjustments:					
Wachovia branch purchase[1]	1	-	-	-	1
Insurance agency acquisitions	-	-	-	1	1
Balance as of December 31, 2010:	$2,922	$840	$421	$18	$4,201
Purchase accounting adjustments:					
Insurance agency acquisitions	-	-	1	-	1
Other	-	-	1	(1)	-
Balance as of December 31, 2011:	**$2,922**	**$840**	**$423**	**$17**	**$4,202**

[1] In January 2010, the Bank acquired deposits of approximately $265 million of two former Wachovia branches from Wells Fargo located in Northern California.

The details of our finite-lived intangible assets are presented below:

(dollars in thousands)	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Balance as of December 31, 2011:			
Core Deposits	**$398,878**	**$326,681**	**$ 72,197**
Software[(1)]	**198,432**	**130,774**	**67,658**
Other Intangible Assets[(2)]	**52,822**	**22,230**	**30,592**
Total	**$650,132**	**$479,685**	**$170,447**
Balance as of December 31, 2010:			
Core Deposits	$398,878	$293,706	$105,172
Software[(1)]	195,705	122,308	73,397
Other Intangible Assets[(2)]	42,942	15,811	27,131
Total	$637,525	$431,825	$205,700

[(1)] Includes in process software not subject to amortization of $14.4 million and $16.1 million at December 31, 2011 and 2010, respectively.

[(2)] Includes mortgage servicing rights. Refer to Note 3 for additional information.

Intangible amortization expense included in noninterest expense was $51.5 million and $55.7 million for 2011 and 2010, respectively. For the years ended December 31, 2011 and 2010, the Bank's review did not result in any material impairment.

The table below presents the estimated future annual amortization expense for finite-lived intangible assets for the years ending December 31:

(dollars in thousands)	
2012	$33,566
2013	27,689
2014	24,829
2015	21,331
2016	17,053

9. Variable Interest Entities

A VIE is an entity that has either a total equity investment that is insufficient to finance its activities without additional subordinated financial support or whose equity investors lack the ability to control the entity's activities. Under existing accounting guidance, a VIE is consolidated by its primary beneficiary, the party that has both the power to direct the activities that most significantly impact the VIE and a variable interest that could potentially be significant to the VIE.

The Bank evaluates whether an entity is a VIE upon its creation and upon the occurrence of significant events such as a change in an entity's assets or activities. The determination of whether the Bank is the primary beneficiary involves performing a qualitative analysis of the VIE that includes its capital structure, contractual terms including the rights of each variable interest holder, the activities of the VIE that most significantly impact its economic performance, whether the Bank has the power to direct those activities and our obligation to absorb losses or the right to receive benefits significant to the VIE.

Limited liability companies

The Bank has investments in numerous limited liability companies ("LLCs") for the purpose of managing foreclosed properties seized to mitigate losses to the Bank and its partners by selling the collateral. These LLCs have similar risks and characteristics and therefore have been aggregated for disclosure purposes. For some of these entities, the Bank is responsible for managing the daily operations. The Bank is the primary beneficiary when it has the power to direct the activities that significantly impact the performance of the LLCs and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIEs. Profits and losses of the entities are allocated to the Bank and its third-party partners in accordance with their respective ownership percentages. The Bank's maximum exposure to losses associated with the foreclosed properties incorporates not only potential losses associated with the assets recorded on the balance sheet but also potential losses under other contractual arrangements. Creditors, if any, of the consolidated VIEs do not have recourse on the general credit of the Bank.

In addition to the investments in LLCs for managing foreclosed properties, the Bank has formed CLAAS Financial Services, LLC with the purpose of providing lease and loan financing to commercial entities acquiring agricultural equipment. The Bank owns a 51% interest in the LLC and provides for all of its funding. As a result, the Bank carries the greatest variability in the LLC and has the obligation to absorb a majority of the expected losses. The Bank also has the power to direct key activities of the LLC that significantly drive its performance through control of the Board of Directors. Since the Bank is the primary beneficiary of this entity, it is consolidated in our financial statements.

Tax credit investments

The Bank owns several limited partnership interests in low-income housing developments in conjunction with the Community Reinvestment Act. The Bank is not the primary beneficiary of these entities and in most instances, the Bank is one of many limited partners and our interest in the partnerships may decrease as new limited partners are added. Limited partners do not participate in the control of the partnerships' businesses. The general partners, which are either developers or nonprofit organizations, exercise the day-to-day control and management of the projects. The general partners have exclusive control over the partnerships' businesses and have all of the rights, powers, and authority generally conferred by law or necessary, advisable or consistent with accomplishing the partnerships' businesses. As a limited partner, the Bank does not have an active role in any of the partnerships and our involvement is limited to providing financial support, as stated within the contractual agreements and therefore we are not the primary beneficiary.

The business purpose of these entities is to provide affordable housing within the Bank's service area in return for tax credits and tax loss deductions. The Bank has not received additional income or incurred additional expenses as a result of our involvement with these entities. Because we are the limited partner, our maximum exposure would never exceed our investment, including our subscription amount. In the unlikely event that the general partners do not adhere to their contractual obligations to provide financial support to low-income housing, the Bank may be subject to tax credit recapture rules and would record income or expense related to the project, including recognition of a gain or loss on the disposition or termination of its partnership interest. Bargain purchase options are available for the general partners to purchase the Bank's portion of interests in the limited partnerships.

Consolidated VIEs

The following table presents information on assets and liabilities of the consolidated VIEs as they are included in these line items in our consolidated balance sheets at December 31:

(dollars in thousands)	**2011**	**2010**
Assets		
Cash and due from banks	**$ 3,746**	$ 3,717
Loans and leases:		
Loans and leases	**223,733**	153,878
Less allowance for loan and lease losses	**1,479**	871
Net loans and leases	**222,254**	153,007
Other real estate owned assets	**3,461**	7,026
Interest receivable	**-**	148
Other assets	**120**	21
Total Assets	**$229,581**	$163,919
Liabilities		
Long-term debt	**54,987**	76,330
Total liabilities	**$ 54,987**	$ 76,330

Unconsolidated VIEs

The following tables present the carrying amount of assets, liabilities and our maximum exposure to loss related to our unconsolidated VIEs in our consolidated balance sheets at:

	December 31, 2011		
(dollars in thousands)	Total Assets[1]	Total Liabilities[1]	Maximum Exposure to Loss
Tax credit investments	$152,877	$66,124	$277,856
Limited liability company	3,837	-	3,837

[1] Reported in other assets or other liabilities.

	December 31, 2010		
(dollars in thousands)	Total Assets[1]	Total Liabilities[1]	Maximum Exposure to Loss
Tax credit investments	$109,464	$23,407	$219,435
Limited liability company	3,842	-	3,842

[1] Reported in other assets or other liabilities.

10. Regulatory Capital Requirements

The Bank is subject to various regulatory capital requirements administered by federal banking agencies. If the Bank fails to meet minimum capital requirements, these agencies can initiate certain discretionary and mandatory actions. Such regulatory actions could have a material effect on the Bank's financial statements. The Bank constantly monitors its regulatory capital levels and, if necessary, may obtain capital from its Parent company through BNP Paribas or by other means. In 2010, the Bank received $1 billion in capital through the issuance of common stock to help ensure compliance with the regulatory capital requirements.

Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of its assets and certain off-balance sheet items as calculated under regulatory accounting practices. These capital amounts and classifications are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain adequate levels of Tier 1 and Total capital to risk-weighted assets and Tier 1 capital to average assets. The table below sets forth those ratios at December 31, 2011 and 2010.

	Actual		For Capital Adequacy Purposes		To be Well-Capitalized Under Prompt Corrective Action Provisions	
(dollars in thousands)	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2011						
Tier 1 capital to risk-weighted assets	**$6,679,424**	**14.20%**	**$1,882,089**	**4.00%**	**$2,823,133**	**6.00%**
Total capital to risk-weighted assets	**7,271,352**	**15.45**	**3,764,178**	**8.00**	**4,705,222**	**10.00**
Tier 1 leverage ratio[1]	**6,679,424**	**11.57**	**2,309,521**	**4.00**	**2,886,902**	**5.00**
As of December 31, 2010						
Tier 1 capital to risk-weighted assets	$5,979,172	13.32%	$1,795,229	4.00%	$2,692,843	6.00%
Total capital to risk-weighted assets	6,546,329	14.59	3,590,457	8.00	4,488,072	10.00
Tier 1 leverage ratio[1]	5,979,172	11.22	2,132,475	4.00	2,665,594	5.00

[1] The leverage ratio consists of a ratio of Tier 1 capital to average assets, excluding goodwill and certain other items. The minimum leverage ratio guideline is 3% for banking organizations that do not anticipate or are not experiencing significant growth, and that have well-diversified risk, excellent asset quality, high liquidity, good earnings, are considered strong banking organizations and rated a composite 1 under the Uniform Financial Institution Rating System established by the Federal Financial Institution Examination Council. For all others, the minimum ratio is 4%.

Pursuant to applicable laws and regulations, the Bank is deemed to be well-capitalized. To be well-capitalized, a bank must have a total risk-based capital ratio of 10.00% or greater, a Tier 1 risk-based capital ratio of 6.00% or greater, a leverage ratio of 5.00% or greater and not be subject to any agreement, order or directive to meet a specific capital level for any capital measure. These capital ratios represent the relative risk inherent within our balance sheet.

11. Deposits

The following table represents the maturity distribution of time certificates of deposit at December 31, 2011:

(dollars in thousands)	
2012	$7,263,575
2013	755,042
2014	397,355
2015	693,798
2016	647,662
2017 and thereafter	207,226
Total	**$9,964,658**

Time certificates with a denomination of $100,000 and greater totaled $6.5 billion and $5.0 billion at December 31, 2011 and 2010, respectively. Total brokered time certificates of deposit totaled $738.0 million and $95.2 million at December 31, 2011 and 2010, respectively.

Total deposits reclassified to loans due to overdrafts at December 31, 2011 and 2010 were $5.1 million and $7.1 million, respectively.

In March 2010, the Bank received $1.1 billion of noninterest-bearing cash deposits to collateralize the Guarantee. The collateralized deposits on hand were $858.6 million and $1.0 billion at December 31, 2011 and 2010, respectively. Refer to Note 7 for additional information.

12. Short-Term Borrowings

At December 31, 2011 and 2010, short-term borrowings were comprised of the following:

(dollars in thousands)	**2011**	**2010**
Federal funds purchased and securities sold under agreements to repurchase	**$352,060**	$733,172
Advances from Federal Home Loan Banks and other short-term borrowings	**1,560**	6,465
Total short-term borrowings	**$353,620**	$739,637

The table below shows selected information for short-term borrowings:

(dollars in thousands)	**2011**	**2010**
Federal funds purchased and securities sold under agreements to repurchase:		
Weighted-average interest rate at December 31	**0.05%**	0.09%
Highest month-end balance	**$1,178,962**	$4,433,701
Average daily outstanding balance	**640,517**	720,107
Weighted-average daily interest rate paid	**0.10%**	0.12%
Advances from Federal Home Loan Banks and other short-term borrowings:		
Weighted-average interest rate at December 31	**-**	-
Highest month-end balance	**$ 32,574**	$ 89,665
Average daily outstanding balance	**2,191**	13,724
Weighted-average daily interest rate paid	**0.04%**	0.01%

The Bank treats securities sold under agreements to repurchase as collateralized financings. The Bank reflects the obligations to repurchase the identical securities sold as liabilities, with the dollar amount of securities underlying the agreements remaining in the asset accounts. At December 31, 2011, the outstanding balance of these agreements was $327.5 million with a weighted average maturity of 4 days.

At December 31, 2011, the Bank had $8.0 billion of credit lines available from other U.S. financial institutions. Of this amount, $0.9 billion is available from First Hawaiian Bank and $1.7 billion is available from BNP Paribas of New York. At December 31, 2011, the Bank had drawn down on the available credit lines of credit by $125 million, from non-affiliated U.S. financial institutions and $55 million from BNP Paribas of New York.

13. Long-Term Debt

At December 31, 2011 and 2010, long-term debt was comprised of the following:

(dollars in thousands)	Rate(s)	2011	2010
Fixed-rate advances from the Federal Home Loan Bank due through 2035[(1)(2)(4)]	2.87% to 7.96%	**$2,010,776**	$2,758,042
Fixed-rate advances from the Federal Home Loan Bank due through 2018[(1)(3)(6)]	1.22% to 3.37%	**1,145,839**	830,000
Floating-rate advances from the Federal Home Loan Bank due through 2013[(1)(2)(6)]	1 mo. LIBOR +0.02% to +0.19%	**350,000**	1,050,000
Floating-rate advances from the Federal Home Loan Bank due through 2013[(1)(3)]	3 mo. LIBOR -0.02% to +0.07%	**1,100,000**	-
Fixed-rate Temporary Liquidity Guarantee Program (TLGP) unsecured senior debt through 2012[(5)]	2.15%	**1,000,013**	1,000,997
Fixed-rate unsecured lines of credit with BNP Paribas due through 2015[(2)]	2.89% to 4.71%	**54,500**	75,900
Floating-rate subordinated note due 2011[(5)]	6 mo. LIBOR +3.75%	**-**	31,026
Fixed-rate subordinated note due 2011[(5)]	8.30%	**-**	50,036
Capital leases due through 2030[(2)]		**15,740**	16,534
Total long-term debt		**$5,676,868**	$5,812,535

(1) This debt is secured by real estate loans or securities. See Notes 2 and 4 to the financial statements for additional information.
(2) Interest is payable monthly.
(3) Interest is payable quarterly.
(4) Fixed rate with partial repayment monthly.
(5) Interest is payable semi-annually.
(6) In 2011, the Bank terminated $440 million of these advances and recognized a $0.8 million loss on the termination.

As part of long-term and short-term borrowing arrangements, the Bank was subject to various covenants. At December 31, 2011 and 2010, the Bank was in compliance with all the covenants.

As of December 31, 2011, the principal payments due on long-term debt were as follows:

(dollars in thousands)	
2012	$1,700,153
2013	2,666,651
2014	876,434
2015	162,953
2016	497
2017 and thereafter	269,030
Total[(1)]	**$5,675,718**

(1) Excludes fair valuation for debt that was hedged and purchase accounting adjustments totaling $1.2 million.

14. Litigation

In the course of normal business, the Bank is subject to numerous pending and threatened lawsuits, some of which seek substantial relief or damages. While the Bank is not able to predict whether the outcome of such actions will materially affect our results of operations for a particular period, based upon consultation with counsel, management does not expect that the aggregate liability, if any, resulting from these proceedings would have a material effect on the Bank's consolidated financial position, results of operations or liquidity.

The Bank is named as a defendant in a putative class action complaint challenging the order in which the Bank posted debit card transactions to consumer deposit accounts prior to July 1, 2011. A series of similar putative class action complaints have been filed against a number of other banks, and these cases, along with the case against the Bank have been consolidated in multi-district litigation proceedings in the U.S. District Court for the Southern District of Florida (the "Action").

In January 2012, the Bank and the plaintiffs agreed to settle and release all claims asserted against the Bank in the Action subject to execution of a written settlement agreement. A Notice of Settlement was filed with the U.S. District Court for the Southern District of Florida in January 2012. The settlement is subject to both preliminary and final approval by the court. The settlement amount is not material to consolidated income and is recognized in the Bank's Consolidated Statement of Income as other noninterest expense for the year ended December 31, 2011 and is anticipated to be paid in 2012.

15. Derivative Financial Instruments

The Bank enters into derivative contracts to manage its interest rate risk, as well as for customer accommodation purposes. Derivative transactions are measured in terms of the notional amount but this amount is not recorded in the balance sheet and is not, when viewed in isolation, a meaningful measure of the risk profile of the instruments. Derivatives are also subject to credit risk associated with counterparties to the derivative contracts. The Bank measures that credit risk based on its assessment of the probability of counterparty default and includes that within the fair value of the derivative. The Bank manages counterparty credit risk by utilizing master netting and Collateral Support Annex (CSA) agreements which allow the Bank to call for immediate, full collateral coverage when credit-rating thresholds are triggered by counterparties. The Bank's CSA's are bilateral, and therefore contain provisions that require collateralization of the Bank's net liability derivative positions. Required collateral coverage is based on certain net liability thresholds and contingent upon the Bank's credit rating from two of the nationally recognized statistical rating organizations. If the Bank's credit rating were to fall below credit rating thresholds established in the collateral agreements, the counterparties could request immediate full collateral coverage for derivatives in net liability positions. At December 31, 2011 and 2010, the aggregate fair value of all derivatives under CSA's were in a net liability position of $369 million and $291 million to which the Bank posted $194 million and $266 million of investment securities as collateral, respectively, and as of December 31, 2011 posted $154 million of restricted cash.

At December 31, 2011 and 2010, the Bank had $2.8 billion and $2 million notional amount of derivatives designated as fair value hedges, $100 million and $400 million notional amount of cash flow hedges and $12.1 billion and $11.6 billion notional amount as free standing derivatives, respectively.

Fair Value Hedges

The Bank's fair value hedges are primarily interest rate swaps that hedge the change in fair value related to interest rate changes of underlying fixed-rate debt. Changes in the fair value of derivatives designated as fair value hedges, and changes in the fair value of the hedged items, are recorded in noninterest income.

In July 2011 and August 2011, the Bank executed a total of $1.2 billion of interest rate swaps to hedge underlying fixed-rate certificates of deposit with maturities ranging from April 2012 to August 2013. The Bank receives on average a fixed rate of 0.67% and pays on average three-month LIBOR plus 23 basis points. The interest rate swaps had a fair value loss of $1.5 million at December 31, 2011.

In July 2011, the Bank executed two $500 million interest rate swaps to hedge a total of $1 billion notional of underlying fixed-rate TLGP debt with a maturity of March 27, 2012. The Bank receives a fixed rate of 2.15% and pays on average three-month LIBOR plus 176 basis points. On September 30, 2011, one of the $500 million interest rate swap hedges was deemed ineffective and unwound; the swap was re-designated as a free standing derivative with subsequent gains and losses recorded to earnings. The effective and ineffective interest rate swaps had a total fair value gain of $2.4 million at December 31, 2011.

In October 2011 and November 2011, the Bank executed a total of $1 billion of interest rate swaps to hedge underlying fixed-rate FHLB advances with maturities ranging from March 2014 to March 2015. The Bank receives on average a fixed rate of 1.52% and pays on average one-month LIBOR plus 89 basis points. The interest rate swaps had a fair value gain of $0.5 million at December 31, 2011.

In February 2000, the Bank entered into an agreement to hedge the fair value of a commercial loan which matured on April 2011. The Bank received one-month LIBOR plus 75 basis points and paid a fixed rate of 8.32%. This interest rate swap had a notional amount of $2 million and a fair value loss of $0.1 million at December 31, 2010.

In January 2010, the Bank executed a $300 million interest rate swap to hedge an underlying fixed-rate FHLB advance that matured on January 3, 2011. On June 30, 2010, the hedge was deemed ineffective and unwound; the swap was re-designated as a free standing derivative with subsequent gains and losses recorded to earnings.

The total impact of amortization related to the carrying value adjustments of hedged items due to terminated fair value hedges for the years ended December 31, 2011 and 2010 was $1.1 million and $11.5 million, respectively.

Cash Flow Hedges

The Bank's cash flow hedges are interest rate swaps that hedge the forecasted cash flows of underlying variable-rate debt and variable-rate loans. Changes in the fair values of derivatives designated as cash flow hedges, to the extent effective, are recorded in other comprehensive income until income from the cash flows of the hedged items is realized. Any ineffectiveness which may arise during the hedging relationship is recognized in earnings in the period in which it arises. If a derivative designated as a cash flow hedge is terminated or deemed overall ineffective, the gain or loss in other comprehensive income is amortized to earnings over the period the forecasted hedged transactions impact earnings. If a hedged forecasted transaction is probable of not occurring, hedge accounting is ceased and any gain or loss included in other comprehensive income (loss) is reported in earnings immediately.

In November 2011, the Bank executed $100 million of interest rate swaps to hedge forecasted cash flows of underlying variable-rate loans indexed to one-month LIBOR with maturity of December 2014. The Bank receives a fixed rate of 0.749% and pays one-month LIBOR plus nil spread. The interest rate swaps had $0.2 million of unrealized gains in other comprehensive income at December 31, 2011. The estimated amount to be reclassified from other comprehensive income into earnings during the next 12 months is a gain of $0.1 million.

At December 31, 2010, the Bank had $400 million of interest rate swaps hedging floating-rate FHLB debt with maturities from April 2011 to April 2012 with $9.5 million of unrealized losses in other comprehensive income, respectively, of which $300 million matured during 2011. On December 28, 2011, a $100 million interest rate swap with maturity in April 2012 was terminated along with the underlying variable-rate debt. As a result, $1.1 million of fair value loss was reclassified from other comprehensive income and recognized immediately in earnings.

The total impact of amortization related to terminated cash flow hedges for the years ended December 31, 2011 and 2010 was expense of $0.3 million and $1.2 million, respectively.

Free Standing Derivatives

Free standing derivative instruments include derivative transactions entered into for purposes for which hedge accounting does not apply. These derivatives include interest rate swaps, interest rate collars, market linked equity swaps and options and forward commitments to fund and sell residential mortgage loans. The Bank acts as a seller and buyer of interest rate derivatives and foreign exchange contracts to accommodate customers. To mitigate the market and liquidity risk associated with these derivatives, the Bank enters into similar offsetting positions.

The following table is a summary of notional amounts and fair values of derivative instruments at:

	December 31, 2011			December 31, 2010		
		Fair Value			Fair Value	
(dollars in thousands)	Notional Amount	Asset derivatives[1]	Liability derivatives[2]	Notional Amount	Asset derivatives[1]	Liability derivatives[2]
Derivatives designated as hedging instruments:						
Fair value hedges:						
Interest rate swaps	**$ 2,756,698**	**$ 2,345**	**$ 898**	$ 2,045	$ -	$ 51
Cash flow hedges:						
Interest rate swaps	**100,000**	**179**	**-**	400,000	-	9,529
Subtotal	**2,856,698**	**2,524**	**898**	402,045	-	9,580
Free standing derivatives:						
Interest rate swaps	**9,214,482**	**429,080**	**397,892**	8,917,090	345,261	298,507
Interest rate collars	**-**	**-**	**-**	400,000	600	20
Credit guarantee derivative[3]	**460,811**	**23,883**	**-**	796,601	150,729	-
Market linked swaps	**9,001**	**464**	**-**	10,632	-	305
Purchased market linked options	**435,629**	**29,309**	**-**	31,631	3,083	-
Written market linked options[4]	**444,630**	**-**	**30,228**	42,263	-	4,055
Purchased interest rate options	**149,139**	**257**	**-**	134,706	550	-
Written interest rate options	**149,139**	**-**	**257**	134,706	-	550
Commitments to purchase and sell foreign currencies	**742,236**	**11,973**	**10,700**	558,986	11,033	6,778
Purchased foreign exchange options	**29,802**	**1,077**	**-**	9,629	253	-
Written foreign exchange options	**29,802**	**-**	**1,077**	9,629	-	253
Subtotal	**11,664,671**	**496,043**	**440,154**	11,045,873	511,509	310,468
Free standing derivatives from mortgage sale activity:						
Forward contracts	**238,053**	**26**	**1,302**	301,981	3,100	381
Written interest rate options	**231,430**	**4,989**	**-**	286,990	975	1,411
Subtotal	**469,483**	**5,015**	**1,302**	588,971	4,075	1,792
Total free standing derivatives	**12,134,154**	**501,058**	**441,456**	11,634,844	515,584	312,260
Total derivatives	**$14,990,852**	**$503,582**	**$442,354**	$12,036,889	$515,584	$321,840

(1) The positive fair values of derivative assets are included in other assets.

(2) The negative fair values of derivative liabilities are included in other liabilities.

(3) This relates to the Guarantee as described in Note 7.

(4) Includes bifurcated derivatives embedded in market linked instruments.

The following table shows the effect of fair value hedging on the Bank's pretax income due to interest rate contracts for the years ended December 31, 2011 and 2010:

	December 31, 2011 Interest rate contracts hedging		December 31, 2010 Interest rate contracts hedging	
(dollars in thousands)	**Deposits**	**Long-term debt**	**Deposits**	**Long-term debt**
Gains recorded in net interest income	**$ 562**	**$ 2,025**	$5,038	$6,659
Gains (losses) recorded in noninterest income:				
Recognized on derivatives	**(1,870)**	**(900)[(1)]**	-	(38)[(2)]
Recognized on hedged items	**1,683**	**1,892 [(1)]**	-	(96)[(2)]
Recognized as ineffective portion	**(187)**	**992**	-	(134)
Total	**$ 375**	**$ 3,017**	$5,038	$6,525

(1) A $500 million swap hedging fixed-rate TLGP debt did not provide perfect offsetting fair valuation in certain periods due to the late term nature of the hedge; the cumulative effects of this led to hedge ineffectiveness at September 30, 2011. The hedge was unwound and the swap was re-designated as a free standing derivative.

(2) A $300 million swap hedging a fixed-rate FHLB advance did not provide perfect offsetting fair valuation in certain periods due to the late term nature of the hedge; the cumulative effects of this led to hedge ineffectiveness at June 30, 2010. The hedge was unwound and the swap was re-designated as a free standing derivative.

The following table summarizes the effect of cash flow hedging for the years ended December 31, 2011 and 2010:

(dollars in thousands)	**2011**	**2010**
Pretax loss recognized in OCI on derivatives (effective portion)	**$ (56)**	$ (4,939)
Pretax loss reclassified from cumulative OCI into net interest income (effective portion)[(1)]	**8,346**	16,727

(1) Includes net settlement of $7.5 million and $15.5 million, and amortization of fair value captured in OCI on terminated swaps of $0.8 million and $1.2 million for the years ending December 31, 2011 and 2010, respectively.

The following table shows the net gains (losses) recognized as noninterest income relating to free standing derivatives not recognized as hedging instruments, held by the Bank as of December 31, 2011 and 2010:

(dollars in thousands)	**2011**	**2010**
Interest rate swaps	**$ 3,019**	$ (1,669)
Interest rate collars	**(137)**	580
Credit guarantee derivative	**(6,351)**	(73,201)
Market linked equity swaps	**970**	23
Purchased market linked options	**(4,132)**	347
Written market linked options	**3,827**	(631)
Purchased interest rate options	**(293)**	(2,794)
Written interest rate options	**344**	2,374
Commitments to purchase and sell foreign currencies	**12,373**	11,021
Purchased foreign exchange options	**(470)**	(340)
Written foreign exchange options	**613**	479
Forward contracts	**(3,994)**	836
Total net gains (losses)	**$ 5,769**	$(62,975)

16. Fair Value

The following is a description of valuation methodologies used for assets and liabilities recorded at fair value and for estimating fair value for financial instruments not recorded at fair value:

Short-term financial assets

We do not measure short-term financial assets at fair value. As such, valuation techniques discussed herein for short-term financial assets are for estimations used in the fair value of financial instruments disclosure requirements. Short-term financial assets include cash and due from banks and due from customers on acceptances. The carrying amount is a reasonable estimate of fair value because of the relatively short time between the origination of the instrument and its expected realization.

Trading assets

Trading assets are measured at fair value on a recurring basis. Fair values of trading assets are based on quoted market prices of comparable instruments and are classified as Level 2. Trading assets include Federal Home Loan Bank discount notes.

Securities

Securities available for sale are measured at fair value on a recurring basis. Fair value measurement is based upon quoted prices if available. If quoted prices are not available for the specific security, the Bank may estimate the fair value of such instruments using a combination of observed transaction prices of comparable securities, independent pricing services, or other adjustments deemed necessary to properly reflect an exit price. Level 1 securities primarily include highly liquid government securities such as U.S. Treasuries as well as certain equity securities that have quoted prices available in active markets. Level 2 securities primarily include U.S. Government agency securities as well as non-Government agency securities, municipal bonds, and other equity securities, the pricing of which are derived using observable data such as prices on similar assets in active or inactive markets. Level 3 securities include collateralized debt obligations, collateralized loan obligations and other asset-backed securities where pricing was based on a qualified third-party source.

Loans held for sale

Loans held for sale are measured at fair value on a nonrecurring basis. For loans originated for investment and transferred to held for sale with declines in fair value that are attributable to credit quality, any reduction in the loan's value at the time of the transfer must be reflected as a write down of the recorded investment resulting in a new cost basis, with a corresponding reduction in the allowance for loan and lease losses. For mortgage loans held for sale, we use inputs from quoted prices or rates for assets in the active bond loans market and accordingly, classify them as Level 2. For commercial loans held for sale, we use price estimates from loan sale advisors less standard commission rates and accordingly, classify them as level 2.

Loans

Loans may be measured at fair value on a nonrecurring basis, generally when they become impaired. For secured loans and leases that are impaired, the Bank uses the fair value of collateral less costs to sell to determine the amount of impairment. The fair values of collateral for impaired loans are primarily based on real estate appraisal reports prepared by third party appraisers. The Bank reviews the third party's appraisal based on observable market data for reasonableness. As such, impaired loans are classified as Level 2.

Valuation techniques used in the fair value of financial instruments disclosure requirements primarily consist of discounted cash flow analyses, which include a liquidity premium and utilize interest rates currently being offered for loans with similar terms and credit quality.

Foreclosed assets

Foreclosed assets are measured at fair value on a nonrecurring basis. Foreclosed assets include foreclosed properties securing residential and auto loans. Foreclosed assets are adjusted to fair value less costs to sell upon transfer of the loans to foreclosed assets. Subsequently, foreclosed assets are carried at the lower of carrying value or fair value less costs to sell. Fair value is generally determined using appraised values based on observable market data and, accordingly, we classify foreclosed assets as Level 2.

Assets for deferred compensation plans

Assets for deferred compensation plans are Level 1 securities consisting of money market funds held within a nonqualified deferred compensation trust. Fair value measurement of these assets is based upon quoted prices.

Deposits

We do not measure deposits at fair value. As such, valuation techniques discussed herein for deposits are primarily for estimations used in the fair value of financial instruments disclosure requirements. The fair values of deposits with no maturity date (e.g., interest and noninterest-bearing checking, regular savings, and certain types of money market savings accounts) are equal to the amount payable on demand at the reporting date (i.e., their carrying amounts). Fair values of fixed-rate certificates of deposit are estimated using a discounted cash flow calculation that applies interest rates currently being offered on certificates to a schedule of aggregated expected monthly maturities on time deposits.

Short-term borrowings and long-term debt

We do not measure short-term borrowings or long-term debt at fair value. As such, valuation techniques discussed herein are primarily for estimations used in the fair value of financial instruments disclosure requirements. The fair values are estimated using quoted market prices or discounted cash flow analyses based on our current incremental borrowing rates for similar types of borrowing arrangements.

Derivatives

Most of our derivatives are traded in over-the-counter markets where quoted market prices are not readily available. For those derivatives, we measure fair value primarily using market observable inputs, such as yield curves. In addition, the fair valuations for derivatives include an adjustment for estimated credit risk. As such, we classify derivatives as Level 2. Examples of Level 2 derivatives are interest rate swaps and forward contracts. The fair value of the Guarantee is classified as a Level 3 fair value measurement since the Bank estimates its fair value using an internally developed discounted cash flow valuation model. The key assumptions in the model and the drivers of changes in fair value are credit loss forecasts to project the future potential payoffs from the Guarantee, the average remaining life of the covered assets, and the rate to discount the estimated claims under the Guarantee. The credit loss forecast is an internally developed estimate that incorporates the timing and amount of potential credit losses. The credit loss forecast also uses migration matrices to predict potential future credit ratings for the covered assets. The expected life of the Guarantee is based on management's best estimate at each balance sheet date.

Off-balance sheet financial instruments

The fair value of letters of credit and commitments to fund loans represents estimated fees that would be charged to enter into similar agreements with similar remaining maturities and is not presented herein. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. The fair value of these financial instruments is not material to our consolidated financial statements.

The table below presents the balances of assets, liabilities and derivatives measured at fair value on a recurring basis at December 31, 2011:

(dollars in thousands)	Level 1	Level 2	Level 3	Total
Trading assets	$ -	$ 6,000	$ -	$ 6,000
Securities available for sale:				
U.S. Treasury and other U.S. Government agencies and corporations	1,026,316	1,267	-	1,027,583
Government sponsored agencies	-	119,761	-	119,761
Mortgage and asset-backed securities:				
Government agencies[1]	-	4,172,897	-	4,172,897
Government sponsored agencies[1]	-	1,475,702	-	1,475,702
Collateralized debt obligations	-	-	45,133	45,133
Collateralized loan obligations	-	-	128,655	128,655
Other asset-backed securities	-	1,648	177	1,825
Collateralized mortgage obligations:				
Government agencies	-	9,722	-	9,722
Government sponsored agencies	-	59,693	-	59,693
State and political subdivisions and others	-	670,588	-	670,588
Equity securities	6,096	-	-	6,096
Total securities available for sale	1,032,412	6,511,278	173,965	7,717,655
Derivative assets	-	479,699	23,883	503,582
Other assets[2]	25,175	371	33	25,579
Total assets measured at fair value on a recurring basis	$1,057,587	$6,997,348	$197,881	$8,252,816
Derivative liabilities	$ -	$ 442,354	$ -	$ 442,354
Other liabilities	-	336	-	336
Total liabilities measured at fair value on a recurring basis	$ -	$ 442,690	$ -	$ 442,690

[1] Backed by residential real estate.
[2] Largely represents assets for deferred compensation plans.

The table below presents the balances of assets and liabilities measured at fair value on a recurring basis at December 31, 2010:

(dollars in thousands)	Level 1	Level 2	Level 3	Total
Trading assets	$ -	$ 5,500	$ -	$ 5,500
Securities available for sale:				
U.S. Treasury and other U.S. Government agencies and corporations	-	174,231	-	174,231
Government sponsored agencies	-	483,111	-	483,111
Mortgage and asset-backed securities:				
Government agencies[(1)]	-	239,522	-	239,522
Government sponsored agencies[(1)]	-	1,211,539	-	1,211,539
Collateralized debt obligations	-	-	66,992	66,992
Collateralized loan obligations	-	-	129,906	129,906
Other asset-backed securities	-	6,809	863	7,672
Collateralized mortgage obligations:				
Government agencies	-	1,099,528	-	1,099,528
Government sponsored agencies	-	1,437,423	-	1,437,423
Other	-	-	-	-
State and political subdivisions and others	-	1,272,593	-	1,272,593
Equity securities	441	5,804	-	6,245
Total securities available for sale	441	5,930,560	197,761	6,128,762
Derivative assets	-	364,855	150,729	515,584
Other assets[(2)]	25,414	907	92	26,413
Total assets measured at fair value on a recurring basis	$25,855	$6,301,822	$348,582	$6,676,259
Derivative liabilities	$ -	$ 321,840	$ -	$ 321,840
Other liabilities	-	72	-	72
Total liabilities measured at fair value on a recurring basis	$ -	$ 321,912	$ -	$ 321,912

(1) Backed by residential real estate.
(2) Largely represents assets for deferred compensation plans.

For the years ended December 31, 2011 and December 31, 2010, there were no significant transfers in or out of Levels 1 or 2. The changes for 2011 in Level 3 assets measured at fair value on a recurring basis are summarized below. There were no Level 3 liabilities measured at fair value on a recurring basis for the year ended December 31, 2011:

(dollars in thousands)	Beginning balance	Total net losses included in net income[(1)]	Total net gains included in other comprehensive income	Purchases, sales, issuances and settlements, net	Transfers out of Level 3	Ending balance	Net unrealized gains (losses) included in net income for the year relating to assets held at year end
Securities available for sale:							
Collateralized debt obligations	$ 66,992	$(17,068)	$40,622	$ (45,413)	$-	$ 45,133	$-
Collateralized loan obligations	129,906	(6,227)	50,631	(45,655)	-	128,655	-
Other asset-backed securities	863	-	207	(893)	-	177	-
Total securities available for sale	$197,761	$(23,295)	$91,460	$ (91,961)	$-	$173,965	$-
Derivative assets	150,729	(6,351)	-	(120,495)	-	23,883	-
Other assets	92	-	-	(59)	-	33	-

(1) Included in noninterest income in the income statement.

The changes for 2010 in Level 3 assets measured at fair value on a recurring basis are summarized below. There were no Level 3 liabilities measured at fair value on a recurring basis for the year ended December 31, 2010:

(dollars in thousands)	Beginning balance	Total net losses included in net income[1]	Total net gains included in other comprehensive income	Purchases, sales, issuances and settlements, net	Transfers out of Level 3	Ending balance	Net unrealized gains (losses) included in net income for the year relating to assets held at year end
Securities available for sale:							
Non-government mortgage-backed securities[2]	$692,906	$(23,246)	$149,072	$(818,732)	$ -	$ -	$ -
Collateralized debt obligations	79,753	(7,483)	54,308	(59,586)	-	66,992	-
Collateralized loan obligations	136,975	(459)	58	(6,668)	-	129,906	(459)
Other asset-backed securities	5,984	(130)	9,407	(14,398)	-	863	-
Total securities available for sale	$915,618	$(31,318)	$212,845	$(899,384)	$ -	$197,761	$(459)
Derivative assets	-	(73,200)	-	223,929	-	150,729	-
Other assets	3,673	-	-	(55)	(3,526)[3]	92	-

(1) Included in noninterest income in the income statement.
(2) Backed by residential real estate.
(3) Related to the adoption of new accounting guidance for the consolidation of VIEs and transfers of financial assets.

The following table presents gains or losses in Level 3 assets from the above tables that were reported in noninterest income for the years ended December 31, 2011 and 2010:

(dollars in thousands)	2011	2010
Total losses included in earnings	**$(29,646)**	$(104,518)
Change in unrealized gains or losses relating to assets still held at reporting date	-	(459)

We may be required, from time to time, to measure certain other assets at fair value on a nonrecurring basis in accordance with GAAP. These adjustments to fair value usually result from application of lower of cost or fair value accounting or write downs of individual financial assets. The following table provides the level of valuation inputs used to determine each adjustment, the carrying value of the related individual assets or portfolios for assets measured at fair value on a nonrecurring basis, and total losses for the year ended:

	Carrying Value			
(dollars in thousands)	Level 1	Level 2	Level 3	Total Losses for Year Ended
December 31, 2011:				
Impaired loans	$-	$517,710[1]	$-	$ -
Foreclosed assets	-	156,049	-	34,174
Loans held for sale	-	244,509[2]	-	-
December 31, 2010:				
Impaired loans	$-	$968,707[1]	$-	$ -
Foreclosed assets	-	195,017	-	36,770
Loans held for sale	-	107,440	-	-

(1) The fair value adjustment is not related to actual losses but is related to the allocation of the allowance in order to adjust the carrying amount of the loan to the fair value of the collateral.
(2) See Note 5, for related charge-offs at time of transfer to held for sale.

Fair Value of Financial Instruments

In compliance with GAAP, we disclose estimated fair values for certain financial instruments. Financial instruments include such items as loans, deposits, securities, interest rate and foreign exchange contracts, swaps and other instruments as defined by the standard.

Disclosure of fair values is not required for certain items such as lease financing, investments accounted for under the equity method of accounting, obligations for pension and other postretirement benefits, premises and equipment, other real estate owned, prepaid expenses, core deposit intangibles and other customer relationships, other intangible assets and income tax assets and liabilities. Accordingly, the aggregate fair value amounts presented do not purport to represent, and should not be considered representative of, the underlying "market" or franchise value of the Bank.

Reasonable comparisons of our fair value information to other financial institutions cannot necessarily be made as the fair value disclosure standard permits many alternative calculation techniques which require numerous assumptions used to estimate fair values.

This table is a summary of financial instruments, requiring fair value of financial instruments disclosure under GAAP, excluding certain short-term financial assets and liabilities, for which carrying amounts approximate fair value, trading assets, which are carried at fair value, securities available for sale (Note 2) and derivative financial instruments (Note 15).

	2011		**2010**	
(dollars in thousands)	**Book Value**	**Fair Value**	**Book Value**	**Fair Value**
Financial Assets				
Loans held for sale	**$ 244,509**	**$ 244,509**	$ 107,440	$ 107,440
Loans, net[1]	**39,837,768**	**40,542,926**	39,458,611	40,516,706
Financial Liabilities				
Deposits	**$43,995,196**	**$44,093,985**	$39,547,244	$39,578,059
Short-term borrowings[2]	**353,620**	**353,620**	739,637	739,637
Long-term debt[3]	**5,661,128**	**5,812,918**	5,796,001	5,965,192

(1) Excludes net leases of $2,719 million and $2,490 million at December 31, 2011 and 2010, respectively.

(2) Includes federal funds purchased and securities sold under agreements to repurchase and short-term borrowings.

(3) Excludes capital leases of $15.7 million and $16.5 million at December 31, 2011 and 2010, respectively.

17. Cash and Dividend Restrictions

Federal Reserve Board regulations require the Bank to maintain reserve balances against certain deposit liabilities with the Federal Reserve Bank. The average required reserve balance was $160 million and $135 million for the years ended December 31, 2011 and 2010, respectively.

California statutes limit the amount of dividends the Bank may declare or pay to the lesser of the Bank's retained earnings or the net income of the Bank for the prior three years less any dividends paid during those three years. Due to our net loss in 2009, the Bank could not declare or pay cash dividends in 2010 or 2011.

18. Accumulated Other Comprehensive Income (Loss)

Comprehensive income is defined as the change in equity from all transactions other than those with stockholders, and is comprised of net income and other comprehensive income. Accumulated other comprehensive income (loss) for the periods ended December 31, 2011 and December 31, 2010 is presented below:

(dollars in thousands)	Pretax Amount	Income Tax (Expense) Benefit	After-tax Amount[1]
Accumulated other comprehensive loss, December 31, 2009	$(395,779)	$ 161,195	$(234,584)
Pension	(11,739)	4,345	(7,394)
Securities available for sale:			
Unrealized net gains on securities available for sale arising during the year	27,959	(11,351)	16,608
Reclassification of losses on previously credit-impaired securities included in net income	65,131	(26,443)	38,688
Reclassification of net realized losses on securities available for sale included in net income	35,951	(14,596)	21,355
Net change in unrealized gains on securities available for sale	129,041	(52,390)	76,651
Cash flow hedges:			
Unrealized net losses on cash flow derivative hedges arising during the year	(4,939)	2,005	(2,934)
Reclassification of net realized losses on cash flow derivative hedges included in net income	16,727	(6,791)	9,936
Net change in unrealized losses on cash flow derivative hedges	11,788	(4,786)	7,002
Other comprehensive income	129,090	(52,831)	76,259
Accumulated other comprehensive loss, December 31, 2010	$(266,689)	$ 108,364	$(158,325)
Pension	**(44,536)**	**18,502**	**(26,034)**
Securities available for sale:			
Unrealized net gains on securities available for sale arising during the year	**317,311**	**(128,828)**	**188,483**
Reclassification of losses on previously credit-impaired securities included in net income	**912**	**(370)**	**542**
Reclassification of net realized gains on securities available for sale included in net income	**(34,099)**	**13,844**	**(20,255)**
Net change in unrealized gains on securities available for sale	**284,124**	**(115,354)**	**168,770**
Cash flow hedges:			
Unrealized net losses on cash flow derivative hedges arising during the year	**(56)**	**23**	**(33)**
Reclassification of net realized losses on cash flow derivative hedges included in net income	**8,346**	**(3,388)**	**4,958**
Net change in unrealized gains on cash flow derivative hedges	**8,290**	**(3,365)**	**4,925**
Other comprehensive income	**247,878**	**(100,217)**	**147,661**
Accumulated other comprehensive loss, December 31, 2011	**$ (18,811)**	**$ 8,147**	**$ (10,664)**

[1] Accumulated other comprehensive loss, net of tax, consisted of net unrealized losses on securities with OTTI available for sale related to factors other than credit of nil and $(542) at December 31, 2011 and 2010, respectively; net unrealized gains (losses) on securities available for sale of $81,474 and $(86,754) at December 31, 2011 and 2010, respectively; net unrealized gains (losses) on cash flow derivative hedges of $83 and $(4,842) at December 31, 2011 and 2010, respectively; and pension adjustments of $(92,221) and $(66,187) at December 31, 2011 and 2010, respectively.

19. Benefit Plans

The Bank has the following pension and other postretirement benefit plans:

Pension Benefits:

Funded Pension Plans

The Bank had previously offered the Employees' Retirement Plan ("ERP") of BancWest Corporation to its employees, which is a noncontributory defined benefit pension plan. The ERP was created from the merger of two separate plans: the First Hawaiian Bank Employee Plan and the Bank of the West Employee Plan. The Bank of the West Employee Plan was a cash balance pension plan that was frozen on January 1, 2010. At the freeze date, the plan stopped accruing benefits and was closed to new participants. However, existing participants of the plan continue to earn interest until distributions are made in accordance with the plan requirements. The Bank did not incur an immediate gain or loss associated with the freezing of the plan; however, the overall cost of the plan is expected to decline.

Additionally, in connection with the acquisition of United California Bank ("UCB") in 2002, the Bank assumed the pension obligations of UCB. UCB employees participated in a funded noncontributory final average pay defined benefit pension plan ("UCBP") that was frozen on June 30, 2003 to new participants and benefit accruals.

Unfunded Pension Plans

The Bank also sponsored an unfunded excess benefit pension plan covering employees whose pay or benefits exceed certain regulatory limits and, for certain key executives, an unfunded supplemental executive retirement plan ("SERP"). The unfunded excess plan was frozen on January 1, 2010 to new participants and benefit accruals. The SERP was frozen in 2002 to new participants; however benefits continue to accrue for existing plan participants. The Bank did not incur an immediate gain or loss associated with the freezing of the plan; however, the overall cost of the plan is expected to decline.

Additionally, in connection with the acquisition of UCB in 2002, the Bank assumed the pension obligations of UCB's unfunded supplemental pension benefit plan ("UCB SEP") which was available to eligible key executives if certain requirements were met. The UCB SEP was frozen on June 30, 2003 to new participants and benefit accruals.

Other Postretirement Benefits:

Postretirement Medical and Life Insurance Plan

The Bank offers an unfunded postretirement medical and life insurance plan. The benefits include access to medical benefits and the payment of premiums for medical and life insurance benefits.

Executive Life Insurance Plan

The Bank also offered pre-and postretirement life insurance benefits for certain executives under the unfunded Executive Life Insurance Plan (the "ELIP"). The accumulated benefit obligation and expense amounts for the ELIP are included in Other Benefits in the tables that follow.

Pension Accounting

Accounting for defined benefit pension plans involves four key variables that are utilized in the calculation of the Bank's annual pension costs. These factors include: (1) size of the employee population and their estimated compensation increases for active plans (2) actuarial assumptions and estimates, (3) expected long-term rate of return on plan assets and (4) the discount rate.

Pension expense is directly affected by the number of employees eligible for pension benefits, their estimated compensation increases for active plans and economic conditions, which include the actual return on plan assets. With the help of an actuary, management is able to estimate future expenses and plan obligations based on factors such as compensation increases, discount rates, mortality, turnover, retirement and disability rates.

The Bank uses the building block method to calculate the expected return on plan assets each year based on the balance of the pension asset portfolio at the beginning of the year and the expected long-term rate of return on that portfolio. The method requires (1) the percentage of total plan assets be multiplied by the expected asset return for each component of the plan asset mix, (2) the resulting weighted expected rates of return for each component be added together to determine the total rate of return and (3) the total be adjusted by considering the active management of the portfolio. Under this approach, forward-looking expected returns for each invested asset class are determined. Forward-looking capital market assumptions are typically developed by using historical returns as a starting point and applying a combination of macroeconomics, econometrics, statistical, and other technical analysis, such as spread differentials, to forecast the expected return going forward.

The following table shows the amount of pension and other postretirement benefits recognized in other comprehensive income:

	Pension Benefits		Other Benefits	
(dollars in thousands)	2011	2010	2011	2010
Amounts arising during the period:				
Net gain (loss) on pension assets	**$(18,107)**	$ 16,588	**$ -**	$ -
Net loss on obligations	**(39,020)**	(39,791)	**(2,397)**	(2,111)
Reclassification adjustments recognized as components of net periodic benefit cost during the period:				
Net loss	**16,050**	14,665	**28**	-
Net prior service cost (credit)	**34**	34	**(1,124)**	(1,124)
Amounts recognized in other comprehensive income	**$(41,043)**	$ (8,504)	**$(3,493)**	$(3,235)

The following table shows the amounts within accumulated other comprehensive income that have not yet been recognized as components of net periodic benefit costs:

	Pension Benefits		Other Benefits	
(dollars in thousands)	2011	2010	2011	2010
Net loss	**$(149,326)**	$(108,249)	**$(6,723)**	$(4,354)
Net prior service (cost) credit	**(272)**	(306)	**1,069**	2,193
Ending balance within accumulated other comprehensive income	**$(149,598)**	$(108,555)	**$(5,654)**	$(2,161)

The following table shows the amounts within accumulated other comprehensive income expected to be recognized as components of net periodic benefit costs during 2012:

(dollars in thousands)	Pension Benefits	Other Benefits
Amortization of net loss	**$24,670**	$ 224
Amortization of net prior service cost (credit)	**34**	(1,069)
Total	**$24,704**	$ (845)

The following table summarizes the changes to the benefit obligation and fair value of plan assets, and the funded status for all Bank of the West plans for the years indicated:

	Pension Benefits		Other Benefits	
(dollars in thousands)	2011	2010	2011	2010
Benefit obligation at beginning of year	**$ 482,316**	$ 442,256	**$ 46,673**	$ 41,626
Service cost	**824**	1,457	**1,566**	3,530
Interest cost	**24,477**	24,448	**2,334**	2,419
Actuarial loss	**39,020**	39,791	**1,574**	2,111
Benefit payments	**(27,075)**	(25,636)	**(3,162)**	(3,013)
Benefit obligation at end of year	**$ 519,562**	$ 482,316	**$ 48,985**	$ 46,673
Fair value of plan assets at beginning of year	**$ 364,207**	$ 340,971	**$ -**	$ -
Actual return on plan assets	**4,077**	36,723	**-**	-
Employer contributions	**20,000**	7,500	**3,162**	3,013
Benefit payments	**(22,304)**	(20,987)	**(3,162)**	(3,013)
Fair value of plan assets at end of year	**$ 365,980**	$ 364,207	**$ -**	$ -
Funded status[(1)]	**$(153,582)**	(118,109)	**$(48,985)**	$(46,673)

[(1)] All amounts are recognized in liabilities in the Bank of the West consolidated balance sheet.

Amortization of the unrecognized net gain or loss is included as a component of net pension cost. If amortization results in an amount less than the minimum amortization required under GAAP, the minimum required amount is recorded. The minimum amount recorded under GAAP represents unrecognized net gains or losses that exceed 5% of the greater of the projected benefit obligation or the market-related value of plan assets as of the beginning of the year. The unrecognized amounts are amortized on a straight-line basis over the lesser of five years or the average remaining service period of active employees expected to receive benefits under the plan.

The accumulated benefit obligation for the Bank's defined benefit pension plans was $517.1 million and $478.9 million at December 31, 2011 and 2010, respectively.

Each of our pension plans had an accrued benefit liability at December 31, 2011 and 2010. The following table summarizes information for pension plans with benefit obligations in excess of plan assets as of December 31:

(dollars in thousands)	**2011**	**2010**
Projected benefit obligation	**$519,562**	$482,316
Accumulated benefit obligation	**517,134**	478,914

The following table sets forth the components of the net periodic benefit cost (credit) for Bank of the West at December 31:

	Pension Benefits		**Other Benefits**	
(dollars in thousands)	**2011**	**2010**	**2011**	**2010**
Service cost	**$ 824**	$ 1,457	**$ 1,566**	$ 3,530
Interest cost	**24,477**	24,448	**2,334**	2,419
Expected return on plan assets	**(22,185)**	(20,136)	**-**	-
Amortization of prior service cost (credit)	**34**	34	**(1,124)**	(1,124)
Recognized net actuarial loss (gain)	**16,050**	14,665	**(794)**	-
Total benefit cost	**$ 19,200**	$ 20,468	**$ 1,982**	$ 4,825

Assumptions

Weighted-average assumptions used to determine benefit obligations and net periodic benefit cost were as follows at December 31:

	ERP Pension Benefits		**SERP Pension Benefits**		**Other Benefits**[1]	
	2011	**2010**	**2011**	**2010**	**2011**	**2010**
Benefit Obligations:						
Discount rate	**4.50%**	5.25%	**4.50%**	5.25%	**4.50%**	6.00%
Rate of compensation increase	**NA**	NA	**4.00%**	4.00%	**5.00%**	5.00%
Net Periodic Benefit Cost:						
Discount rate	**5.25%**	5.75%	**5.25%**	5.75%	**4.50%**	6.00%
Expected long-term return on plan assets	**6.00%**	6.00%	**NA**	NA	**NA**	NA
Rate of compensation increase	**NA**	NA	**4.00%**	4.00%	**5.00%**	5.00%

(1) Includes the postretirement medical and life insurance plan, which used a discount rate of 4.50% and 5.25% in 2011 and 2010, respectively, for benefit obligations and a discount rate of 5.25% and 5.75% in 2011 and 2010, respectively, for net periodic benefit cost. The rate of compensation increase is not applicable to the postretirement medical and life insurance plan.

The assumed discount rate reflects management's estimate of the rate at which the benefits could be effectively settled. In selecting the discount rate, the Bank reviews the yield on high quality corporate bonds and resulting yield curves. The yield curve information is considered with the plans' projected benefit cash flows and resulting duration to select a single discount rate to calculate plan obligations for reporting purposes. The selected rate is rounded to the nearest 25 basis points.

Assumed health care cost trend rates at December 31, were as follows:

	2011	2010
Health care cost trend rate assumed for next year	7.5%	8.0%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.0%	5.0%
Year that the rate reaches the ultimate trend rate	2017	2017

Assumed health care cost trend rates have an impact on the amounts reported for the health care plans. A one-percentage-point change in the assumed health care cost trend rates would have the following pretax effect:

(dollars in thousands)	One-Percentage-Point Increase	One-Percentage-Point Decrease
Effect on 2011 total of service and interest cost components	$ 103	$ (63)
Effect on postretirement benefit obligation at December 31, 2011	1,318	(941)

Plan Assets

The assets within the Bank of the West Employees' Retirement Plan and the UCB Retirement Plan ("the Plans") are managed in accordance with the Employee Retirement Income Security Act of 1974 ("ERISA"). The Plans' assets consist mainly of fixed income and equity securities of U.S. and foreign issuers and may include alternative investments such as real estate, private equity and other absolute return strategies.

Investment Strategy and Risk Management for the Plans' Assets

The long-term investment objective of the ERP and UCB plans is to earn an investment return which meets or exceeds the following benchmarks over the long term:

- The target rate of return should meet or exceed the current actuarial investment return assumption as reflected in the funding valuation rate.
- The target rate of return should meet or exceed a compounded annual long-term rate of return equal to or greater than the Plans' custom benchmark returns.

The Plans' assets are managed in accordance with the Retirement Committee's (the "Committee") guidelines. All transactions that utilize assets of the Trust will be undertaken for the sole benefit of the participants of the Plans.

The assets selected for the Plans may consist of individual security issues managed by the investment manager(s) or securities held in a well-diversified portfolio of a registered investment company or an exchange-traded fund. In addition, for the UCB plan, the assets selected for the plan must have readily ascertainable market value and must be marketable. The assets under this plan may also consist of a publicly traded mutual fund. Investment managers may be permitted to use derivative instruments to control portfolio risk.

The equity portion and debt portion of the Plans' assets may employ commingled assets or be individually invested expressly including the use of money market funds managed by a corporate trustee or by others.

In its desire to protect Plans' assets, the Committee imposes general guidelines on asset allocation. Asset allocations are based on the Committee's appraisal of current and long-term needs for liquidity and income of the Plans and its estimate of the investment returns from the various classes and types of investments. The asset allocations are likely to be the primary determinant of the Plans' returns and the associated volatility of returns for the Plans.

The target asset allocations for the two plans for the years ended December 31, 2011 and 2010 are as follows:

	Bank of the West Plan		UCB Plan	
	2011	**2010**	**2011**	**2010**
Equity	**50%**	45%	**45%**	45%
Fixed Income	**45**	50	**50**	50
Other	**5**	5	**5**	5
Total	**100%**	100%	**100%**	100%

Concentration of Risk

The Bank describes "risk" as the possibility of not achieving the Plans' actuarial rates of return. Risks associated with the Plans' investments include systematic and nonsystematic risk, interest rate, yield curve, reinvestment and credit risk and the combination of these risks. The Bank mitigates the credit risk of investments by establishing guidelines with the investment managers. Both the Bank and our investment managers monitor the diversity of the plans to ensure that they meet ERISA requirements. Equity securities in the Plans did not include BancWest or BNP Paribas stock at December 31, 2011 and 2010.

The tables below summarize the Bank's pension plan assets by investment category at December 31, 2011 and 2010. The three-level hierarchy that describes the inputs used to measure assets at fair value is discussed in Note 1:

	2011			
(dollars in thousands)	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Asset Category				
Cash and equivalents	$ 1,039	$ 1,039	$ -	$ -
Fixed income:				
U.S. Government agency securities and corporate securities	125,713	125,713	-	-
Mutual funds	19,300	19,300	-	-
Other	20,184	9,762	-	10,422
Equity securities:				
Mutual funds	120,322	120,322	-	-
Exchange traded funds	33,603	33,603	-	-
Separate assets	29,254	29,254	-	-
Multi strategy mutual funds	16,565	10,464	6,101	-
Total plan assets	**$365,980**	**$349,457**	**$6,101**	**$10,422**

	2010			
(dollars in thousands)	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Asset Category				
Cash and equivalents	$ 2,760	$ 2,760	$ -	$ -
Fixed income:				
U.S. Government agency securities and corporate securities	122,686	122,686	-	-
Mutual funds	27,850	27,850	-	-
Other	17,492	7,487	-	10,005
Equity securities:				
Mutual funds	119,951	119,951	-	-
Exchange traded funds	26,276	26,276	-	-
Separate assets	29,197	29,197	-	-
Multi strategy mutual funds	17,995	12,184	5,811	-
Total plan assets	**$364,207**	**$348,391**	**$ 5,811**	**$10,005**

There were no transfers in or out of Levels 1 and 2 for the year ended December 31, 2011. The changes in our Level 3 pension plan assets for the year ended December 31, 2011, were as follows:

(dollars in thousands)	Contracts/Annuities
Beginning balance at December 31, 2010	$10,005
Actual return on plan assets	522
Settlements	(1,820)
Purchases	1,786
Service fees	(71)
Ending balance at December 31, 2011	$10,422

Valuation Methodologies

The following is a description of the valuation methodologies used for the Plans' assets measured at fair value:

- **Cash and equivalents** — this category includes cash and money market fund holdings. The fair values are based on a review of unadjusted quoted prices for identical assets in active markets.
- **Fixed income** — this category includes obligations issued and guaranteed by the U.S. Treasury, debt securities issued by U.S. corporations, SEC registered mutual funds, debt securities issued by a state, municipality or county, and an annuity contract (with interest guarantees) which participates in the general account of a major life insurance company. Except for the annuity contract, the fair values are based on a review of unadjusted quoted prices for identical assets in active markets. The fair value of the annuity contract is based on a contractually agreed upon value.
- **Equity securities** — this category includes SEC registered mutual funds, exchange-traded funds tracking domestic or international equity indices, and individual equities held in the form of common stock of companies in the Standard and Poor's 500 Index. The fair values are based on a review of unadjusted quoted prices for identical assets in active markets.
- **Multi strategy mutual funds** — this category includes SEC registered mutual funds investing in multiple asset strategies. The fair values are based on a review of quoted prices for identical and similar assets in active markets.

Contributions

Bank of the West expects to contribute $5.0 million to its non-qualified defined benefit pension plans and $4.4 million to its other postretirement benefit plans in 2012. Based on the funding requirements of the Pension Protection Act of 2006, Bank of the West anticipates making a contribution of approximately $7.5 million to the ERP during 2012.

Estimated Future Benefit Payments

The following table presents the expected benefit payments, for the periods indicated:

(dollars in thousands)	Pension Benefits	Other Benefits
2012	$ 25,477	$ 4,368
2013	26,145	2,755
2014	26,887	6,029
2015	27,562	2,777
2016	29,063	4,205
2017 – 2021	165,069	19,410

401(k) Match Plan

The Bank matches 100% of employee contributions up to 6% of pay to the BancWest Corporation 401(k) Savings Plan, a defined contribution plan. The plan covers all employees who satisfy eligibility requirements. Matching employer contributions to the 401(k) plan for 2011 and 2010 were $23.0 million and $21.1 million, respectively.

Incentive Plan for Key Executives and Officer's Incentive Plan

The Bank has two incentive plans under which awards of cash are made to certain employees. One plan is for key executives; the Incentive Plan for Key Executives ("IPKE"), and the other plan is for employees below the level of key executives; the Officer's Incentive Plan ("OIP"). The IPKE and OIP limit the aggregate and individual value of the awards that could be issued in any one fiscal year. Both plans have the same limits on individual awards. Salary and employee benefits expense includes IPKE and OIP expense of $37.9 million and $29.7 million for 2011 and 2010, respectively.

Long-Term Incentive Plans

In 2006, BancWest created an incentive plan, the Phantom Stock Plan, which was designed to reward certain employees for their performance and BancWest's performance over a multi-year performance cycle. The Phantom Stock Plan's final cycle payout of $4.5 million occurred during 2011. For the years ended December 31, 2011 and 2010, related salary and employee benefits expense for the Bank was $0.7 million and $1.0 million, respectively. In 2008, the Bank created a Performance Share Plan to replace the Phantom Stock Plan on a go-forward basis with employee benefit expense for the Bank at $12.1 million and $3.1 million for 2011 and 2010, respectively.

In 2008, the Bank created a new Long Term Incentive Plan ("LTIP") to replace the BancWest LTIP on a go-forward basis. The plan rewards selected key executives for the Bank of the West performance assessed over a three year performance cycle on a relative and absolute basis. Salary and employee benefits expense for the Bank includes LTIP expense of $13.8 million and $4.7 million for 2011 and 2010, respectively.

20. Income Taxes

For the years indicated, the expense (benefit) provision for income taxes was comprised of the following:

(dollars in thousands)	2011	2010
Current:		
Federal	**$212,592**	$ 76,178
States and other	**63,404**	32,321
Total current	**275,996**	108,499
Deferred:		
Federal	**(16,305)**	(23,501)
States and other	**(7,755)**	4,602
Total deferred	**(24,060)**	(18,899)
Total expense for income taxes	**$251,936**	$ 89,600

The components of the Bank's net deferred income tax asset at December 31, 2011 and 2010 were as follows:

(dollars in thousands)	2011	2010
Assets		
Allowance for loan and lease losses and nonperforming assets	**$578,539**	$619,997
Investment securities	**-**	34,328
Deferred compensation expenses	**140,938**	112,507
Depreciation expense	**8,082**	8,357
State income and franchise taxes	**22,723**	10,398
Other	**42,847**	27,964
Total deferred income tax assets	**$793,129**	$813,551
Liabilities		
Leases	**$201,926**	$226,016
Investment securities	**81,645**	-
Intangible assets	**17,555**	19,587
Total deferred income tax liabilities	**301,126**	245,603
Net deferred income tax assets	**$492,003**	$567,948

Net deferred income tax assets are included within other assets in the consolidated balance sheets.

Deferred taxes related to net unrealized gains (losses) on securities available for sale, net unrealized gains (losses) on derivatives, and employee benefit plan adjustments are recorded in cumulative OCI (see Note 18). These associated adjustments decreased OCI by $100.2 million.

A valuation allowance for certain state capital loss carryforwards has been established in the amount of $3.5 million as of December 31, 2010. Management believes it is unlikely that sufficient capital gains will be generated during the carryforward period to fully utilize the capital losses. There is no change to the valuation allowance in 2011.

With respect to all other deferred tax assets, no valuation allowances are required. Realization is dependent on generating sufficient taxable income in the future and, although realization is not assured, management believes it is more likely than not that all of the deferred tax assets will be realized. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income are reduced.

The following analysis reconciles the federal statutory income tax rate to the effective income tax rate for the years indicated:

	2011		2010	
(dollars in thousands)	Amount	%	Amount	%
Federal statutory income tax expense and rate	**$243,265**	**35.0%**	$ 96,229	35.0%
Foreign, state and local taxes expense, net of federal effect	**38,317**	**5.5**	26,021	9.5
Bank-owned life insurance	**(9,351)**	**(1.4)**	(8,571)	(3.1)
Non-taxable income, net	**(13,246)**	**(1.9)**	(21,188)	(7.7)
Tax credits	**(7,427)**	**(1.1)**	(5,599)	(2.1)
Other	**378**	**0.1**	2,708	1.0
Effective income tax expense and rate	**$251,936**	**36.2%**	$ 89,600	32.6%

The Bank and its subsidiaries file income tax returns with the federal government and various state and local jurisdictions. The Internal Revenue Service ("IRS") is in the process of examining the Bank's income tax returns for 2006 and 2007. During 2011, the IRS issued an agreed Revenue Agent's Report for tax years 2003-2005 and the IRS proposed no significant adjustments with respect to the Bank or its acquired entities. With few exceptions, the Bank and its acquired entities are no longer subject to federal, state, and local income tax examinations for years prior to 2003. As of December 31, 2011, the state tax jurisdictions have not proposed any significant adjustments. The Bank believes that there are no other jurisdictions in which the outcome of unresolved issues or claims is likely to be material to our results of operations, financial position or cash flows. The Bank further believes that it has made adequate provision for all income tax uncertainties.

A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows:

(dollars in thousands)	**2011**	**2010**
Balance at January 1,	**$18,424**	$21,518
Additions based on tax positions related to the current year	**3,655**	2,475
Reductions for tax positions of prior years	**(175)**	(1,574)
Reductions relating to settlements with tax authorities	**(2,179)**	-
Reductions as a result of a lapse of the applicable statute of limitations	**(530)**	(3,995)
Balance at December 31,	**$19,195**	$18,424

Included in the balance of unrecognized tax benefits are $13.1 million and $12.6 million of tax benefits as of December 31, 2011 and 2010, respectively which, if recognized, will affect the effective tax rate.

During the year ended December 31, 2011, the Bank recognized approximately $0.8 million ($0.5 million, net of federal and state tax benefit) in interest and no penalties. The unrecognized tax benefit balances do not include $2.9 million and $3.7 million of the net accruals for the payment of interest and penalties for the years ended December 31, 2011 and 2010, respectively.

It is reasonably possible that the total amounts of unrecognized tax benefits will decrease within twelve months of the reporting date with respect to certain state tax liabilities of acquired companies that the Bank expects to be finalized with the tax jurisdictions. We estimate the possible change could be approximately $3.5 million, which, if recognized, will affect the effective tax rate.

21. Transactions with Affiliates

The Bank participates in various transactions with its affiliates, including BancWest, First Hawaiian Bank, BNP Paribas and its affiliates.

These transactions are subject to federal and state statutory and regulatory restrictions and limitations which require, among other items, that certain transactions be collateralized, and be subject to quantitative limitations, and be on terms at least as favorable to the Bank as those prevailing at the time for similar non-affiliate transactions. These transactions have included the sales and purchases of assets, foreign exchange activities, financial guarantees, international services, interest rate swaps and intercompany deposits and borrowing.

Amounts due to and from affiliates and off-balance sheet transactions at December 31, 2011 and 2010 were as follows:

(dollars in thousands)	2011	2010
Cash and due from banks	**$ 44,910**	$ 45,701
Loans	**-**	6
Noninterest-bearing demand deposits[(1)]	**8,562**	1,018,597
Money market deposits[(1)]	**1,156,614**	67,941
Time certificates of deposit	**253,412**	219,438
Other assets	**87,193**	225,285
Other liabilities	**170,935**	116,845
Short-term borrowings	**1,560**	1,094
Fixed-rate unsecured lines of credit	**54,500**	75,900
Noncontrolling interest	**22,502**	23,849
Derivatives and off-balance sheet transactions:		
Credit guarantee derivative[(2)]	**460,811**	796,601
Standby letters of credit	**18,776**	19,242
Guarantees received	**154,488**	141,220
Fair value hedge[(2)]	**831,000**	2,045
Commitments to purchase foreign currencies[(2)]	**93,077**	108,389
Commitments to sell foreign currencies[(2)]	**49,816**	42,376
Interest rate contracts[(2)]	**2,210,411**	2,864,853

(1) Predominately related to cash deposit to collateralize the Guarantee with BancWest comprised of noninterest bearing deposit in 2010 and money market deposit in 2011, refer to Note 7 for additional information.

(2) Represents the notional amount of derivative financial instruments.

Interest expense to affiliates for 2011 and 2010 was $13.9 million and $107.6 million, respectively. Noninterest income from affiliate transactions, which includes fair value adjustments related to derivatives, was a net loss of $130.0 million and $169.0 million for 2011 and 2010, respectively.

22. Stock-based Compensation

The Bank participates in a BNPP stock option plan where certain members of Bank of the West's senior management team receive stock option awards from BNPP for shares of BNPP stock. The Bank accounts for these stock option awards at their fair values estimated on the grant dates using a trinomial tree pricing model as compensation expense over the vesting or requisite service periods. Upon exercise of the stock options, the Bank's senior management team receives shares of BNPP stock. The stock options were awarded in the years 2003 through 2011. The options do not vest until after the fourth year, at which time they are exercisable from the fourth anniversary through the tenth anniversary date (the expiration date) for the 2003 and 2004 grants and through the eighth anniversary date for the 2005 through 2011 grants. The range of exercise prices for the 2003-2011 options were $52.81 through $115.18. As of December 31, 2011, no stock options had expired.

Annual stock option awards are recognized over the vesting period and reflected as compensation expense, which was $2.6 million and $2.3 million for the years ending December 31, 2011 and 2010, respectively. The related income tax benefit was $1.0 million and $0.9 million for the years ended December 31, 2011 and 2010, respectively.

The following table is a summary of stock option activity:

	Number	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (in years)
Options outstanding as of January 1, 2010:	819,960	$92.93	4.79
Granted	87,735	69.77	
Exercised	(8,217)	65.04	
Forfeited	(46,843)	88.81	
Options outstanding as of December 31, 2010	852,635	91.04	4.00
2011:			
Granted	**90,569**	**$78.95**	
Exercised	**(12,847)**	**62.32**	
Forfeited	**(5,854)**	**75.49**	
Options outstanding as of December 31, 2011	**924,503**	**90.32**	**3.33**

The total fair value of vested options and options exercised was $5.9 million and $0.5 million in 2011 and $4.8 million and $0.3 million in 2010, respectively.

The fair value of each stock option was estimated on the date of grant using a trinomial tree pricing model. The implied volatility used in measuring stock options is estimated on the basis of a range of ratings prepared by various dealing rooms. The level of volatility used by the Bank takes into account historical volatility trends for the Dow Jones Euro Stoxx Bank index and BNPP shares over a 10-year period. The weighted-average grant-date fair values of options granted during the years 2011 and 2010 were $31.37 and $34.28, respectively. Total unrecognized compensation costs related to nonvested shares was $5.1 million and $6.4 million and the weighted-average period in which these costs will be recognized was 2.24 and 2.17 years at December 31, 2011 and 2010, respectively. The following table presents the weighted-average assumptions used.

	2011	2010
Dividend yield	**4.3%**	2.0%
Expected volatility	**28.5%**	30.4%
Risk free interest rate	**3.5%**	3.1%
Expected life (in years)	**8**	8

A summary of the Bank's nonvested options and changes during the years ended December 31, 2011 and 2010 is presented below.

Nonvested Options Outstanding	Number	Weighted-Average Grant-Date Fair Value
Options outstanding at January 1, 2010	575,620	$36.60
Granted	87,735	34.28
Vested	(166,531)	32.72
Forfeited	(30,059)	40.33
Options outstanding at December 31, 2010	466,765	37.30
2011:		
Granted	**90,569**	**$31.37**
Vested	**(173,062)**	**34.87**
Forfeited	**(3,784)**	**41.44**
Options outstanding at December 31, 2011	**380,488**	**38.62**

A summary of the Bank's vested and exercisable options and changes during the years ended December 31, 2011 and 2010 is presented below.

Vested and Exercisable Options Outstanding	Number	Weighted-Average Grant-Date Fair Value	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (dollars in thousands)
Outstanding at January 1, 2010	244,340	$36.55	$74.76	3.36	$ 99.16
Vested	166,531	32.72			
Exercised	(8,217)	41.92			
Forfeited	(16,784)	34.21			
Vested and exercisable options outstanding at December 31, 2010	385,870	35.67	89.53	2.75	472.78
2011:					
Vested	**173,062**	**$34.87**			
Exercised	**(12,847)**	**37.07**			
Forfeited	**(2,070)**	**35.35**			
Vested and exercisable options outstanding at December 31, 2011	**544,015**	**35.38**	**98.04**	**2.23**	**-**

23. Subsequent Events

We have evaluated the effects of subsequent events that have occurred after December 31, 2011 and through March 5, 2012, the date of our financial statement issuance. Refer to Note 14 for details of a Notice of Settlement for a class action complaint in 2011.

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BANK OF THE WEST

Image Clearing Systems (ICS)
Specifications for ICS Product – Deposit Only
For Financial Institutions and Commercial Customers

Prepared By: Michael Grazer
Publication Date: 11/19/2007
Updated: 04/30/2012

Contents

1 Introduction

This formatting guide will define both the IQA standards and the ICS Image Deposit File. The ICS Image Deposit file uses the x9.37 standard Fed Format version 1.5 dated 11/1/2005 and identifies specific needs and requirements for the Bank of the West Image Clearing Services.

2 Testing - Image Clearing Services (ICS) File

When testing the x9.37 file with Bank of the West, please submit all your test files to the test server. Please refer the BOW Secure Portal Overview for the URL and other related details. All files delivered to the test site will be processed as test. There is an indicator in the file header (record type 1, field 3) that identifies a file as a test file. **If a file is delivered to the production site and the test indicator is set to production, the file will be processed as a production file.**

If a file is delivered to the test site, it will be processed as a test file regardless of the test indicator. If a file is presented as a test file to the production site, it will not be processed in production.

3 File Security- Image Clearing Services (ICS) File

Bank of the West provides multiple options for you to submit x.937 file. The description of these options is detailed in the Bank of the West Secure Portal Overview. The file will be through our secure web portal to the bank directly over a secure internet connection. All file delivery options provided offer secure connections between you and the bank using a minimum of 128 bit RC 4 encryption. In order to authenticate you, your authorized users or agents, we will provide you with User IDs and Passwords. Per our Cash Management Terms and Conditions, it is your responsibility to safeguard the use and protection of these credentials. ICS will provide an email to confirm the receipt of the file.

4 Specifications for Image Quality

4.1 IQA Specifications

Baseline Image Quality

Image quality checks will be performed for each set of Image View Records (Type 50, Type 52 & Type 54). If a mandatory field or fields within an Image View Record are invalid, the Record will be counted against the file rejection threshold (see 4.2 Record and Item Level Threshold Exception Information). All image items deposited as part of an Image Cash Letter must meet the following preliminary criteria:

- An individual item must have corresponding front and back image segments.
- The data size for each image segment must fall within the range acceptable for image data.
- Each image segment must be able to be decompressed.
- Each image segment must have a minimum resolution of 200 dpi.
- Each segment must be black and white and in the TIFF 6.0 CCITT Group 4 compression format.

Detailed Image Quality

Items that meet the preliminary quality criteria will be passed through an image quality engine. This engine will assess the overall quality of each segment based on particular quality metrics. These metrics include:

- **Missing / torn corners:** Analysis is performed to determine if any of the document's four corners are either folded or missing. Depending upon the particular document layout, a corner that is either folded or is torn away may cause vital information to be missing from the image.
- **Document length:** The length of the document may be above or below defined values. Ideally the length, as calculated by dividing the horizontal pixel count by the pixel density (dots per inch), is within standard check length specifications.
- **Document height:** The height of the document may be above or below defined values. Ideally the height, as calculated by dividing the vertical pixel count by the pixel density (dots per inch), is within standard check height specifications.• **Document skew:** The document skew, defined as the measure of the angle formed between the horizontal edge of the physical document being scanned and the horizontal edge of the front of the document image, may be too great.
- **Image brightness:** The black pixel count may indicate the image is too dark or too light.
- **Noisy image:** If the black pixel distribution is outside of normal bounds, the image may be flagged.

Link to IQA Settings

Below is the link to the Fed IQA Settings for your reference:

http://www.frbservices.org/files/servicesetup/check/pdf/iqa_settings.pdf

5 Specifications for Image Clearing Services

5.1 File Structure

5.1.1 Record Types

The following are record types established for Image Clearing Services:

File Header Record (Type 01)

Deposit Header Record (Type 10)

Batch Header Record (Type 20)

Check Detail Record (Type 25)

Check Detail Addendum A Record (Type 26)

Check Detail Addendum B Record (Type 27) *

Check Detail Addendum C Record (Type 28)

Return Record (Type 31) *

Return Addendum A Record (Type 32) *

Return Addendum B Record (Type 33) *

Return Addendum C Record (Type 34) *

Return Addendum D Record (Type 35) *

Account Totals Detail Record (Type 40) *

Non-Hit Totals Detail Record (Type 41) – *

Image View Detail Record (Type 50)

Image View Data Record (Type 52)

Image View Analysis Record (Type 54) *

Credit Detail Record (Type 61)

Batch Control Record (Type 70)

Box Summary Record (Type 75) – *

Routing Number Summary Record (Type 85) – *

Deposit Control Record (Type 90)

File Control Record (Type 99)

*** - Not Required for Bank of the West Image Clearing Specifications**

5.1.2 File Structure Requirements

In general, an x9.37 file contains one or more deposits each deposit must include a type 61 recorded as the first item in each deposit. Deposits contain one or more batches destined for Bank of the West and are identified in the Deposit Header Records.

For Financial Institutions customers, deposits should not exceed 20,000 items.

For Payment Processors, deposits should not exceed 100,000 items.

Batches within deposits usually contain no more than 200 Check Detail Records and must contain image records.

The maximum size of the file cannot exceed 2 Gig.

For Cash Management customers, deposits should not exceed 3000 items. Deposits must be in batches of 250 items or less.

Batches within deposits usually contain no more than 200 Check Detail Records and must contain image records.

5.1.3 Variable Length Records

Each record in the file is variable length and shall be preceded by a four (4) byte length field known as the Inserted Length Field (not represented in the record layouts). See X9.37 Standard for additional information on record creation.

5.1.4 File Name Syntax

The X9.37 file name syntax should be a unique static customer name identifier followed by a date stamp (MMDDYYYYHH24Mi) (using military time) with an extension of .x937. Here is an example of the syntax:

COMPANYA041520071306.x937 (April 15, 2007 1:06 PM)

5.2 Data and Field Specifications

FIELD TYPE	TERM
A	Alphabetic
N	Numeric
B	Space
S	Special Character
AN	Alphanumeric
ANS	Alphanumeric/special
NB	Numeric Space
NS	Numeric/special
	Binary
NBSM	Numeric Space/special MICR
NBSMOS	Numeric Space/special MICR On-US

5.3 Deposit Maximum Amount Requirement

If the deposit is larger than $99,999,999.99, the deposit must be split into multiple deposits.

6 File Header Record (Type 01)

The File Header Record is required and is the first record in the file.

FIELD	FIELD NAME	USAGE	POSITION	SIZE	TYPE	VALUE
1	Record Type	M	01 – 02	2	N	01
2	Standard Level	M	03 – 04	2	N	**03** (X9.37 – 2005)
3	Test File Indicator	M	05 - 05	1	A	P – Production File T – Test File (for BOTW internal use only)
4	Destination Routing Number	M	06 – 14	9	N	**121100782**
5	Originating Routing Number	M	15 – 23	9	N	Financial Institutions input your routing number. Non-financial institutions input **DDA Account number.**
6	File Creation Date	M	24 – 31	8	N	Format YYYYMMDD
7	File Creation Time	M	32 – 35	4	N	Format HHMM
8	Resend Indicator	M	36 – 36	1	A	**N** (Original File)
9	Reserved	M	37 – 54	18	B	Spaces
10	Reserved	M	55 – 72	18	B	Spaces
11	File ID[1]	C	73 – 73	1	AN	Must be a valid alpha/numeric value and be unique for each file for a given creation date.

[1] Fields 4,5,6,7 and 11 are concatenated by Bank of the West to ensure the file is unique. If there are two files with the same string, the file will be rejected by the system. Even if files are from different sources.

12	Country Code	C	74 – 75	2	A	Spaces
13	Reserved	M	76 – 79	4	B	Spaces
14	Reserved	M	80 - 80	1	B	Spaces

7 Deposit Header Record (Type 10)

At least one Deposit Header Record is required.

FIELD	FIELD NAME	USAGE	POSITION	SIZE	TYPE	VALUE
1	Record Type	M	01 – 02	2	N	10
2	Collection Type Indicator	M	03 – 04	2	N	**01** (Forward Presentment)
3	Destination Routing Number	M	05 – 13	9	N	**121100782**
4	Institution Routing Number	M	14 – 22	9	N	Financial Institutions input your routing number. Non-financial institutions, input **121100782**
5	Deposit Business Date	M	23 – 30	8	N	YYYYMMDD
6	Deposit Creation Date	M	31 – 38	8	N	YYYYMMDD
7	Deposit Creation Time	M	39 – 42	4	N	Time Deposit was created Format: HHMM
8	Deposit Record Type Indicator	M	43 – 43	1	A	**I** (contains electronic images)
9	Deposit Record Document Type Indicator	M	44 – 44	1	A	G (image included no paper provided)
10	Deposit ID	C	45 – 52	8	AN	The deposit ID must be unique number for both BOW and Company. (use a unique number for within the day with a prefix of XX – where XX are company initials followed by unique cash letter identifier Example: Company A might use: CA123456
11	Reserved	M	53 – 66	14	B	Spaces
12	Reserved	M	67 – 76	10	B	Spaces
13	Fed Work Type	C	77 – 77	1	AN	Spaces
14	Reserved	M	78 – 79	2	B	Spaces
15	Reserved	M	80 - 80	1	B	Spaces

8 Batch Header Record (Type 20)

At lease one Bundle Header Record is required.

FIELD	FIELD NAME	USAGE	POSITION	SIZE	TYPE	VALUE
1	Record Type	M	01 – 02	2	N	**20**
2	Collection Type Indicator	M	03 – 04	2	N	**01** (Forward Presentment)
3	Destination Routing Number	M	05 – 13	9	N	**121100782**
4	Institution Routing Number	M	14 – 22	9	N	Financial Institutions input your routing number. Non-financial institutions, input **121100782**
5	Batch Business Date	M	23 – 30	8	N	Business Date of Batch Format: YYYYMMDD Use the current business day unless it falls on a non-bank business day then use the next bank business day. Bank Holidays are listed in Appendix A.
6	Batch Creation Date	M	31 – 38	8	N	Date Batch was created Format: YYYYMMDD Use the current date.
7	Batch ID	M	39 – 48	10	AN	Spaces
8	Batch Sequence Number	M	49 – 52	4	NB	Should start with 1 for the first bundle in each cash letter and increment by 1 for each additional bundle in the same cash letter.
9	Cycle Number	C	53 – 54	2	AN	Spaces
10	Return Location Routing Number	C	55 – 63	9	N	For financial institutions, input your routing number. All others, input **121100782**
11	User Field	C	64 – 68	5	ANS	Spaces
12	Reserved	M	69 – 80	12	B	Spaces

9 Check Detail Record (Type 25)

FIELD	FIELD NAME	USAGE	POSITION	SIZE	TYPE	VALUE
1	Record Type	M	01 – 02	2	N	25
2	Auxiliary On-Us	C	03 – 17	15	NBSM	* (see note below) Field 7 of the MICR Line (Serial Field) Right justify with leading Spaces. If the field is not present on the item, the field must be formatted with spaces
3	External Processing Code	C	18 – 18	1	ANS	* (see note below) Field 6 of the MICR Line (EPC) If the field is not present on the item, the field must be formatted with a space.
4	Payor Bank Routing Number	M	19 – 26	8	N	* (see note below) First 8 characters of Field 5 from the MICR Line (Routing Transit Number)
5	Payor Bank Routing Number Check Digit	M	27 – 27	1	N	* (see note below) Last character of Field 5 from the MICR Line (Routing Transit Number) known as the "check digit".
6	On-Us	C	28 – 47	20	NBSMOS	* (see note below) Field 4 on the MICR Line (combination of Fields 4, 3, and 2) Right justify with leading Spaces. If the field is not present on the item, the field must be formatted with spaces needs clarification
7	Item Amount	M	48 – 57	10	N	U.S. Dollar value of the item
8	Institution Item Sequence Number	M	58 – 72	15	NB	This field should match the number endorsed on the back of the check. Right justified. Blank fill unused positions.

9	Documentation Type Indicator	C	73 – 73	1	AN	**G** (Image for this item)
10	Return Indicator	C	74 – 74	1	AN	Spaces
11	MICR Indicator	C	75 – 75	1	N	Spaces
12	BOFD Indicator	M	76 – 76	1	A	**Y**
13	Check Detail Record Addendum Count	M	77 – 78	2	N	
14	Correction Indicator	C	79 – 79	1	N	Spaces
15	Archive Type Indicator	C	80 – 80	1	AN	Spaces

* - Fields must be populated exactly as displayed in the MICR line of the check, including special characters like dashes and account number field symbols

- A dash on the check must be represented as a '-' in the field
- The On-Us field represents three fields on the check (4, 3, 2), the character used to separate these values is the '/'. Note: Include a trailing '/' in the onus field value when there is only an account number on the check.
- Field symbols are not required in the Auxiliary On-Us, External Processing Code, Routing Transit, or amount fields.

10 Check Detail Addendum A Record(Type 26)

The Check Detail Addendum A Record is Conditional, but required when the BOFD converts the physical item to an image. For use with Image Cash Letters only.

FIELD	FIELD NAME	USAGE	POSITION	SIZE	TYPE	VALUE
1	Record Type	M	01 – 02	2	N	26
2	Check Detail Addendum A Record Number	M	03 – 03	1	N	Number (Beginning with '1') representing the chronological order in which the record was created.
3	Bank Of First Deposit (BOFD) Routing Number	C	04 – 12	9	N	For Financial Institutions, input your RT. All others, input 121100782.
4	BOFD Business (Endorsement) Date	C	13 – 20	8	N	Business Date at the BOFD Format: YYYYMMDD
5	Reserved	M	21 – 35	15	B	Spaces
6	Reserved	M	36 – 53	18	ANS	Spaces
7	Reserved	M	54 – 58	5	ANS	Spaces
8	Reserved	M	59 – 73	15	ANS	Spaces
9	Truncation Indicator	C	74 – 74	1	A	**Y** (This BOFD is truncator of original check) **N** (This BOFD is not truncator of original check)
10	BOFD Conversion Indicator	M	75 – 75	1	B	**2** (Original paper converted to image)
11	BOFD Correction Indicator	M	76 – 76	1	B	**0** (No Repair)
12	Reserved	M	77 – 77	1	B	Spaces
13	Reserved	M	78 – 80	3	B	Spaces

11 Check Detail Addendum C Record(Type 28)

The Check Detail Addendum C Record (Type 28) is required when the item is sent electronically by endorsers subsequent to the BOFD. For use with Image Cash Letters only.

FIELD	FIELD NAME	USAGE	POSITION	SIZE	TYPE	VALUE
1	Record Type	M	01 – 02	2	N	28
2	Check Detail Addendum C Record Number	M	03 – 04	2	N	This is the sequential type 28 record for this item, beginning with '1'
3	Endorsing Bank Routing Number	M	05- 13	9	N	
4	Endorsing Bank Endorsement Date	C	14-21	8	N	
5	Endorsing Bank Item Sequence Number	C	22 – 36	15	NB	
6	Truncation Indicator	C	37 – 37	1	A	
7	Endorsing Bank Conversion Indicator	C	38 – 38	1	AN	
8	Endorsing Bank Correction Indicator	C	39 – 39	1	N	
9	Return Reason	C	40 – 40	1	AN	
10	User Field	C	41 – 55	15	ANS	
11	Reserved	M	56 – 80	15	B	

Note: All fields that are conditional and are not used shall be filled with blanks.

12 Image View Detail Record (Type50)

The Image View Detail Record is required for each 25 and 61 record. Front and back view are required.

FIELD	FIELD NAME	USAGE	POSITION	SIZE	TYPE	VALUE
1	Record Type	M	01 – 02	2	N	50
2	Image Indicator	M	03 – 03	1	N	**1** (Image View present, actual check)
3	Image Creator Routing Number	M	04 – 12	9	N	For financial institutions, input your routing number. All others, input **121100782**
4	Image Creation date	M	13 – 20	8	N	Format YYYYMMDD
5	Image View Format Indicator	M	21 – 22	2	NB	**0** (TIFF 6) Right justified – Space fill
6	Image View Compression Algorithm Identifier	M	23 – 24	2	NB	**0** (Group 4 compression) Right justified – Space fill
7	Reserved	C	25 – 31	7	B	Spaces
8	Image Side	M	32 – 32	1	N	0=Front 1=Back
9	View Descriptor	M	33 – 34	2	N	**0** (Full View)
10	Digital Signature Indicator	M	35 – 35	1	NB	**0** (Digital Signature not present)
11	Digital Signature Method	C	36 – 37	2	N	Spaces
12	Security Key Size	C	38 – 42	5	N	Spaces
13	Start of Protected Data	C	43 – 49	7	N	Spaces
14	Length of Protected Data	C	50 – 56	7	N	Spaces
15	Image Recreate Indicator	C	57 – 57	1	N	Space
16	Reserved	C	58 – 65	8	B	Spaces
17	Reserved	M	66 – 80	15	B	Spaces

13 Image View Data Record (Type 52)

The Image View Data Record is required for each 25 and 61 record unless otherwise agreed between sender and receiver. One Type 52 record should always follow a Type 50 record.

FIELD	FIELD NAME	USAGE	POSITION	SIZE	TYPE	VALUE
1	Record Type	M	01 – 02	2	N	52
2	ECE Institution Routing Number	M	03 – 11	9	N	
3	Business Date	M	12 – 19	8	N	
4	Cycle Number	C	20 – 21	2	AN	
5	EDE Institution Item Sequence Number	M	22 – 36	15	NB	
6	Security Originator Name	C	37 – 52	16	ANS	Not used, blank fill
7	Security Authenticator Name	C	53 – 68	16	ANS	Not used, blank fill
8	Security Key Name	C	69 – 84	16	ANS	Not used, blank fill
9	Clipping Origin	M	85 – 85	1	NB	'0'
10	Clipping Coordinate h1	C	86 – 89	4	N	Not used, blank fill
11	Clipping Coordinate h2	C	90 – 93	4	N	Not used, blank fill
12	Clipping Coordinate v1	C	94 – 97	4	N	Not used, blank fill
13	Clipping Coordinate v2	C	98 – 101	4	N	Not used, blank fill
	Image Reference Key					
14	Length of Image Reference Key	M	102- 105	4	NB	'0'
15	Image Reference Key	C	(106 – (105+X)	Variable (X)	ANS	Omit Field
16	Length of Digital Signature	M	(106+X) – (110+X+Y)	Variable (Y)	Binary	Omit Field
17	Digital Signature	C	(111 + X)- (110)+X+Y	Variable (Y)	Binary	
18	Length of Image Data	M	(111+X+Y) – (117+X+Y)	7	NB	
19	Image Data	M	(118+X+Y) – (117+X+Y+Z)	Variable (Z)	Binary	

Note: All fields that are conditional and are not used shall be filled with blanks.

14 Credit Detail Record (Type 61)

The Credit Record (Type 61) is not part of the DSTU X9.37-2003 standard. It has been liberated from a revision of the pending X9.100-180 standard which is to replace the X9.37 standard. A Credit Record (Type 61) must be the first item in a deposit. Multiple deposits may exist in a single ICL; each must begin with a 61 record

It must follow a 10, 20, 25, 26, 28, 52 or 61 records.

Standard Implementation

The amounts in the 61 record shall not be included in the 70, 90 or 99 records.

FIELD	FIELD NAME	USAGE	POSITION	SIZE	TYPE	VALUE
1	Record Type	M	01 – 02	2	N	**61**
2	Auxiliary On-Us	C	03 – 17	15	NBSM	Mandatory , if present on the MICR line. Right Justified – blank fill. In order for the customer to identify the source of their deposit, this field could be used for this purpose. (for deposit recon AKA Location ID). The format is 15 digit numeric.
3	External Processing Code	C	18-18	1	ANS	Mandatory, if present on the MICR line, blank fill unused positions.
4	Payor Bank Routing Number	M	19-27	9	N	500100015
5	Credit Account Number - On-Us	C	28-47	20	NBSMOS	Customer account number (On-us field). Right justified with leading blanks. Bank of the West uses only 9 digit account numbers. On Us symbols should be translated to'/', spaces may be omitted, blank fill unused positions.
6	Item Amount	M	48 – 57	10	N	Maximum Value Allowed: 99,999,999.99
7	Institution Item Sequence Number	M	58 – 72	15	NB	Unique Sequence number assigned by creating institution Right justified with leading zeros.
8	Documentation Type Indicator	C	73 – 73	1	AN	Blank

9	Type of account code	C	74 – 74	1	AN	Blank
10	Source of work code	C	75 – 75	1	AN	Blank
11	Work Type	C	76 – 76	1	AN	Blank
12	Debit Credit Indicator	C	77 – 77	1	AN	2 Credit
13	Reserved	M	78 – 80	3	B	Blanks

NOTES:

- The On-Us field represents three fields on the check (4, 3, 2), the character used to separate these values is the '/'. Note: Include a trailing '/' in the On-Us field value when there is only an account number on the check.

- The Record 61 will have corresponding Type 50 and 52 records for front and back Deposit Ticket Images. The following fields are expected to be visible on the Deposit Ticket Image:

<u>Field</u>	<u>Required / Optional</u>
Customer Name	Optional
Deposit Amount	Required
Account Number	Required
Serial Number	Optional
Comments	Optional

- The Record 61 item amount is not included in the Total Amounts fields for Records 70, 90, and 99.

- The Type 61 record and associated Type 50 and 52 records **shall** be included, as appropriate, in Item Count, Image Count, and Record Count fields in the Type 70, 90 and 99 records

- The 61 Record cannot occur prior to the Deposit Header Record (Type 10) or follow the Deposit Control Record (Record Type 90).

- The Type 61 record Amount field **shall not** be included in the 70, 90, or 99 records Total Amount fields

- A single Credit (61) Record can be used for each deposit. It can be located after the Batch Header (Record Type 20) but before the first Check Detail Record (Record

Type 25). Its item amount (field 6) must match the Deposit Control Record (Record Type 90) Total Amount field.

- Credit Record (61) must be (offset) in balance by the accumulated Check Detail Record (Record type 25) Item Amounts.
- Offsetting records will be delimited by the Deposit Control Record (Record Type 90), followed by another deposit group or end of file record.
- If a credit is larger than $99,999,999.99, the deposit must be split into multiple deposits.

15 Batch Control Record (Type 70)

The Bundle Control Record (Type 70).

FIELD	FIELD NAME	USAGE	POSITION	SIZE	TYPE	VALUE
1	Record Type	M	01 – 02	2	N	70
2	Items within Batch Count	M	03 – 06	4	N	Total number of items sent within a Batch
3	Batch Total Amount	M	07 – 18	12	N	Total US dollar value of the items within the Batch. (exclude the Record 61)
4	MICR Valid Total Amount	C	19 – 30	12	N	Total US dollar value of all Check Detail Records (Type 25) Maximum Value Allowed: 99,999,999.99. Right justify with leading zeros. (exclude the Record 61)
5	Images within Batch Count	C	31 – 35	5	B	The total number of image views within a Batch. This is the number of 50/52 pairs of records. Since items should have both a front and back image, this number is twice the number of items (Field 2).
6	Reserved	C	36 – 55	20	B	Spaces
7	Reserved	M	56 – 80	25	B	Spaces

16 Deposit Control Record (Type 90)

The Deposit Control Record is required.

FIELD	FIELD NAME	USAGE	POSITION	SIZE	TYPE	VALUE
1	Record Type	M	01 – 02	2	N	90
2	Bundle Count	M	03 – 08	6	B	Total number of Batches within Deposit.
3	Items within Deposit Count	M	09 – 16	8	N	Total number of items sent within the Deposit
4	Deposit Total Amount	M	17 – 30	14	N	Total US dollar value of the Deposit. (exclude the Record 61)
5	Images Within Deposit Count	C	31 – 39	9	A	Total number of image views within the Deposit. (exclude the Record 61)values.
6	Institution Name/Customer Name	C	40 – 57	18	A	Short name of the customer/financial institution that creates the Deposit Control Record. This could be the same value used in Record 10 field 11.
7	Settlement Date	C	58 – 65	8	B	Spaces
8	Reserved	M	66 – 80	15	B	Spaces

17 File Control Record (Type 99)

The File Control Record is mandatory and required.

FIELD	FIELD NAME	USAGE	POSITION	SIZE	TYPE	VALUE
1	Reserved	M	01 – 02	2	B	99
2	Deposit Count	M	03 – 08	6	N	Total number of deposits within the file
3	Total Record Count	M	09 – 16	8	N	Total number of records of all types sent in the file (including 61 records and 99 record)
4	Total Item Count	M	17 – 24	8	N	Total number of items sent within the file (exclude the Record 61)
5	File Total Amount	M	25 – 40	16	N	Total US dollar value of the complete file Value Allowed: 99,999,999,999,999.99. (exclude the Record 61).
6	Immediate Origin Contact Name	C	41 – 54	14	ANS	Contact at the institution that creates the file.
7	Immediate Origin Contact Phone Number	C	55 – 64	10	N	Phone number of the contact at the institution that creates the file
8	Reserved	M	65 – 80	16	B	Spaces

18 Appendix A: Bank Holidays

The official holidays the Bank observes are:

New Year's Day - January 1st

Dr. Martin Luther King, Jr. Day - 3rd Monday in January

President's Day - 3rd Monday in February

Memorial Day - Last Monday in May

Independence Day - July 4

Labor Day - 1st Monday in September

Columbus Day - 2nd Monday in October

eran's Day - November 11

Thanksgiving Day - 4th Thursday in November

Christmas Day - December 25

When an official holiday falls on a Sunday, the Bank is closed in observance on the following Monday.

Receipt Date:	ICN:

SECURE TRANSPORT COMMUNICATION PROFILE

☐ NEW ☐ CHANGE ☐ DELETE

Implementation of data transmission may require one to two weeks, depending on communications requirements, and to allow sufficient time for testing. The information contained in this document will facilitate the set-up process. Please return the completed form to your Bank of the West Cash Management contact or fax it to their attention at (323) 727-3229. If you have any questions, please contact Bank of the West, Cash Management Customer Service at (800) 400-2781.

Company Name	Customer Contact
Address	Contact E-Mail Address
City, State, Zip	Customer Technical Contact
Telephone Number Fax Number	Technical Contact E-Mail Address

Afterhours Transmission Support Number:
Afterhours Transmission Support Email:

THIRD PARTY VENDOR PROCESSING INFORMATION (if applicable)

Service Bureau/Vendor Name

Technical Contact	Pager Number
Telephone Number	Mobile Number
E-Mail Address	
Alternate Contact	Pager Number
Telephone Number	Mobile Number
E-Mail Address	

Afterhours Transmission Support Number:
Afterhours Transmission Support Email:

TYPE OF TRANSMISSION

1. Transmission Mode Requested:
   - ☐ Transmit (Transmitting data to Bank of the West)
   - ☐ Receive (Receiving data from Bank of the West)

2. Transmission capability is requested for the following Bank of the West services:
   - ☐ Image Clearing Service (ICS) Financial Institution
   - ☐ Account Recon
   - ☐ Lockbox
   - ☐ BAI
   - ☐ ICS Commercial Customer
   - ☐ ACH
   - ☐ Sharedraft Image Archive Load File(s)
   - ☐ Other (Please specify)

3. Frequency: ☐ Daily ☐ Weekly ☐ Bi-weekly ☐ Semi-monthly ☐ Monthly

   ☐ Other, please specify: ____________________

TRANSMISSION OPTIONS
Bank of the West offers four options for transmitting your data files between Bank of the West and your computer. Using the following criteria, select your preferred transmission method and complete the transmission option. (ONLY complete what is related to your transmission option.)

Select Transmission Type Below:

☐ Secure Transport Web Portal
*(manual upload/download only)

- This method includes protocol-based encryption
- Most browsers supported
- Easiest to implement
- No firewall changes on BOTW side
- Supports web certificates

☐ SFTP/SCP/SSH

- This method includes protocol-based encryption
- Broad support of most client FTP packages
- Allows for client automation
- Support for SSH logon keys (RSA)
- No firewall changes need on BOTW side

☐ HTTPS/using Tumbleweed Client

- Requires customer to already have the Secure Transport/Tumbleweed Client
- This method includes protocol-based encryption
- May require Firewall changes on BOTW side.

☐ FTP Using PGP

- There is no protocol-based encryption
- Encryption must be done with PGP Keys
- Firewall changes required on BOTW side.

Password Notification and Confirmation of transfers Acknowledgement Email Address:
Special Requirements:

*Each Customer will get a userid and password to the Bank of the West Secure Transmit Portal which will be available as a contingent method to transmit your file to the Bank.

Thank you for completing the Secure Transport Transmission Form. Your Bank of the West Cash Management Consultant or Representative will provide this information to the Bank's Transmission Coordinator. Within a few days, the Bank of the West Transmission Coordinator will contact your company's Technical Contact (as provided by you on this form) to evaluate the compatibility between your system and the Bank of the West system. The Coordinator will discuss implementation and coordinate schedules for testing. Normal set up time, including testing, takes approximately one to two weeks depending on requirements. Testing takes place Monday through Friday between 8:00 a.m. and 4:30 p.m. (Pacific Time)

BANK USE ONLY		
CASH MANAGEMENT SALES:		
Contact List:	Name:	Phone:
Implementation Specialist		
Cash Management Consultant		

Councilmember introduced the following resolution and moved for its adoption:

RESOLUTION #12-11-XXX

RESOLUTION AWARDING BANKING SERVICES TO BANK OF THE WEST

WHEREAS, at the City Council meeting on September 25, 2012, approved a recommendation to solicit bids for banking services from the four local banking institutions; and

WHEREAS, the bids were solicited and opened on October 12, 20012; and

WHEREAS, the proposal received from Bank of the West Bank provides the best benefit and highest level of service to the City.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RAMSEY, ANOKA COUNTY, STATE OF MINNESOTA, as follows:

1) The Finance Director be directed to establish the banking relationship as outlined in the proposal for banking services with Bank of the West Bank effective January 1, 2013.

The motion for adoption of the foregoing resolution was duly seconded by Councilmember, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against:

and the following abstained:

and the following were absent:

whereupon said resolution was declared duly passed and adopted by the Ramsey City Council this the 13th day of November 2012.

ATTEST: Mayor

City Clerk