PUBLIC DISCLOSURE

June 15, 2009

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bank of the West
Certificate Number: 03514

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San Francisco, California 94104

Federal Deposit Insurance Corporation
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San Francisco, California 94105

NOTE: **This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate- income neighborhoods, consistent with safe and sound operations of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.**

TABLE OF CONTENTS

I. General Information 4

II. Institution Rating
- a. Institution's Community Reinvestment Act Rating and Performance Tests 5
- b. Description of Institution 7
- c. Evaluation Scope 8
- d. Bank Wide Performance Test Conclusions 10

III. California
- a. Summary 28
  - i. State Rating 28
  - ii. Scope of Examination and Description of Operations 28
  - iii. Description of Assessment Areas 29
  - iv. Statewide Performance Test Conclusions 32
- b. San Jose-San Francisco-Oakland Combined Statistical Area Full-Scope Evaluation 51
- . c. Los Angeles-Long Beach-Riverside CSA Full-Scope Evaluation 55
- d. Evaluations Using Limited-Scope Examination Procedures 58

IV. Additional State and Multi-State Metropolitan Statistical Area Analyses
- a. Colorado 59
- b. Kansas 72
- c. Minnesota 82
- d. Omaha Multi-State 94
- e. Iowa 101
- f. Oregon 114
- g. Wyoming 125
- h. New Mexico 137
- i. Nebraska 148
- j. Kansas City Multi-State 160
- k. Arizona 165
- l. Oklahoma 176
- m. South Dakota 186
- n. Nevada 197
- o. Washington 206
- p. Fargo Multi-State 217
- q. North Dakota 223
- r. Utah 229
- s. Idaho 239
- t. Wisconsin 248
- u. Sioux City Multi-State 254

V. Appendix
- A. Scope of Examination 259

B. Summary of State Ratings 262
C. General Definitions 263
D. Investment Definitions 266
E. Standard Performance Evaluation Language 267
F. Innovative or Flexible Loan Products 269
G. Limited-Scope Assessment Area Demographics 272

GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income (LMI) neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of **Bank of the West (BOW)** prepared by the **Federal Deposit Insurance Corporation (FDIC)**, the institution's supervisory agency, as of **June 15, 2009.** The agency evaluates performance in assessment areas (AAs), as they are delineated by the institution, rather than individual branches. This AA evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 345.

INSTITUTION'S RATING

INSTITUTION'S CRA RATING: **BOW is rated Satisfactory**.

This institution is rated "Satisfactory". An institution in this group has a satisfactory record of helping to meet the credit needs of its AAs, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

This evaluation rated the bank's CRA performance as "Outstanding" using large bank examination procedures. However, during a concurrent examination of the bank's compliance with various consumer protection regulations, discriminatory and illegal credit practices were identified. The magnitude and serious nature of these discriminatory and illegal credit practices had an adverse impact on the evaluation of the bank's CRA performance. As a result, the overall rating has been downgraded from "Outstanding" to a "Satisfactory."

Excluding the discriminatory and illegal credit practices, BOW's CRA performance demonstrates "Outstanding" performance. The following table indicates the performance level of BOW with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	Lending Test*	**Investment Test**	**Service Test**
Outstanding	**X**	**X**	
High Satisfactory			**X**
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

(*) - The Lending Test is weighted most heavily than the Investment or Service Tests in determining the overall rating.

Summary of Institution's CRA Performance

Lending Test – Outstanding

- The institution's lending levels reflect excellent responsiveness to AA credit needs.

- A substantial majority of the bank's loans are originated within its AAs. BOW originated 91.3 percent by number and 88.9 percent by dollar volume of its loans within its AAs.

- The institution's distribution of loans reflects an excellent penetration of businesses and farms of different sizes, and retail customers of different income levels.

- The institution's geographic distribution of loans reflects a good penetration throughout the AAs.

- The institution exhibited a good record of serving the credit needs of the most disadvantaged individuals, very small businesses or farms, and geographies.

- The institution is a leader in making community development (CD) loans.

- The institution makes extensive use of innovative and flexible loan products to meet AA credit needs.

Investment Test - Outstanding

- The institution has an excellent level of CD investments and grants, often in a leadership capacity.

- The institution exhibits excellent responsiveness to credit and economic development needs.

- The institution makes extensive use of innovative and/or complex investments to support CD initiatives.

Service Test – High Satisfactory

- Delivery systems are accessible to essentially all portions of the institution's AAs.

- The extent that changes have been made, BOW's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or individuals.

- Services do not vary in a way that inconveniences certain portions of the AAs, particularly LMI geographies and/or individuals.

- The institution is a leader in providing CD services.

DESCRIPTION OF INSTITUTION

Headquartered in San Francisco, California, BOW is a $66.2 billion, full service commercial bank with 656 branch facilities in 19 states. BOW is one of two bank subsidiaries of BancWest Corporation (BWE), also headquartered in San Francisco. BWE's other bank subsidiary is First Hawaiian Bank, Hawaii's largest bank.

Top Tier Holding Company

BWE is a wholly owned subsidiary of BNP Paribas (BNPP), France's largest banking group. As of December 31, 2008, BNPP's total assets equaled €2,075.6 billion, making BNPP one of the largest banking groups in the world. According to the BNPP's May 28, 2009, information statement, the company has extensions of credit and lending commitments distributed in the following countries and regions as shown in Table 1.

Table 1 – BNPP Lending Commitments

Country or Region	Gross Commitment (%)
France	33
North America	18
European Union - 15 (excluding France and Italy)	16
Italy	14
Africa and Middle East	7
Switzerland and Other countries European Economic Areas	3
Latin America	3
Other Asia	3
Japan and Pacific	2
Other European Countries	1

Source: BNPP Website

Despite the fact that BNPP has a presence in North America almost twice the size of its investment in BWE, no affiliate transactions were reviewed in this evaluation other than a few contributions from an affiliated charitable trust. Affiliate transactions within BWE, such as First Hawaiian Bank activity or from higher tiered affiliates, were not considered in this evaluation.

BOW Assets

As of March 31, 2009, BOW reported total assets of $66.2 billion, total deposits of $38.1 billion, and total equity capital of $8.9 billion. The loan portfolio consists primarily of 1 to 4 family residential property loans, consumer loans, and commercial real estate loans. Table 2 details the bank's loan portfolio as of March 31, 2009.

Table 2 – Loan Distribution as of March 31, 2009

Loan Type	Dollar Amount (000s)	Percentage of Total Loans (%)
Construction and Land Development	$2,798,145	6.0
Secured by Farmland	$976,381	2.1
1 to 4 Family Residential Closed-end First	$10,397,311	22.1
1 to 4 Family Residential Closed-end	$976,330	2.1

1 to 4 Family Residential Open-end	$2,078,147	4.4
Multi-family Residential	$505,889	1.1
Commercial Real Estate	$7,285,977	15.5
Total Real Estate Loans	**$25,018,180**	53.3
Commercial and Industrial	$6,236,229	13.3
Agricultural Production	$1,763,769	3.8
Consumer Closed-end	$10,205,742	21.7
Consumer Open-end	$226,968	0.5
Lease Financing Receivables	$2,990,576	6.4
State & Political Subdivision obligations	$57,173	0.1
Loans to Depository Institutions	$4,793	0.0
Other	$476,571	1.0
Total Loans	**$46,980,001**	100.0

Source: March 31, 2009, Consolidated Reports of Income and Condition

There are no legal or financial impediments that would inhibit BOW's ability to meet the credit needs of its communities, consistent with its business strategy, size, and resources, as well as the local economic climate in each state. At the April 3, 2006, CRA performance evaluation (PE), BOW received a "Satisfactory" rating. BOW's loan-to-deposit (LTD) ratio as of March 31, 2009, is 120.8 percent. Refer to the Service Test for a description of products and services.

SCOPE OF THE EVALUATION

The current evaluation was conducted at the BOW's main office in San Francisco, California, its Operations Center in Monterey Park, California, and at its Fargo, North Dakota facility. Examiners relied on records provided by the bank, public loan and financial information, demographic data from the U.S. Census and D&B, community contacts, and loan information reported under the Home Mortgage Disclosure Act (HMDA) and CRA. The scope of the evaluation is summarized in Appendix A. Terms utilized in this evaluation are further defined in Appendices C, D, and E.

This evaluation reflects BOW's performance since the last evaluation dated April 3, 2006. The evaluation period for the presentation of HMDA loans, as well as small business and small farm lending, is January 1, 2006, through December 31, 2008. For CD loans, investments, and services, the evaluation period is from January 1, 2006, through December 31, 2008.

BOW declared 84 AAs over 18 states relevant to this evaluation. For evaluation purposes, examiners combined contiguous Metropolitan Statistical Areas (MSAs) that are part of a Combined Statistical Area (CSA). Examiners also combined non-metropolitan AAs (Non-MSAs) in each state. Refer to Appendix A for a listing of all AAs.

Given that loan production and branch infrastructure is concentrated in California; the California portion of this evaluation is the most detailed and the performance carries the most weight in determining the overall rating. States will be presented in the order of the total number of reported loans in 2008. Although the facts and data presented for these states are not to the same degree as California, it is important to note that the level of examiner scrutiny and analysis was

not reduced. Rather, the level of data presentation, AA description, and community contact information is adjusted to produce a more concise report given BOW's multi-state operations.

The Lending Test, Investment Test, and Service Test ratings are assigned for each state and multi-state MSA AA. These ratings are presented in each respective state or multi-state MSA evaluation and summarized in Appendix B. Where BOW does not have a branch presence in both states of a multi-state MSA, the AA will be treated as a non-multi-state MSA AA, will be analyzed individually, and will be included in the respected state analysis.

Full-scope examination procedures were used to determine the bank's performance in a single selected AA per state with one exception, California, where the San Jose-San Francisco-Oakland CSA and the Los Angeles-Long Beach-Riverside CSA were both were reviewed using full-scope examination procedures. Full-scope AA evaluations include demographic and economic data in the body of the report. Limited-scope procedures were used to evaluate BOW's performance in all of the other AAs. Demographic data regarding limited-scope AAs is presented in Appendix G.

Table 3 details the loan products reviewed in this evaluation by state for 2008, and portrays how the states will be weighed for this analysis. The overall lending performance is generally consistent with the bank's 2008 lending performance. This report will discuss BOW's small business lending performance in every state since the volume is significant relative to the other loan products in every state.

Table 3 – Loans by State and Multi-State MSA 2008 by Number

State/Multi-State MSA	Total Reported Loans	%	Small Business Loans	%	HMDA	%	Small Farm Loans	%
California	8,602	35.8	5,383	47.8	2,948	26.8	271	15.5
Colorado	2,828	11.8	1,308	11.6	1,426	12.9	94	5.4
Kansas	1,486	6.2	272	2.4	1,201	10.9	13	0.7
Minnesota	1,368	5.7	400	3.5	426	3.9	542	30.9
Omaha Multi-State	1,336	5.6	341	3.0	969	8.8	26	1.5
Iowa	1,219	5.1	333	3.0	769	7.0	117	6.7
Oregon	1,009	4.2	701	6.2	280	2.5	28	1.6
Wyoming	1,008	4.2	346	3.1	591	5.4	71	4.0
New Mexico	859	3.6	435	3.9	414	3.8	10	0.6
Nebraska	696	2.9	159	1.4	401	3.6	136	7.8
Kansas City Multi-State	580	2.4	311	2.8	267	2.4	2	0.1
Arizona	551	2.3	281	2.5	256	2.3	14	0.8
Oklahoma	535	2.2	77	0.7	457	4.2	1	0.1
South Dakota	423	1.8	97	0.9	57	0.5	269	15.3
Nevada	372	1.5	260	2.3	110	1.0	2	0.1
Washington	248	1.0	149	1.3	68	0.6	31	1.8
Fargo Multi-State	216	0.9	96	0.8	115	1.0	5	0.3
North Dakota	202	0.8	40	0.4	53	0.5	109	6.2
Utah	199	0.8	116	1.0	81	0.7	2	0.1
Idaho	148	0.6	103	0.9	41	0.4	4	0.2
Wisconsin	116	0.5	42	0.4	71	0.6	3	0.2
Sioux City Multi-State	31	0.1	12	0.1	17	0.2	2	0.1
Total	**24,032**	100.0	**11,262**	100.0	**11,018**	100.0	**1,752**	100.0

Source: 2008 HMDA Loan Application Register (LAR); and 2008 CRA data collection

This evaluation will present HMDA reportable loans grouped together as one loan category. Performance by separate product will be presented only if the information would yield a different conclusion or significantly add to the analysis. All lending pattern analyses will be presented based on number of loans originated. Dollar volumes will be excluded unless the information yields a different conclusion or in some manner significantly adds to the analysis. Although the bank's lending for 2006 was reviewed, the performance did not significantly differ from the bank's 2007 lending and will not be presented in the evaluation.

Branch hours and services do not vary significantly among AAs or branches; therefore, they will only be reviewed in the combined assessment analysis (CAA).

OVERALL CAA CONCLUSIONS WITH RESPECT TO PERFORMANCE TEST

LENDING TEST

The Lending Test evaluates the institution's record of helping to meet the credit needs of its AAs by considering an institution's small business, small farm, HMDA, and CD lending. The institution's lending performance is evaluated under the following criteria:

- Proportion of lending within the AAs,
- Volume of lending activity,
- Borrower profile,
- Geographic distribution of loans,
- Responsiveness to the disadvantaged,
- The quality and volume of CD lending, and
- The use of innovative or flexible lending practices.

BOW is rated "Outstanding" in the Lending Test. Borrower profile refers to the record of lending to borrowers of different income levels and businesses of different sizes. Geographic distribution of loans refers to the record of lending in geographies of different income levels. Responsiveness to the disadvantaged refers to a bank's record in meeting the credit needs of the most economically disadvantaged geographies, persons, as well as very small businesses or farms. The seven components of the Lending Test are not weighted equally. Borrower profile and geographic distribution are weighted heaviest in the Lending Test rating. BOW's performance in each state is also not weighted equally. The California performance comprises the greatest percentage of the overall rating given the bank's presence in that state. Table 4 summarizes the corresponding performance for each Lending Test component after blending the performance in each state.

Table 4 – Lending Test Components

Lending Test Criteria	Descriptive Performance
Lending Levels	Lending Levels Reflect Excellent Responsiveness to Credit Needs
Lending within AAs	A substantial majority of Loans are made in the bank's AAs
Borrower Profile	Excellent Distribution of Borrowers of Different Sizes/Incomes
Geographic Distribution	Good Distribution Throughout the AAs

Responsiveness to the Disadvantaged	Good Record of Serving the Disadvantaged
CD Lending	Leader in Making CD Loans
Innovative / Flexible Lending Practices	Makes Extensive Use of Innovative and Flexible Products

Source: Bank Records

Level of Lending

Lending levels reflect excellent responsiveness to the needs of the AAs. Considered in determining this conclusion were the bank's growth in LTD ratio, growth in loan portfolio, and the bank's market share for HMDA and CRA reportable loans.

BOW's net LTD ratio since the last CRA PE on April 3, 2006, has averaged 114.6 percent. The bank's individual net LTD showed an increasing trend during the last 12 quarters since the prior review. The bank's ratios generally increased from the June 30, 2006, ratio of 108.3 percent, and averaged about 120 percent during the last 3 quarters of 2008 and in March 31, 2009.

The bank's lending portfolio has grown by 21.4 percent since the last PE. At the last PE, BOW's total loans were $37.8 billion, and as of March 31, 2009, total loans grew to $45.9 billion. In addition, BOW's AAs concentration ratio by number and dollar volume shows that the institution's lending is centered within its AA. The AA concentration ratio also indicates that loan growth has primarily come within the bank's communities.

Also considered was the changing economy since the last CRA PE. The bank continues to be an active small business, small farm, and HMDA lender in spite of the economic downturn since the last review.

AA Concentration

A substantial majority of loans are made in the bank's AAs. Table 5 shows BOW's reportable HMDA, small business, and small farm loans originated by all AAs during 2007 and 2008. In total, the table shows that 91.3 percent by number, and 88.9 percent by dollar volume of loans were made inside the AAs. These overall percentages were compared to those at the last evaluation. The proportion of lending within the AAs increased since the last evaluation (87.4 percent of number of loans and 81.3 percent of dollar volume were inside the AAs at the last PE).

The bank's proportion of lending within the AAs for the three loan categories was also compared to the April 3, 2006, CRA PE performance. As seen below, 90.6 percent of all HMDA loans, 93.5 percent of all small business loans, and 81.0 percent of all small farm loans by number were originated inside the AAs. In addition, 89.7 percent of all HMDA loans, 89.6 percent of all small business loans, and 79.2 percent of all small farm loans by dollar volume were originated inside the AAs. The ratios for lending inside the AAs remained about the same or showed an increase by number and dollar volume for HMDA and small farm loans since the last evaluation. Small business loans, however, decreased slightly, 93.6 percent of the small business loans by number, and 91.4 percent by dollar volume were originated inside the AAs at the last evaluation.

This lending component is only discussed in the CAA section since all of the assessed states and AAs are combined to determine the overall AA concentration ratios.

Table 5 - Distribution of Loans Inside and Outside of the AAs										
Loan Category or Type	Number of Loans					Dollars in Loans (000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		$	%	$	%	
HMDA										
2007	13,439	91.0	1,333	9.0	14,772	1,647,332	90.3	176,597	9.7	1,823,929
2008	11,018	90.2	1,196	9.8	12,214	1,848,159	89.1	225,894	10.9	2,074,053
Subtotal	**24,457**	**90.6**	**2,529**	**9.4**	**26,986**	**3,495,491**	**89.7**	**402,491**	**10.3**	**3,897,982**
Small Business										
2007	19,543	93.0	1,475	7.0	21,018	2,193,044	88.3	289,948	11.7	2,482,992
2008	11,262	94.5	659	5.5	11,921	1,543,683	91.5	143,707	8.5	1,687,390
	30,805	**93.5**	**2,134**	**6.5**	**32,939**	**3,736,727**	**89.6**	**433,655**	**10.4**	**4,170,382**
Small Farm										
2007	2,396	81.5	543	18.5	2,939	259,612	79.4	67,396	20.6	327,008
2008	1,752	80.3	431	19.7	2,183	240,266	78.9	64,224	21.1	304,490
Subtotal	**4,148**	**81.0**	**974**	**19.0**	**5,122**	**499,878**	**79.2**	**131,620**	**20.8**	**631,498**
Total	**59,410**	**91.3**	**5,637**	**8.7**	**65,047**	**7,732,096**	**88.9**	**967,766**	**11.1**	**8,699,862**

Source: HMDA LAR (2007-2008), and CRA data collection (2007-2008)

Borrower's Profile

The distribution of borrowers reflects, given the product lines by institution, excellent penetration among retail customers of different income levels and business customers of different sizes. Most weight was given to small business lending. Also considered in determining the overall conclusion was the distribution for HMDA loans, and to a lesser degree the distribution of the bank's small farm lending.

Small Business Loans

Small business lending reflects an excellent penetration among business customers of different sizes. Table 6 shows the gross annual revenue (GAR) distribution of the bank's small business lending, along with aggregate and D&B data for the AA. As shown, BOW's 2007 lending exceeds aggregate data (56.7 percent of the bank's small business loans were to businesses with GARs of $1.0 million or less, compared to 40.7 percent of aggregate data showing GARs of $1.0 million or less). D&B data has its limitation because the survey is voluntary and the data includes very small businesses which may not have credit needs. Given these considerations, the bank's proportional lending to businesses with GARs of under $1.0 million for 2007 and 2008 is excellent when compared to D&B data. Also considered are community contact comments, which generally stated that financing for small business is important for economic development.

Table 6 – Small Business Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	65.1	11,081	56.7	40.7	6,444	57.2
Over $1M	4.9	6,785	34.7		3,942	35.0
Not Considered*	30.0	1,677	8.6		876	7.8
Total	100.0	19,543	100.0		11,262	100.0

Source: 2007- 2008 CRA data collection and 2007 CRA aggregate data; (*) No response for D&B survey data, not considered for BOW data; 2007 D&B data

HMDA Loans

The distribution of borrowers reflects excellent penetration among retail customers of different income levels. For comparison purposes, demographic and 2007 aggregate data are included on Table 7. BOW's 2007 HMDA lending to low-income borrowers (8.8 percent) exceeds 2007 aggregate data (3.1 percent) but lags the percent of families (20.2 percent). In 2008, lending to low-income borrowers declined slightly to 7.5 percent. In 2007, the bank's percentage of lending to moderate-income borrowers exceeds the demographic data. The 2008 penetration for lending to moderate-income borrowers declined slightly from the 2007 ratio, but still shows strong performance. The conclusions considered the performance at the individual states and AA levels. Also considered are community contacts comments. For example, California's community contacts stated that there is an important need for low-income housing in high-cost areas such as San Francisco and Los Angeles.

Table 7 – HMDA Loan Borrower Profile						
Borrower Income Level	**% of Families**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	20.2	1,177	8.8	3.1	828	7.5
Moderate	18.0	2,474	18.4	11.8	1,864	16.9
Middle	21.4	3,220	24.0	20.6	2,543	23.1
Upper	40.4	5,986	44.5	59.4	5,151	46.8
NA	0.0	582	4.3	5.1	632	5.7
Total	100.0	13,439	100.0	100.0	11,018	100.0

Source: 2007-2008 HMDA LAR and 2007 HMDA aggregate data; 2000 U.S. Census Data

Small Farms

The distribution of borrowers reflects adequate penetration among farms of different sizes. Table 8 shows the GARs related to the bank's small farm lending along with aggregate and D&B data. As shown, the bank's 2007 overall lending ratio to farms with GARs of $1.0 million or less is similar to aggregate data (77.7 percent of the bank's small business loans showed GARs of $1.0 million or less compared to 76.2 percent of aggregate data). However, the bank's ratio of 77.7 percent is below D&B data which shows that 94.3 percent of surveyed farms have revenues of $1.0 million or less. The bank's percentage of lending to farms with GARs of $1.0 million or less also showed a slight downward trend from 2007 to 2008.

Table 8 – Small Farm Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	94.3	1,861	77.7	76.2	1,317	75.2
Over $1M	3.7	289	12.1		311	17.8
Not Considered*	2.0	246	10.2		124	7.0
Total	100.0	2,396	100.0		1,752	100.0

Source: 2007- 2008 CRA data collection and 2007 CRA aggregate data; (*) No response for D&B survey data, not considered for BOW data; 2007 D&B data

Geographic Distribution

The geographic distribution of loans reflects good penetration throughout the AAs. More weight was given to the small business lending. Also considered in determining the overall conclusion for geographic distribution was the bank's HMDA lending, and to a lesser degree their small farm lending.

Small Business

The geographic distribution of small business loans reflects excellent penetration throughout the AAs. Table 9 shows the distribution of BOW's small business loans by the income category of the census tracts (CTs) within the AA along with aggregate and D&B data. BOW's 2007 lending in the LMI CTs exceeds 2007 aggregate data. In addition, the 2008 penetrations of LMI CTs are similar to the proportion of businesses in the respective CTs.

Table 9 – Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW%**	**Aggregate %**	**BOW #**	**BOW %**
Low	5.3	946	4.8	3.6	495	4.4
Moderate	21.6	4,143	21.2	17.7	2,310	20.5
Middle	39.7	8,819	45.1	36.8	5,167	45.9
Upper	33.1	5,585	28.6	39.0	3,260	29.0
NA	0.3	50	0.3	2.9	30	0.2
Total	100.0	19,543	100.0	100.0	11,262	100.0

Source: 2007- 2008 CRA data collection and 2007 CRA aggregate data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the AAs. Table 10 shows the distribution of HMDA loans by the income category of CTs along with aggregate and demographic data. In 2007, BOW's penetration of LMI CTs lags the aggregate data in the respective CTs. BOW's LMI CTs penetration also lags demographic data (1.5 and 16.8 percent, respectively, of owner-occupied units in the AAs are in LMI CTs). In 2008, BOW's low-income penetration did not change, while the bank's moderate-income lending shows a slight decrease.

Table 10 – HMDA Loan Geographic Distribution						
CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW%	Aggregate %	BOW #	BOW %
Low	1.5	113	0.8	2.1	91	0.8
Moderate	16.8	1,726	12.8	16.8	1,308	11.9
Middle	45.1	7,525	56.0	43.5	6,057	55.0
Upper	36.6	4,072	30.3	37.5	3,555	32.2
NA	0.0	3	0.1	0.1	7	0.1
Total	100.0	13,439	100.0	100.0	11,018	100.0

Source: HMDA LAR (2007-2008) and 2007 HMDA aggregate data; 2000 U.S. Census Data

Small Farm Loans

The geographic distribution of small farm loans reflects adequate penetration throughout the AAs. Table 11 shows BOW's distribution of small farm loans by the income category of CTs along with aggregate and demographic data. In 2007, BOW's lending in LMI CTs is below aggregate date for the respective CTs. In 2008, the bank's lending in low-income CTs remained the same, while the bank's moderate-income CT lending improved slightly.

Table 11 – Small Farm Loan Geographic Distribution						
CT Income Level	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	1.7	1	0.1	0.8	2	0.1
Moderate	14.4	189	7.9	9.9	147	8.4
Middle	56.8	1,983	82.7	64.2	1,426	81.4
Upper	27.0	223	9.3	21.9	177	10.1
NA	0.1	0	0.0	3.2	0	0.0
Total	100.0	2,396	100.0	100.0	1,752	100.0

Source: 2007- 2008 CRA data collection and 2007 CRA aggregate data; 2007 D&B data

Record of Serving the Needs of Highly Economically Disadvantaged

The bank exhibits a good record of serving the highly economically disadvantaged. The volume of lending to low-income borrowers, and small businesses and small farm loans with GARs of $1.0 million or less supports this performance. Also, the bank has made loans in low-income CTs, which helps meet the needs of the highly economically disadvantaged. Special loan programs that focus on serving the needs of the highly economically disadvantaged were noted when conducting the innovative and flexible lending review. Please refer to the Innovative and Flexible Lending Practices Section for details.

CD Loans

BOW is a leader in making CD loans and finances many CD projects directly. The bank originated 586 CD loans totaling approximately $2.0 billion that directly benefited the bank's AAs or a greater regional area over the review period. This represents a 46.9 percent increase in dollar volume over the level originated during the previous evaluation period. In addition, the bank also originated 119 qualified CD loans totaling $457.4 million that benefited areas outside

of the bank's delineated AAs. However, the CD loans that do not directly benefit the bank's AAs are given substantially less weight in the performance rating.

BOW's CD Finance Department (CDFD) continues to maintain valuable partnerships with several government agencies and CD intermediaries to enhance support of affordable housing and economic revitalization projects throughout its AAs. The CDFD provides a wide range of financing solutions for affordable housing and economic revitalization projects, including construction, long- or short-term permanent, acquisition, and refinancing loans; letters of credit to enhance bonds; lines of credit to non-profit developers for predevelopment expenses, land acquisition and entitlement; and processing of Affordable Housing Program loan applications as a program sponsor.

Table 12 provides the number and dollar volume of CD loans originated over the review period by state and CD purpose benefiting the bank's delineated AAs. The largest category (40.8 percent) of the loan dollars support initiatives to revitalize and stabilize LMI and designated redevelopment areas. The loan activity also addresses needs for affordable housing (30.6 percent), economic development (13.4 percent), and services to LMI individuals (15.1 percent).

Table 12 – CD Loans Inside AAs

State and Multi-State MSA	Performance	CD Loan Totals		LMI Housing $ (000s)	LMI Services $ (000s)	Economic Development $ (000s)	LMI Tract Revitalization $ (000s)
		#	$ (000s)				
California	Leader	353	1,535,177	492,042	255,449	206,546	581,140
Colorado	High	23	61,559	9,295	300	12,124	39,840
Kansas	Adequate	5	2,788	2,788	-	-	-
Minnesota	Leader	17	23,487	600	3,683	1,666	17,538
Omaha Multi-State	Leader	24	10,020	5,994	26	-	4,000
Iowa	High	9	34,869	20,073	-	3,796	11,000
Oregon	High	16	38,149	9,232	19,150	6,939	2,828
Wyoming	Adequate	6	9,700	2,500	-	-	7,200
New Mexico	Adequate	10	32,773	25,100	2,311	5,362	-
Nebraska	High	5	4,656	2,230	-	-	2,426
Kansas City Multi-State	Leader	17	52,848	28,162	655	-	24,031
Arizona	Leader	23	72,764	-	-	24,758	48,006
Oklahoma	High	9	31,103	11,850	-	2,525	16,728
South Dakota	High	13	15,841	36	-	-	15,805
Nevada	Leader	11	38,782	5,225	1,912	3,619	28,026
Washington	High	15	15,800	3,540	460	-	11,800
Fargo Multi-State	Adequate	1	4,928	4,928	-	-	-
North Dakota	High	4	6,175	-	425	-	5,750
Utah	Leader	10	16,660	14	4,200	6,761	5,685
Idaho	Adequate	3	2,435	1,000	-	-	1,435
Wisconsin	Leader	10	10,051	-	-	-	10,051
Sioux City Multi-State	Adequate	-	-	-	-	-	-
South Dakota, Minnesota, Iowa and Nebraska Regional Area		2	19,998	-	19,998	-	0
Total		**586**	**2,040,563**	**624,609**	**308,569**	**274,096**	**833,289**

Source: Bank Records

The above table shows that the level of CD loans in California continues to be strong, demonstrating exceptional leadership in supporting CD initiatives. Nearly 75.2 percent of the bank's CD loans were made in California. The bank's CD loan activity has increased significantly in Wyoming, Nebraska, Arizona, South Dakota, Utah, and Wisconsin, where BOW had very limited or no CD loans at the last evaluation. In addition, the performance in Colorado, Minnesota, and Iowa has improved, while the performance in New Mexico and Idaho remains unchanged. The performance in Oregon reflects a decline since the last evaluation. Kansas and the four multi-state MSA AAs are new since the last PE. The bank's CD loan performance in California is weighted the most in the overall rating than the other states, because the majority of the bank's operations are located in California. There were two CD loans that provided a regional focus and benefit to South Dakota, Minnesota, Iowa, and Nebraska.

In addition to the CD loans mentioned above, the bank also approved 32 letters of credits totaling $218.3 million. They are detailed in Table 13.

Table 13 – CD Letters of Credits

State and Multi-State MSA	CD Letters of Credit Totals		LMI Housing $ (000s)	LMI Services $ (000s)	LMI Tract Revitalization $ (000s)
	#	$ (000s)			
California	20	155,236	81,789	64,146	9,300
Nevada	2	10,000	0	10,000	0
Oregon	2	3,000	0	0	3,000
Washington	7	49,955	27,908	0	22,047
Wisconsin	1	106	0	106	0
Total	**32**	**218,297**	**109,697**	**74,252**	**34,347**

Source: Bank Records

These letters of credits support CD initiatives within California, Nevada, Oregon, Washington, and Wisconsin. Six (totaling approximately $46.0 million) of the 7 letters of credits within Washington financed projects by a statewide affordable housing organization. Although the letters of credit are not immediately funded, they are underwritten similar to direct loans and the bank must ensure that funds are available for eventual funding. The letters of credits supported many CD projects that would not have been financed without the back-up support provided by BOW. These letters of credit were considered for the ratings shown in Table 12.

Lack of CD lending was noted in certain AAs within Arizona (Flagstaff MSA, Prescott MSA, and Non-MSA AAs), California (Modesto, MSA, Visalia MSA, Hanford-Corcoran MSA, Salina MSA, and Non-MSA AAs), Colorado (Grand Junction MSA and Pueblo MSA AAs), Kansas (Non-MSA AA), Oklahoma (Non-MSA AA), and Wyoming (Casper MSA and Cheyenne MSA AAs). These gaps are mitigated by the bank's relatively limited activities in these areas, particularly in the areas where the bank maintain one or two branch locations.

Innovative and Flexible Lending Practices

BOW makes extensive use of flexible lending practices to serve the credit needs of its AAs. BOW's flexible products and programs are available at all of the bank's offices; therefore, this criterion is not repeated throughout the evaluations of the bank's performance within the various

states. Table 14 lists the number and dollar volume of activity under each flexible lending product or program.

Table 14 – Flexible Lending Programs		
Loan Type	**#**	**$ (000s)**
Small Business Loan Programs		
BusinessLink Loan and Lines of Credit Programs	29,600	1,988,368
Small Business Administration 7(a) and 504 Programs	1,148	165,368,972
Ex-Im Bank Guarantee	5	3,518,700
Ex-Im Bank Medium Term Insurance Program	16	3,403,110
Home Mortgage Programs:		
Hometown Loan Program	229	23,445
First Time Home Buyer Programs	3,203	394903.911
Rural Development Program	94	6,995
Fannie My Community 97 and Flex 97 Products	73	9271.171
Fannie My Community 100 and Flex 100 Products (Discontinued March	1,261	154064.7
Manufactured Home Loans	2,007	162,096
Streamliner Feature	46	7,552
Patriot Program	24	10,659
40-Year Term*	11	1,554
Consumer Loan Programs		
Military Loan Program*	54	191
Custom Equipped Van Financing	1,550	51,214
Small Farm Loan Program		
AgLink Loan and Line Credit Programs	4,955	186,581

Source: Bank Records; * Reflect new programs since the last PE.

During the review period, the bank offered disaster relief loan programs to accommodated victims in California, Kansas, New Mexico, Iowa, and Colorado affected by wildfires, tornadoes, and flooding. These programs included special loan payment and rate programs to the affected customers in designated disaster areas.

BOW introduced a number of new flexible programs during the review period. A notable example is the bank's Military Loan Program, which is responsive to a need for affordable small dollar loans. Also, BOW has increased its use of flexible loan products and programs during the review period. The bank continues to offer an array of loan products and programs that are geared towards serving the needs of LMI borrowers, small businesses, and small farms. BOW continues to make use of guaranteed loan programs and partnerships in order to meet the needs of small businesses and LMI borrowers. Refer to Appendix F for descriptions of the specific products or programs.

INVESTMENT TEST

BOW has demonstrated outstanding performance in the investment test. The bank has an excellent level of qualified CD investments and contributions. The bank makes extensive use of innovative and complex investments that are particularly responsive to credit and community economic development needs. BOW is often in a leadership position regarding its investment

activity and has invested in several investment vehicles that are not routinely provided by private investors. In addition, many of the bank's investments serve as a catalyst for other CD projects.

The total amount of CRA qualified investments reported by BOW during this evaluation period (2006 through 2008) was $189.3 million. Additionally, BOW reported $13.6 million in contributions during this period. Together, BOW's investments and contributions total $202.9 million or an increase of $63.6 million (31 percent) over the $139.3 million from the prior PE. The level of investments and contributions represents 4.3 percent of Tier 1 Capital, which is an increase of 1.0 percent over the 3.3 percent of Tier 1 Capital from the previous PE period covering 2003 to 2005. BOW's investments and contributions also compare favorably with other California and similarly sized banks.

Prior period investments represent outstanding amounts of investments made during previous CRA PEs, and the current period represents CRA investments made during this evaluation period. Excluding the donations, Table 15 list approximately $189.3 million in CRA qualified investments, of which $107.3 million were made during this evaluation period, and $82.0 million of all prior period investments remain outstanding. The following table summarizes BOW's CRA investments by state and multi-states:

Table 15 – CD Investments

State or Multi-State MSA	Total		LMI Housing	LMI Tract Revitalization	Economic Development	LMI Services
	#	$ (000s)	$ (000s)	$ (000s)	$ (000s)	$ (000s)
California	91	98,199	89,005	6,885	1,698	611
Colorado	20	17,674	14,526	2,287	750	111
Kansas	9	4,948	4,948	--	--	--
Minnesota	4	3,088	3,088	--	--	--
Omaha Multi-State *	--	--	--	--	--	--
Iowa	11	6,891	6,475	--	416	--
Oregon	7	4,558	4,458	--	--	100
Wyoming	6	5,024	4,802	111	--	111
New Mexico	4	4,085	4,085	--	--	--
Nebraska	9	5,474	5,474	--	--	--
Kansas City Multi-State	3	2,480	2,480	--	--	--
Arizona	12	4,565	3,379	--	186	1,000
Oklahoma	10	9,610	9,610	--	--	--
South Dakota	5	1,776	1,376	--	400	--
Nevada	6	3,935	3,710	--	--	225
Washington	12	7,566	7,303	--	--	263
Fargo Multi-State	2	500	500	--	--	--
North Dakota	5	1,400	1,204	69	127	--
Utah	4	2,639	2,639	--	--	--
Idaho	6	1,873	1,848	--	--	25
Wisconsin	3	621	621	--	--	--
Sioux City Multi-State *	--	--	--	--	--	--
Multi-State AA's	8	1,825	1,825			
Regional Areas	5	608	160	--	--	448
Total	242	189,339	173,516	9,352	3,577	2,894

Source: Bank Records; *No direct investments, however, regional and statewide investments cover the AA.

The following is a sample of the banks more notable qualified investments:

Mortgage-Backed Securities Targeted to LMI Individuals

BOW has invested in 51 Targeted Mortgage-Backed Securities totaling $16.3 million, which provides an ownership interest in a pool of single family mortgages that act as the underlying asset of the security. The pools are comprised of loans originated entirely to LMI borrowers who reside in or are adjacent to BOW's AAs.

Low-Income Housing Tax Credits (LIHTC)

The LIHTC program was created as a result of the 1986 Tax Reform Act as an incentive to encourage the construction and rehabilitation of rental housing for lower-income individuals. Although these tax credits are complex in nature, they offer direct federal income tax savings to owners of rental housing units designated for households earning 60 percent or less of gross median family income for the area. Typically, limited partnerships are formed to facilitate the funding of the construction or rehabilitation of these projects.

BOW participated in 60 new LIHTC offerings through direct investments and syndications during the review period. These investments total $95.0 million and were sponsored by federal, state, and local housing for profit and non-profit agencies and groups. Additionally, BOW is still participating in 62 prior period LIHTC offerings totaling $36.2 million. The tax credits assisted in the construction or rehabilitation of affordable housing units located in many of the states in which the bank conducts business. Some of BOW's larger and complex investments during the PE period include the following:

- A $12.0 million investment in a non-profit housing syndication firm that serves the greater San Francisco Bay area. This firm is involved in community developments that make a strong community impact and serve areas of critical housing needs for low- and moderate-income individuals.
- A $10.0 million investment in a Midwest group that syndicates LIHTCs and serves the states of Nebraska, Kansas, Iowa, and Oklahoma. The group creates affordable housing units for persons making less than 50 to 60 percent of the area median income. All developments offer supportive services such as job training, homeownership counseling, and parenting education to their tenants.
- An $8.0 million investment in the national top 10 of privately held firms owning affordable housing units. The investment targets affordable housing multi-family rental complexes. The housing is either new construction or rehabilitated existing buildings serving households whose annual income is at or below 60 percent of the area median income. BOW's AAs that have benefited from this investment are located in California, Nevada, Colorado, Minnesota, North Dakota, and Missouri.
- A $7.0 million investment in a non-profit syndicate investing in affordable housing in Arizona, Colorado, New Mexico, Oregon, Washington, Idaho, Utah, and California. This group works with non-profit and for-profit development partners who share a dedication to addressing affordable housing needs. Their multi-family projects strengthen

communities and provide housing with dignity for LMI people including working families, agricultural laborers, the elderly, and populations with special needs.

- A $7.0 million investment in syndicated partnerships offered by a national entity involved with affordable new construction or the rehabilitation of multi-family complexes. The housing is targeted to individuals with annual incomes at or below 60 percent of the applicable area median income. BOW's investment benefits AAs in Arizona, California, Idaho, Oklahoma, Washington, and Colorado.

Equity and Equity Equivalent Investments

During the evaluation period, BOW participated in equity and equity equivalent investments totaling $15.4 million. In addition, BOW participates in $1.6 million in equity investments from prior periods. Several of these investments are innovative and provide for CD in areas where private investor funds are not available. Additionally, BOW funds have facilitated additional CD investments from other parties on several investments. The following are several examples illustrating BOW's varied equity investment activities:

- A $1.0 million investment in a Kearns County, Arizona, CD Financial Institution (CDFI) that serves community needs by providing ongoing education, counseling, and financial expertise to Native Americans. BOW invested these funds with a CDFI to benefit housing and small business loans on the economically distressed local reservation. The organization then leverages these funds to obtain another $400,000 from the U.S. Treasury CDFI fund. These additional funds will be used to hire staff for financial literacy education and for computer technology upgrades.
- A $1.0 million investment in the Rural Community Assistance Corporation (RCAC), a non-profit organization dedicated to assisting rural communities achieve their goals and visions by providing training, technical assistance, and access to resources. BOW funds will be used by the RCAC for affordable housing loans, supporting community facilities and supporting environmental infrastructures in California, Colorado, and Wyoming. RCAC services are provided to communities of 50,000 or less, and target the specific populations of Native Americans and farm workers. Further, they specialize in self-help activities in providing services and financial aid to leverage the BOW funds.
- BOW deposited $100,000 at 5 CDFIs for a total of $500,000 to serve LMI individuals by providing low cost loan products and financial literacy services. The deposits are certificates of deposit with a term of 1 to 5 years. These deposits are leveraged with CDFI funds to facilitate the originations of more loans and services. The primary areas served by these funds include:
    - Low-income communities in the Oakland and San Francisco Bay Area of California;
    - Pico Union district of Los Angeles, California, a low-income area mostly comprised of Mexican and Korean immigrants;
    - LMI individuals in the San Francisco Mission District of California;
    - Black-owned interstate bank supporting economic development in urban communities of California; and
    - Credit Union in Portland, Oregon, providing low-interest loans to the Latino community, as well as providing financial literacy education to youths and adults.

- BOW invested $500,000 in a non-profit CDFI founded in 2000 to meet nontraditional financing needs for the creation, development, and rehabilitation of affordable rental housing in communities across Iowa. The primary financing product of the CDFI is predevelopment loans that are provided to borrowers prior to them having access to traditional construction and permanent financing. All of the CDFI financial products are provided to meet financing needs that are not being met by conventional and government sources.
- BOW invested $500,000 in a $12.0 million loan fund that invests in affordable housing and other community assets that create economic opportunity for low-income people and communities. BOW's investment was matched by a financial services corporation to take advantage of the corporation's extensive financial resources and expertise in processing and making affordable housing loans in the Denver metro area. The city of Denver selected this national financial intermediary corporation to spur investment and redevelopment in targeted low-income neighborhoods. The $1.0 million partnership investment will be used for early-stage, short-term loans available for affordable housing development and renovation projects.

Qualified Grants and Donations

BOW made 3,787 contributions totaling $13.6 million during the current review period. The number and dollar amount of contributions increased significantly to approximately 36 percent over the prior review period (2003 to 2005), where contributions were 2,390 and totaled $8.7 million, respectively.

Thirty-nine separate contributions totaling $270,000 were made by BOW during the PE period to the March of Dimes (MOD). The contributions were used by MOD to fund programs serving at risk populations with no or limited access to health care during pregnancy, smoking and drinking cessation programs, educational programs aimed at recognizing the signs and symptoms of preterm birth, and many other health related programs specific to local demographics. Table 16 depicts the number and dollar volume of donations by state and CD type.

Table 16 – CD Donations

AA	Total		LMI Housing $ (000s)	LMI Tract Revitalization $ (000s)	Economic Development $ (000s)	LMI Services $ (000s)
	#	$ (000s)				
California	1,786	7,086	454	76	461	6,095
Colorado	365	1,548	156	8	35	1,349
Kansas	53	151	10	75	24	42
Minnesota	181	300	17	1	30	252
Omaha Multi-State	238	1,570	108	86	64	1,312
Iowa	161	396	57	6	58	275
Oregon	169	539	37	11	5	486
Wyoming	85	201	17	2	105	77
New Mexico	164	449	16	1	95	337
Nebraska	69	74	5	6	3	60
Kansas City Multi-State	24	49	1	9		39

Arizona	119	213	14	1		198
Oklahoma	49	151	39	5	10	97
South Dakota	35	59	5	3	6	45
Nevada	65	164	12		4	148
Washington	55	79	1	2	7	69
Fargo Multi-State	29	102	2	5	51	44
North Dakota	40	44	5	3	5	31
Utah	27	85	10		28	47
Idaho	14	32				32
Wisconsin	15	32	12			20
Sioux City Multi-State	3	2				2
National	1	10		10		
Hurricane Katrina	1	10		10		
March of Dimes	39	270		270		
Total	3,787	13,616	978	590	991	11,057

Source: Bank Records

SERVICE TEST

BOW has demonstrated high satisfactory performance in the service test. The bank's delivery systems are readily accessible to essentially all portions of the bank's AAs. To the extent changes have been made, the bank's opening and closing of branches have not adversely affected the accessibility of its delivery systems. The range of services and alternative delivery systems offered by the bank are tailored to meet the needs of the community. Finally, the bank is a leader in providing CD services.

Reasonableness of Retail Services

The bank's services do not vary in a way that inconveniences certain portions of the AAs, particularly LMI geographies or individuals. Table 17 provides BOW's branch structure by comparing the number of branches by CT income level in all AAs combined to the branch distribution of all financial institutions, and to the percentage of households and businesses.

Table 17 – CAA Branch Structure as of 12/31/2008

Branch & Drive Up Facility Distribution	Income Level of CT					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches	23	122	348	162	1	656
% of Branches	3.5	18.6	53.0	24.7	0.2	100.0
# of Drive Up Facilities	1	2	11	1	0	15
% of Drive Up Facilities	6.7	13.3	73.3	6.7	0.0	100.0
Total Branches & Other Service Facilities	***24***	***124***	***359***	***163***	***1***	***671***
% of Total Branches & Other Service Facilities	***3.6***	***18.5***	***53.5***	***24.3***	***0.1***	***100.0***
# of Limited Service Facilities	1	1	5	7	0	14
% of Limited Service Facilities	7.1	7.1	35.8	50.0	0.0	100.0
Comparisons						
% of Branches - All Institutions	4.9	20.5	43.5	30.7	0.4	100.0

% of Households	4.2	23.5	42.9	29.4	0.0	100.0
% of Businesses	5.3	21.6	39.7	33.1	0.3	100.0

Source: Bank Records and FFIEC Website

From a whole bank perspective shown above, BOW's branch distribution in LMI geographies is slightly below comparative branch information. Also, BOW's distribution generally shows stronger performance in large metropolitan areas, and weaker performance in smaller metropolitan and rural areas. This is evidenced by weaker performance in LMI AAs such as the Kansas City Multi-State MSA AA.

Overall, BOW's retail service structure is considered accessible to essentially all areas. In most cases where the bank operated a single branch or limited number of branches in a county, the distribution was considered reasonable given the availability of the bank's ATMs and alternative delivery systems, such as telephone and internet banking. ATM distribution and accessibility mirrors the bank's diverse branch distribution network and is tailored to the convenience of its customers.

BOW offers a wide array of lending and deposit products, as well as other banking services that are consistent with other institutions throughout the various AAs. Commercial loan products include the following: commercial, industrial, and agricultural loans; equipment leasing; lines of credit; business overdraft lines of credit; international banking; business credit cards; small business and small farm loans; and small business loans guaranteed by the Small Business Administration (SBA). Residential loan products include the following: fixed- and adjustable-rate first mortgage loans; Federal Housing Authority (FHA) loans; Veteran Administration (VA) loans; mobile and manufactured home loans; and construction loans for single family residences and multi-family LMI residential projects. BOW also offers rural development loans and the Hometown loan program which are targeted to small farms and LMI borrowers. Consumer loan products include the following: vehicle loans and leases; home improvement loans; home equity lines of credit; land loans; aircraft loans; marine loans; recreational vehicle loans; credit cards, savings account secured loans; and secured and unsecured personal loans and lines of credit.

BOW offers a wide variety of personal and business deposit products that include the following: checking accounts; interest checking; savings accounts; money market accounts; certificates of deposit; traditional and Roth Individual Retirement Accounts; and other types of retirement accounts. There are no material differences in the availability or cost of services offered at any of BOW's branches.

BOW offers a wide range of alternative delivery systems that are accessible to essentially all portions of their AAs, including LMI geographies and individuals. By utilizing the bank's website www.bankofthewest.com, Internet users can access a variety of information to include the following: consumer banking products and services; checking and savings accounts; certificates of deposit; business checking; cash management services; and commercial loan products. Customers can also use the bank's website for the following: apply for a first mortgage loan online; open various deposit accounts online; find the nearest branch; and access financial calculators. BOW also offers access to these products and services in English, Chinese, and Spanish. The bank's e-TimeBanker program enables customers to do the following: check account balances; get detailed information on all transactions; transfer funds between linked

accounts; pay bills online; access stock information; and send e-mail messages to request additional information.

Additional delivery systems include the following:

- Automated Telephone Banking – 24 hours a day, 7 days a week.
- Live Telephone Banking Center – English and Spanish speaking telephone banking. Representatives provide checking savings, certificate of deposit accounts, and consumer loans seven days a week from 6 a.m. and 12 a.m. central standard time (CST) Monday through Friday, and 7 a.m. to 12 a.m. CST on weekends and most holidays.
- Live Telesales – Representatives in Omaha, Nebraska, and Monterey Park, California, accept applications for most consumer loan and deposit products over the telephone.
- Direct Servicing Center – English and Spanish speaking customer service representatives are available to provide personal assistance on consumer loans and lines of credit six days a week.

Accessibility of Delivery Systems

The bank's delivery systems are accessible to essentially all portions of the bank's AAs. As of December 31, 2008, BOW operated 656 branch offices, 15 drive-up facilities, and approximately 688 ATMs in 16 states. There are 44 branches that have multiple ATMs for customer convenience. In addition, all of BOW's ATMs are capable of conducting transactions in English and Spanish, with Chinese available at select locations. Further, ATMs have been equipped with Braille key pads. As of 2008, 26 full and 15 limited service branches were not equipped with ATMs; however, most of these branches are scheduled for ATM installation by the end of 2009.

Hours do not vary in any material manner by branch location. Branch hours are Monday through Thursday with extended hours on Friday. For additional customer convenience, 435 of the bank's branches have expanded Saturday banking. Also, 107 branches that are located in LMI CTs offer Saturday banking. Of the 28 branches located in Iowa, Kansas, Missouri, and Nebraska, 23 are in-store locations offering Sunday banking hours. Retail services, loan and deposit products, and telephone and internet banking services are similar to those offered at other financial institutions. Services offered by branches are generally consistent and any differences do not inconvenience residents or businesses in LMI geographies.

In addition to BOW branch facilities, every checking account provides customers 24-hour access to their account using a debit card. In addition, debit card customers have the capability to conduct signature based transactions and Internet and phone purchases at any location that accepts Mastercard. Regular savings account customers also receive 24-hour access to any of the bank's ATMs through an ATM card.

Changes in Branch Locations

BOW's record of opening, closing, and relocating branches has had no material impact upon delivery systems given the specific circumstances. Over the review period, BOW opened a total of 22 branches in 11 states and closed a total of 19 branches in 8 states. Branch openings exceeded branch closings; therefore, this increased accessibility of delivery systems during the review period.

BOW relocated 16 branches, with 12 of the 16 relocations either in the same CT or in LMI CTs. Although four relocations were to higher income CTs, they were still in close proximity and had appropriate business reasons for the moves. Illustrated in Table 18 are BOW's branching changes by state and CT income level.

Table 18 – Branch Openings, Relocated, and Closings by CT Income Level & State			
State	**Branch Openings**	**Branch Relocated**	**Branch Closings**
Arizona	Middle - 2		
California	Middle – 4, Upper -1	Low – 2, Moderate – 1, Middle – 2, Upper - 1	Low – 1,Moderate – 2, Middle – 1, Upper - 1
Colorado	Moderate – 1, Middle - 2	Moderate – 1,Upper - 3	Moderate - 1
Idaho	Moderate – 1,Upper – 3	--	--
Iowa	Middle - 2		Moderate – 1, Middle - 4
Kansas	--	Middle - 1	Moderate – 3, Middle -1
Minnesota	Middle - 1	Middle - 1	--
Nebraska		Middle - 2	Upper - 1
New Mexico	Middle - 1	--	Moderate - 1
Nevada	--	--	Moderate - 1
Oklahoma	Moderate - 1	Upper -1	--
Oregon	Upper - 1	--	--
South Dakota	Middle - 1	--	--
Utah	Upper - 1	--	--
Washington	--	--	Middle - 1
Wisconsin	--	Middle - 1	--

Source: Bank Records

While 10 of the 19 branch closings were in LMI CTs, these closings occurred primarily because of overlapping branches due to BOW acquisitions. In addition, other factors such as lease expirations and lack of suitable parking also contributed to the closures. In most cases, a BOW branch was located within two miles of the closed facility.

BOW also opened 13 limited service branches in 6 states as shown in Table 19. However, lesser consideration is given to these branches since they are not full service branches.

Table 19 – Limited Service Branch Openings by CT Income Level and State	
State	**Limited Service Branch Openings**
Arizona	Upper - 1
California	Moderate – 1, Middle – 3, Upper - 4
Minnesota	Middle - 1
Oklahoma	Upper - 1
Oregon	Upper - 1
South Dakota	Middle - 1

Source: Bank Records

CD Services

BOW provided an excellent level of CD services. Overall, the bank is a strong leader in providing CD services within its AAs, particularly those that promote services for LMI residents, especially in Colorado and California. Table 20 is a summary of all the bank's CD services

during the review period. The table shows that BOW's CD service performance differs by state. Therefore, refer to each respective state analysis for the specific CD service details.

Table 20 – CD Services											
State or Multi-State MSA	All CD Services			LMI Housing		LMI Tract Revitalization		Economic Development		LMI Services	
	# of Employees	# of Groups	Total Hours	EMPLOYEES							
				#	Hours	#	Hours	#	Hours	#	Hours
California	104	89	2,936	4	365	2	184	8	91	90	2,296
Colorado	65	35	4,280	1	550	2	39	9	557	53	3,134
Kansas	14	14	333	0	0	1	84	4	48	9	201
Minnesota	15	16	184	3	14	0	0	3	37	9	133
Omaha Multi-State	34	27	1,973	7	544	1	38	1	2	25	1,389
Iowa	40	45	531	4	38	5	92	7	93	24	308
Oregon	67	50	1,449	6	59	5	60	10	563	46	767
Wyoming	15	15	1,040	2	370	0	0	4	55	9	615
New Mexico	45	48	1,395	2	133	3	80	5	436	35	746
Nebraska	25	19	306	2	6	0	0	8	75	15	225
Kansas City Multi-St	3	3	17	0	0	0	0	0	0	3	17
Arizona	16	15	230	2	34	0	0	3	15	11	181
Oklahoma	23	16	252	2	29	2	10	2	23	17	190
South Dakota	3	3	57	1	9	1	10	1	38	0	0
Nevada	7	6	90	0	0	0	0	3	25	4	65
Washington	17	14	478	1	48	1	2	3	246	12	182
Fargo Multi-State	11	7	178	0	0	0	0	0	0	11	178
North Dakota	6	6	93	0	0	1	3	3	74	2	16
Utah	12	8	230	1	60	0	0	1	19	10	151
Idaho	2	2	54	2	54	0	0	0	0	0	0
Wisconsin	2	2	45	1	39	0	0	0	0	1	6
Sioux City Multi-St	0	0	0	0	0	0	0	0	0	0	0
Total	526	440	16,151	41	2,352	24	602	75	2,397	386	10,800

Source: Bank Records

BOW and its employees work closely with many community-based organizations and have participated in a financial advisory capacity in the programs of numerous organizations. Bank employees serve on a variety of boards and finance committees providing technical, managerial and financial expertise to many organizations specializing in small business development, services benefiting low-income and disadvantaged individuals (such as shelter, health, and education), economic development and community revitalization, and affordable housing. Employees participate in various financial literacy training programs at local schools and community organizations and are active in career days and job fairs targeted to LMI residents.

The following are examples of CD Services provided throughout BOW's AAs. BOW makes retail branches more accessible to unbanked and underbanked individuals by:

- Employing BOW staff that speak foreign languages. More than 60 languages are represented by various bank personnel.

- Creating new programs, such as Fresh Start, which was introduced in December 2007 as a pilot program. This program provides a "second chance" to customers who may have blemished credit but wish to open a bank account and reestablish a banking relationship. As of December 2008, there were 881 Fresh Start accounts with corresponding balances of $397,007. Due to its success, Fresh Start was rolled out Bank-wide in February 2009. As of June 2009, there were 3,731 accounts with balances of $2.0 million.
- Offering Employee Rewards/Member Rewards, which was introduced in May 2007. This program is extended to employees of business customers/prospects and members of churches, non-profits and union customer/prospects in an effort to provide banking services.

BOW is committed to improving the general state of financial literacy, particularly among youth, in order to achieve a society of well-informed consumers of financial products. The Bank supports a variety of financial literacy programs including the Junior Achievement curriculum that is widely taught by BOW employees throughout the AAs. Covering student population K-12, youth are introduced to the fundamentals of personal finance, stoking entrepreneurial spirit, and encouraging the use of business as the path to success. Courses cover basic economics, budgeting, accounting, community involvement, and business planning.

Involvement in financial literacy education is not limited to BOW employees. In February 2008, President Bush named Chairman and CEO Don McGrath to serve on the newly-established President's Advisory Council on Financial Literacy. The primary goal of the Council is to promote and enhance financial understanding among Americans. In addition, Chairman and CEO Don McGrath was named national co-chair of the Financial Services Roundtable "Community Service 2008" to promote financial literacy projects.

CALIFORNIA

The Lending Test is rated:	***Outstanding***
The Investment Test is rated:	***Outstanding***
The Service Test is rated:	***High Satisfactory***

BOW's California CRA rating is **Outstanding**.

SCOPE OF EXAMINATION AND DESCRIPTION OF OPERATIONS

Examiners conducted a full-scope, on-site evaluation of the bank's performance in the San Francisco CSA AA and Los Angeles CSA AA. Examiners conducted off-site limited-scope reviews of the eight other AAs. A review of FDIC records and the bank's CRA public file, revealed one compliant related to the closure of the 2008 Richmond branch since the prior evaluation. No additional complaints regarding BOW's performance in California were noted. BOW operates 241 branches within California. Refer to the Service Test portion of this evaluation for details regarding BOW's delivery systems and any changes that occurred over the review period.

DESCRIPTION OF OPERATIONS IN CALIFORNIA

- Approximately 36.6 percent of the institution's branch network
- Approximately 51.9 percent of the total CTs within the combined AA
- Approximately 47.7 percent by number and 52.1 percent by dollar volume of small business loans originated in 2008
- Approximately 26.9 percent by number and 42.6 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 60.3 percent by number and 75.2 percent by dollar volume of total CD loans originated
- Approximately 37.6 percent by number and 51.9 percent by dollar volume of total qualified investments made
- Approximately 47.7 percent by number and 53.3 percent by dollar volume of total qualified donations made
- Approximately 18.2 percent by number of total CD service hours conducted

DESCRIPTION OF THE CALIFORNIA AAs

Table CA-1 lists BOW's delineated AAs within California. The San Jose-San Francisco-Oakland CSA excluded San Benito County, which is part of the San Jose-Sunnyvale-Santa Clara MSA. The Los Angeles-Long Beach-Riverside CSA excluded Riverside County, which is part of the Riverside-San Bernardino-Ontario MSA. For 2008, the bank changed its AA for the Salinas MSA to include only a portion of Monterey County.

Table CA-1 – California AAs

AA	MSA/CSA Numbers	AA Counties
San Jose-San Francisco-Oakland CSA	488	San Francisco, Marin, San Mateo, Alameda, Contra Costa, Napa, Santa Clara, Santa Cruz, Sonoma, Solano
Los Angeles-Long Beach-Riverside CSA	348	Los Angeles, Orange, San Bernardino, Ventura
Sacramento-Arden-Arcade-Roseville MSA	40900	El Dorado, Placer, Sacramento, Yolo
Stockton MSA	44700	San Joaquin
Modesto MSA	33700	Stanislaus
Salinas MSA	41500	Monterey (Partial County for 2008)
Chico MSA	17020	Butte
Fresno MSA	23420	Fresno
Hanford-Corcoran MSA	25260	Kings
Visalia-Porterville MSA	47300	Tulare
Bakersfield MSA	12540	Kern
San Diego MSA	41740	San Diego
Santa Barbara MSA	42060	Santa Barbara
California Non-MSA	NA	Lake, Nevada

Source: Bank Records and 2000 U.S. Census

California's combined AA contains 6,292 CTs, 7,121,304 families, 2,627,591 businesses, and 46,806 farms. Table CA-2 details this AA's demographic information.

Table CA-2 - Demographic Information for the Combined California AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	6,292	6.7	25.6	36.1	31.0	0.6
Population by Geography	30,318,466	6.2	26.8	37.5	29.4	0.1
Owner-Occupied Housing by Geography	5,766,813	1.9	16.4	40.0	41.7	0.0
Business by Geography	2,627,591	6.7	22.4	35.2	35.3	0.4
Farms by Geography	46,806	2.9	19.5	43.8	33.7	0.1
Family Distribution by Income Level	7,121,304	21.9	17.4	19.7	41.0	0.0
Distribution of Low-and Moderate-Income Families throughout AA Geographies	2,794,918	10.3	37.1	36.7	15.9	0.0
Median Family Income (MFI)		54,481	Median Housing Value			252,911
Housing and Urban Development (HUD) Adjusted MFI for 2008		70,009	Unemployment Rate 2007			5.4%
			2008			7.2%
Households Below Poverty Level		12%	March 2009			11.5%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau of Labor Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, California's economy continues to struggle with signs of weakness in the trade, construction, and consumer industries. The unemployment rate has more than doubled since the second half of 2006 and is among the highest nationwide. The state's fiscal condition faces numerous challenges including falling revenues, and aggressive spending cuts and layoffs at the local government level. The residential real estate market remains the most significant weight on growth, but increasing home sales offer hope that a bottom is forming. Home prices are still declining, and consumer credit conditions are eroding.

Housing Affordability

According to the California Association of Realtors (CAR), existing single-family home sales increased 63.8 percent in March 2009. Also in March, the statewide median price of an existing single-family home increased 2.2 percent to $253,040, and CAR's Unsold Inventory Index fell to 5 months, which shows modest improvement when compared to12.2 months in March 2008. The median number of days it took to sell a single-family home as of March 2009, declined to 48.3 days showing a slight improvement when compared to 56.8 days as of March 2008. CAR indicates that increased incidences of multiple offers from first-time homebuyers and investors reflect an improving housing affordability environment. Low mortgage rates and house prices, along with the federal first-time homebuyer tax credit are having a positive impact on the California's housing market. Table CA-3 shows the median housing pricing for select counties.

Table CA-3 – Housing Prices in Select Counties			
County/City/Area	**March 2009**	**March 2008**	**Y-T-Y % Change**
Contra Costa County	$220,000	$417,000	-47.20
El Dorado County	$340,000	$380,000	-10.50
Fresno County	$155,000	$240,000	-35.40
Kern County	$125,000	$223,500	-44.10
Los Angeles County	$300,000	$449,000	-33.20

Marin County	$585,000	$792,000	-26.10
Monterey County	$207,500	$427,000	-51.40
Napa County	$339,000	$469,500	-27.80
Nevada County	$360,000	$430,500	-16.40
Orange County	$384,000	$510,000	-24.70
Placer County	$295,000	$355,000	-16.90
Sacramento County	$165,000	$246,000	-32.90
San Bernardino County	$150,000	$264,500	-43.30
San Diego County	$283,000	$397,000	-28.70
San Francisco County	$617,000	$755,000	-18.30
San Joaquin County	$152,000	$265,000	-42.60
Santa Barbara County	$246,250	$430,500	-42.80
Santa Clara County	$405,000	$675,000	-40.00
Santa Cruz County	$332,500	$557,500	-40.40
Solano County	$180,000	$330,000	-45.50
Sonoma County	$301,000	$410,000	-26.60
Stanislaus County	$135,000	$230,000	-41.30
Tulare County	$147,000	$210,000	-30.00
Ventura County	$327,250	$436,000	-24.90
Yolo County	$237,000	$328,750	-27.90

Source: CAR

In the first quarter of 2009, the median price of an entry-level home in California was $213,040. In the same quarter, the percentage of households that could afford to buy an entry-level home was 69 percent, which improved from 46 percent for the same period a year ago. The First Time Buyer Housing Affordability Index (FTB-HAI) rose 7 percentage points in the first quarter of 2009 due to a 14.1 percent decrease in the entry-level median home price. CAR's FTB-HAI measures the percentage of households that can afford to purchase an entry-level home in California. Table CA-4 reflects the housing affordability index for select California regions.

Table CA-4 – Housing Affordability Index for Select Regions

CAR Region	Housing Affordability Index	Entry-Level Price
California	69	$213,040
California - Condos	73	$186,440
United States	76	$143,650
Los Angeles County	57	$257,970
Monterey Region	71	$210,960
Northern California	63	$218,600
Northern Wine Country	60	$277,270
Orange County	56	$370,410
Palm Springs/Lower Desert	75	$132,480
Riverside/San Bernardino	77	$146,660
Sacramento County	80	$143,870
San Diego County	61	$274,700
San Francisco Bay	62	$341,680
Santa Barbara Area	64	$246,980
Santa Clara County	62	$382,500
Southern California	67	$220,150
Ventura County	65	$308,560

Source: CAR

Community Contact Observations

Affordable housing was identified as a statewide need. A contact expressed concern relating to limitations of refinancing and modification for LMI borrowers they assist. Contacts indicated a need for banks to support small business lending programs through sponsorships, donations, or referrals.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

Given the volume of loans in the San Jose-San Francisco-Oakland CSA and Los Angeles-Long Beach-Riverside CSA AAs, the performance in these two areas drove the overall statewide rating, although performance within each AA is also considered. Small business lending performance was given the most weight, follow by HMDA loans. Small farm lending was not presented due to the bank's minimal lending activity in California for this product.

Level of Lending

Overall, the lending levels reflect excellent responsiveness to AA credit needs.
Small Business Loans

Table CA-5 details the BOW's small business loan market ranking and market shares during 2006 and 2007. This information is based on the dollar volume of loans originated within the combined California AAs and for each individual AA within the state.

Table CA-5 – Small Business Market Shares – FDIC Insured Lenders

AA	2006		2007		Deposit Market Share %
	Rank by Loan Volume	Market Share %	Rank by Loan Volume	Market Share %	
California AAs Combined	5 of 332	2.5	5 of 308	2.9	2.8
San Jose-San Francisco-Oakland CSA	4 of 187	3.6	4 of 188	4.1	3.5
Los Angeles-Long Beach-Riverside CSA	8 of 246	2.0	7 of 238	2.4	2.3
Sacramento-Arden-Arcade-Roseville MSA	9 of 127	2.8	5/131	2.6	3.3
Stockton MSA	4 of 80	7.4	4 of 74	7.8	8.3
Modesto MSA	3 of 68	7.6	3 of 60	8.4	9.3
Salinas MSA	10 of 57	1.0	11 of 67	0.6	0.3
Chico MSA	8 of 48	1.2	7 of 49	1.3	3.4
Fresno MSA	10 of 75	2.1	7 of 73	3.2	4.2
Hanford-Corcoran MSA	4 of 40	6.3	5 of 35	4.4	6.4
Visalia-Porterville MSA	10 of 72	1.7	7 of 54	3.0	4.0
Bakersfield MSA	8 of 44	2.2	6 of 73	3.5	1.6
San Diego MSA	11 of 146	1.3	10 of 139	1.5	0.5
Santa Barbara MSA	10 of 66	1.2	7 of 69	1.8	2.7
California Non-MSA	3 of 53	6.0	3 of 50	5.0	7.2

Source: FFIEC Website

Table CA-5 shows that the bank's small business market share increased slightly from 2006 to 2007, while the market ranking remained unchanged. In 2007, the bank's small business market share is comparable to its deposit market share level. The table also shows that the bank's small business lending level within each individual California AA is relatively consistent with the deposit market share levels. From 2006 to 2007, BOW's small business market share has generally increased with the exception of Sacramento-Arden-Arcade-Roseville MSA, Salinas MSA, Hanford-Corcoran MSA, and the California Non-MSA AAs. The bank ranked 10th or better within each individual AA, with the exception of the San Diego MSA AA, where the bank ranked 11th. This performance is particularly notable given the intense competition for small business loans within the different AAs.

HMDA Loans

Table CA-6 details the BOW's HMDA market ranking and market shares during 2006 and 2007 based on the numbers of loans originated within the California AAs combined, and for each individual AA within the state.

Table CA-6 – HMDA Market Shares – FDIC Insured Lenders

AA	2006		2007		Deposit Market Share %
	Rank by Number	Market Share %	Rank by Number	Market Share %	
California AAs Combined	72 of 1,452	0.2	49 of 1,341	0.3	2.8
San Jose-San Francisco-Oakland CSA	61 of 921	0.2	41 of 798	0.4	3.5
Los Angeles-Long Beach-Riverside CSA	99 of 1,152	0.1	69 of 1008	0.2	2.3
Sacramento-Arden-Arcade-Roseville MSA	92 of 787	0.2	59 of 617	0.2	3.3
Stockton MSA	44 of 570	0.5	23 of 428	0.7	8.3
Modesto MSA	38 of 530	0.6	18 of 383	0.9	9.3
Salinas MSA	116 of 435	0.1	50 of 333	0.1	0.3
Chico MSA	28 of 399	0.9	23 of 309	1.0	3.4
Fresno MSA	74 of 585	0.2	42 of 450	0.4	4.2
Hanford-Corcoran MSA	38 of 354	0.7	27 of 241	0.8	6.4
Visalia-Porterville MSA	54 of 483	0.4	43 of 382	0.4	4.0
Bakersfield MSA	95 of 626	0.2	77 of 518	0.2	1.6
San Diego MSA	154 of 824	0.1	87 of 730	0.1	0.5
Santa Barbara MSA	82 of 407	0.1	61 of 333	0.2	2.7
California Non-MSA	36 of 408	0.6	23 of 350	0.7	7.2

Source: FFIEC Website

Table CA-6 shows that the bank's HMDA loan market share increased slightly from 2006 to 2007, while the market ranking jumped from 72nd to 49th place. Competition for loans is particular intense in the San Jose-San Francisco-Oakland CSA, Los Angeles-Long Beach-Riverside CSA, Sacramento-Arden-Arcade-Roseville MSA, and San Diego MSA AAs. Despite the intense competition, BOW either maintained or improved its market share in the individuals AAs, while improving its ranking at the same time. While BOW's HMDA lending level is below the deposit market share level, the level of HMDA lending activity still demonstrates good responsiveness based upon the intense competition for HMDA loans.

Borrower Profile

The distribution of borrowers in California reflects excellent penetration among retail customers of different income levels and business customers of different sizes.

Small Business Loans

The distribution of borrowers in California reflects excellent penetration among business customers of different sizes. Table CA-7 shows that BOW originated 54.1 percent of its small business loans to businesses with GARs of $1.0 million or less in 2007. This significantly exceeds aggregate performance by nearly 15 percentage points, but is below the number of businesses in the area. BOW's performance trended downward slightly in 2008 with 52.1 percent of its small business loans to small businesses. As with the CAA, the overall lending level statewide dropped significantly.

Table CA-7 – Statewide Small Business Loan GAR Distribution

GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	67.7	5,715	54.1	40.5	2,805	52.1
Over $1M	5.3	4,178	39.5		2,218	41.2
Not Considered*	27.0	678	6.4		360	6.7
Total	**100.0**	**10,571**	**100.0**		**5,383**	**100.0**

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), and 2007 CRA aggregate data

Table CA-8 shows BOW's lending to small businesses within each AA in California. The bank's lending to small businesses within the individual AAs generally declined slightly from 2007 to 2008. Consistent with the CAA and statewide performance, the bank exceeded aggregate performance in nearly all AAs in 2007, with the exception of the Salinas MSA AA. In 2008, BOW's performance within the San Jose-San Francisco-Oakland CSA and four other AAs (Modesto MSA, Chico MSA, Fresno MSA, and Visalia-Porterville MSA) trended down but remained above 50 percent. Also in 2008, the bank's performance in the Sacramento-Arden Arcade-Roseville MSA and three other AAs (Salinas MSA, San Diego MSA, and Santa Barbara MSA) trended upwards, which is contrary to the CAA and statewide performance. In 2008, the bank changed its delineated Salinas MSA AA to exclude portions of the Monterey County which it could not reasonably serve. Because of this change, BOW's performance in the Salinas MSA AA improved dramatically in 2008.

Table CA-8 – Small Business Lending Rates

AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
San Jose-San Francisco-Oakland CSA	40.4	57.1	41.6	54.3
Los Angeles-Long Beach-Riverside CSA	32.5	49.0	39.8	47.3
Sacramento-Arden-Arcade-Roseville MSA	5.8	55.7	44.4	57.9
Stockton MSA	4.5	55.1	41.4	49.8
Modesto MSA	4.8	61.2	40.0	59.8
Salinas MSA	0.2	28.6	40.0	60.0

Chico MSA	0.9	67.3	29.7	66.7
Fresno MSA	2.0	61.8	37.0	54.1
Hanford-Corcoran MSA	0.3	62.5	38.2	47.4
Visalia-Porterville MSA	1.2	65.6	36.7	57.1
Bakersfield MSA	1.5	54.8	40.0	44.3
San Diego MSA	3.9	48.0	41.1	49.0
Santa Barbara MSA	0.5	42.2	36.5	44.0
California Non-MSA	1.5	59.7	42.7	58.54

Source: CRA data collection (2007-2008), and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects excellent penetration among retail customers of different income levels. Table CA-9 shows BOW's statewide distribution of HMDA loans by borrower income level. As shown, the bank's performance and trends statewide are consistent with the CAA. The bank's strong HMDA lending performance in California is particularly notable given the relatively high cost of housing. The bank's strong performance in the San Jose-San Francisco-Oakland CSA AA is especially notable.

Table CA-9 – Statewide HMDA Loan Borrower Profile

Borrower Income Level	% of Families	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	21.8	225	7.2	1.4	178	6.0
Moderate	17.4	458	14.7	6.3	389	13.2
Middle	19.7	623	20.1	15.9	564	19.2
Upper	41.1	1,586	51.1	70.6	1,636	55.5
NA	0.0	215	6.9	5.8	181	6.1
Total	100.0	3,107	100.0	100.0	2,948	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, 2000 U.S. Census data

Table CA-10 shows BOW's penetration to low-income borrowers within each AA in California. Consistent with the CAA and statewide performance, BOW exceeded aggregate performance in nearly all AAs in 2007, with the exception of the Bakersfield and Santa Barbara MSA AAs. In 2008, BOW's HMDA lending to low-income borrowers generally declined slightly, which is generally consistent with the CAA performance. Low-income borrower penetration is particularly strong in the San Jose-San Francisco-Oakland CSA and Chico MSA AA, where the bank outperformed aggregate by nearly 10 percentage points in 2007. Performance within the Los Angeles-Long Beach-Riverside CSA and seven other AAs trended up slightly in 2008, contrary to the statewide performance.

Table CA-10 – AA Low-Income Borrower Penetration Rates

AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
San Jose-San Francisco-Oakland CSA	32.6	11.4	1.6	8.5
Los Angeles-Long Beach-Riverside CSA	31.3	3.9	1.1	4.1
Sacramento-Arden-Arcade-Roseville MSA	7.2	6.0	2.2	7.1
Stockton MSA	6.2	7.9	1.7	4.9
Modesto MSA	7.5	4.9	1.5	5.0
Salinas MSA	0.2	4.8	1.2	0.0

Chico MSA	2.1	13.4	2.5	6.4
Fresno MSA	3.5	4.0	1.9	4.8
Hanford-Corcoran MSA	1.7	4.2	2.7	10.2
Visalia-Porterville MSA	2.2	7.6	1.5	3.1
Bakersfield MSA	1.8	0.0	1.7	1.9
San Diego MSA	1.7	3.6	1.2	3.9
Santa Barbara MSA	0.3	0.0	1.8	0.0
California Non-MSA	1.7	7.7	1.1	8.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data

Table CA-11 shows BOW's penetration to moderate-income borrowers within each AA in California. In 2007, the performance is generally consistent with the CAA and statewide performance, with the exception the Visalia-Porterville, San Diego, and Santa Barbara MSA AAs, where the performance was below aggregate. The 2007 moderate-income borrower penetration is particularly strong in the San Jose-San Francisco-Oakland CSA, Sacramento-Arden Arcade-Roseville MSA, and Modesto MSA AAs where the bank outperformed aggregate by over 10 percentage points. In 2008, BOW's performance within the Los Angeles-Long Beach-Riverside CSA and six other AAs trended up, contrary to the CAA and statewide performance.

Table CA-11 – AA Moderate-Income Borrower Penetration Rates

AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
San Jose-San Francisco-Oakland CSA	32.6	18.4	7.5	14.6
Los Angeles-Long Beach-Riverside CSA	31.3	9.6	4.8	10.2
Sacramento-Arden-Arcade-Roseville MSA	7.2	20.9	10.0	17.0
Stockton MSA	6.2	13.1	6.8	13.7
Modesto MSA	7.5	18.9	7.2	12.2
Salinas MSA	0.2	38.1	2.9	0.0
Chico MSA	2.1	13.4	11.2	25.4
Fresno MSA	3.5	15.2	8.4	16.4
Hanford-Corcoran MSA	1.7	14.6	9.4	16.3
Visalia-Porterville MSA	2.2	6.1	8.2	12.5
Bakersfield MSA	1.8	12.2	7.7	3.9
San Diego MSA	1.7	1.8	6.1	15.7
Santa Barbara MSA	0.3	5.0	6.2	0.0
California Non-MSA	1.7	18.5	5.2	16.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data

Geographic Distribution

The geographic distribution of loans reflects good penetration statewide.

Small Business Lending

The geographic distribution of small business loans reflects good penetration throughout the combined California AAs. In 2007, table CA-12 shows that BOW exceeded aggregate performance. The statewide performance and trend are consistent with the CAA performance.

Table CA-12 – Statewide Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	6.7	725	6.9	4.4	342	6.4
Moderate	22.4	2,471	23.4	18.2	1,252	23.3
Middle	35.2	4,140	39.1	34.3	2,144	39.8
Upper	35.3	3,207	30.3	40.5	1,621	30.1
NA	0.4	28	0.3	2.6	24	0.4
Total	100.0	10,571	100.0	100.0	5,383	100.0

Source: CRA data collection (2007-2008), and 2007 CRA aggregate data

Table CA-13 shows the geographic distribution of small business loans in low-income CTs within each AA. As shown, penetration of small business loans in low-income CTs is generally consistent with the CAA and statewide performance. The 2007 performance in the Chico MSA, Bakersfield MSA, and Santa Barbara MSA AAs are slightly weaker than aggregate performance. However, in 2008 the performance in the Sacramento-Arden-Arced-Roseville MSA, Stockton MSA, and San Diego MSA AAs trended upwards. Also, stronger performance was noted for both years in the Sacramento-Arden-Arcade-Roseville and Stockton MSA AAs.

Table CA-13 – Small Business Loan Low-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
San Jose-San Francisco-Oakland CSA	7.6	5.8	6.8	8.8
Los Angeles-Long Beach-Riverside CSA	5.4	4.3	5.3	6.3
Sacramento-Arden-Arcade-Roseville MSA	12.1	4.6	12.2	7.4
Stockton MSA	12.3	5.2	12.7	9.1
Modesto MSA	10.0	4.7	3.5	8.4
Salinas MSA	0.0	0.0	0.0	0.0
Chico MSA	0.0	0.4	0.0	0.5
Fresno MSA	6.8	3.9	6.4	6.5
Hanford-Corcoran MSA	0.0	0.0	0.0	0.0
Visalia-Porterville MSA	0.0	0.0	0.0	0.0
Bakersfield MSA	1.6	1.9	0.0	2.9
San Diego MSA	5.5	3.6	8.1	5.0
Santa Barbara MSA	0.0	1.6	0.0	2.8
California Non-MSA	0.0	0.0	0.0	0.0

Source: CRA data collection (2007-2008), and 2007 CRA aggregate data

Table CA-14 shows the geographic distribution of small business loans in moderate-income CTs within each AA. As shown, penetration of small business loans in moderate-income CTs is also generally consistently with the CAA and statewide performance, although performance trended up in most AAs. In 2007, the performance in the Salinas, Chico, Visalia-Porterville, and Bakersfield MSA AAs are below aggregate. In 2008, the performance in the Los Angeles-Long Beach-Riverside CSA and three other AAs trended down, which is consistent with the CAA and statewide performance.

Table CA-14 – Small Business Loan Moderate-Income CT Penetration Rates				
AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B
San Jose-San Francisco-Oakland CSA	21.6	16.2	22.1	19.3
Los Angeles-Long Beach-Riverside CSA	27.4	19.4	24.2	23.4
Sacramento-Arden-Arcade-Roseville MSA	22.5	16.8	27.0	22.5
Stockton MSA	17.5	16.3	24.9	22.0
Modesto MSA	14.7	12.6	15.1	15.8
Salinas MSA	7.14	15.0	30.0	9.7
Chico MSA	10.9	17.2	25.5	27.5
Fresno MSA	26.3	20.9	24.8	27.1
Hanford-Corcoran MSA	31.3	28.2	21.1	38.2
Visalia-Porterville MSA	15.1	22.8	31.8	30.5
Bakersfield MSA	19.8	21.9	16.5	29.1
San Diego MSA	26.1	16.7	30.5	21.5
Santa Barbara MSA	40.0	27.0	40.0	36.8
California Non-MSA	13.9	11.0	12.2	15.6

Source: CRA data collection (2007-2008), and 2007 CRA aggregate data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the California AAs combined. In 2007, Table CA-15 shows that BOW is below aggregate in both LMI CTs. This performance is slightly weaker than the CAA performance. In 2008, the low-income CT penetration trended up while moderate-income CTs penetration trended down.

Table CA-15 – Statewide HMDA Loan Geographic Distribution						
CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	1.8	44	1.4	3.1	47	1.6
Moderate	16.4	511	16.5	18.2	437	14.8
Middle	40.0	1,448	46.6	39.5	1,304	44.2
Upper	41.8	1,104	35.5	39.2	1,159	39.4
NA	0.0	0	0.0	0.0	1	0.0
Total	100.0	3,107	100.0	100.0	2,948	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, 2000 U.S. Census data

Table CA-16 shows the geographic distribution of HMDA loans in low-income CTs within each AA. The 2007 penetration of HMDA loans in low-income CTs is generally consistent with the statewide performance, with the exception of the Stockton and San Diego MSA AA where the bank exceeds aggregate performance. In 2008, the performance remains unchanged in two AAs and improved in four AAs. The 2008 trends are generally consistent with the CAA and statewide performance. There are no low-income CTs in the Salinas MSA, Handord-Corcoran MSA, Wisalia-Porterville MSA, and California Non-MSA AAs.

Table CA-16 – HMDA Loan Low-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
San Jose-San Francisco-Oakland CSA	1.9	1.8	3.4	1.8
Los Angeles-Long Beach-Riverside CSA	1.7	1.2	2.9	1.2
Sacramento-Arden-Arcade-Roseville MSA	3.3	1.1	3.5	1.9
Stockton MSA	1.8	2.6	1.9	3.3
Modesto MSA	1.1	0.0	1.4	1.4
Salinas MSA*				
Chico MSA	0.4	0.0	0.6	0.0
Fresno MSA	1.6	0.8	2.2	4.8
Hanford-Corcoran MSA*				
Visalia-Porterville MSA*				
Bakersfield MSA	2.1	2..0	2.1	0.0
San Diego MSA	2.3	7.3	4.5	2.0
Santa Barbara MSA*	1.0	0.0	1.8	0.0
California Non-MSA*				

* No low-income CTs; Source: HMDA data (2007-2008), 2007 HMDA aggregate data, 2000 U.S. Census data

Table CA-17 shows the geographic distribution of HMDA loans in moderate-income CTs within each AA. The 2007 penetration of HMDA loans in moderate-income CTs is comparable to aggregate in the San Jose-San Francisco-Oakland CSA and three other AAs. BOW's 2007 performance in the Sacramento-Arden-Arcade-Roseville MSA, Chico MSA, and California Non-MSA AA significantly exceeds aggregate. The 2008 trend is consistent with the CAA and statewide performance, with the exception of the Salinas MSA AA, which reflected a significant increase.

Table CA-17 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
San Jose-San Francisco-Oakland CSA	13.5	16.5	16.6	12.9
Los Angeles-Long Beach-Riverside CSA	17.3	15.6	20.3	15.9
Sacramento-Arden-Arcade-Roseville MSA	18.3	23.1	15.3	19.3
Stockton MSA	19.5	15.3	15.4	15.9
Modesto MSA	14.6	10.6	13.6	13.5
Salinas MSA	4.0	4.8	4.7	16.7
Chico MSA	14.9	26.8	17.8	17.5
Fresno MSA	21.7	20.0	22.4	18.3
Hanford-Corcoran MSA	22.4	8.3	19.6	10.2
Visalia-Porterville MSA	22.0	18.2	19.9	7.8
Bakersfield MSA	23.1	10.2	20.6	3.9
San Diego MSA	14.0	14.6	14.2	19.6
Santa Barbara MSA	17.4	15.0	20.4	12.5
California Non-MSA	17.4	29.2	14.7	24.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, 2000 U.S. Census data

Record of Serving the Credit Needs of Highly Economically Disadvantaged

BOW exhibits an excellent record of serving the credit needs of the most economically disadvantaged areas of its AAs, low-income individuals, and very small businesses, consistent with safe and sound banking practices.

CD Lending

BOW is a leader in making CD loans in California. The bank originated 353 CD loans totaling $1.5 billion in California over the review period. This represents 75.2 percent of the total dollar volume of the bank's CD lending that were originated within all AAs over the review period. This excellent level of CD lending illustrates BOW's strong leadership and commitment to meeting the CD needs of California. Table CA-18 provides the number and dollar volume of CD loans originated in California by AA and CD purpose.

Table CA-18 – California CD Loans

AA	CDL Totals		LMI Housing	LMI Services	Economic Development	LMI Tract Revitalization
	#	$ (000s)	$ (000s)	$ (000s)	$ (000s)	$ (000s)
San Jose-San Francisco-Oakland CSA	121	521,609	237,154	92,221	71,690	120,544
Los Angeles-Long Beach-Riverside CSA	151	632,389	158,813	98,488	99,876	275,212
Sacramento-Arden-Arcade-Roseville MSA	38	205,862	57,834	26,200	14,040	107,788
Stockton MSA	3	3,120	1,995	-	1,125	-
Modesto MSA	0	0	-	-	-	-
Salinas MSA	0	0	-	-	-	-
Chico MSA	4	35,277	0	0	1,577	33,700
Fresno MSA	9	22,016	12,462	5,540	1,068	2,946
Hanford-Corcoran MSA	0	0	-	-	-	-
Visalia-Porterville MSA	0	0	-	-	-	-
Bakersfield MSA	1	2,220	-	-	2,220	-
San Diego MSA	21	51,318	23,784	3,000	13,584	10,950
Santa Barbara MSA	5	61,367	-	30,000	1,367	30,000
California Non-MSA	0	0	-	-	-	-
Total	**353**	**1,535,178**	**492,042**	**255,449**	**206,547**	**581,140**

Source: Bank Records

Based upon the distribution of the bank's branches and deposits among each of the California AAs, the level of CD lending is strongest in the San Jose-San Francisco-Oakland CSA, Los Angeles-Long Beach-Riverside CSA, Sacramento-Arden-Arcade-Roseville MSA, San Diego MSA, and Fresno MSA AAs. While there is a lack of activity in the Modesto MSA, Salinas MSA, Hanford-Corcoran MSA, Visalia-Porterville MSA, and California Non-MSA AAs, this fact is not a concern given BOW's limited presence in those areas. Most of the weight is given to the bank's performance in the San Jose-San Francisco-Oakland CSA, Los Angeles-Long Beach-Riverside CSA AAs, which accounts for the vast majority of the bank's deposit and lending activity.

While a majority of the bank's CD loan activities addresses needs for revitalization of LMI areas, a significant portion of the activity in California supports the state's particularly strong need for affordable housing for LMI residents. CD loan activity also supported economic development

and services to LMI individuals. Nearly all of BOW's CD loans that support economic development are SBA 504 loans that support economic development by financing business expansion and job creation throughout the bank's AAs. The following are examples of significant CD activities that support affordable housing and services for LMI individuals, and the revitalization of LMI areas.

Affordable Housing for LMI Individuals

BOW originated numerous direct construction loans that support the development of affordable housing in California. In addition, the bank originated loans and lines of credit to non-profits that support LMI housing needs. The following are some examples:

- A $34.2 million construction loan for a 99 unit condominium project located in South San Francisco, 19 of which must be sold as below market rate housing.
- A $27.5 million construction loan for the development of 21 single family units of which four (19 percent) will be sold at below market rate in Livermore.
- A $17.8 million line of credit to a statewide non-profit multi-bank lending consortium, which is responding to California's statewide affordable housing shortage. The proceeds are used to acquire and rehabilitate multi-family housing projects that are targeted to LMI families. The line is renewed annually.
- A $10.2 million construction loan to finance a 47-unit apartment project located in the Reseda/Canoga Park Redevelopment Project Area of Los Angeles. The project was adopted to provide for and facilitate the repair, restoration, demolition, and replacement of earthquake damaged properties. The project is designed to help the economic recovery of communities impacted by this disaster.
- A $4.0 million line of credit to a California non-profit public benefit corporation based in Oakland. This entity was formed to provide corporate equity capital to housing developments built by non-profit corporations to serve the housing needs of the LMI families.
- A $4.0 million revolving line of credit to a quasi government agency serving Fresno. The funds are used for short-term fixed asset acquisition and other expenses associated with developing low-income housing.
- A $1.3 million participation in a construction loan to a Sacramento based non-profit public benefit corporation to finance the construction of 35 affordable detached single family residences. The project is designed to allow low-income residents the opportunity to purchase a home, while providing for a portion of the labor costs via "sweat equity." Each family commits a minimum of 35 hours of labor each week.

Services to LMI Individuals

The bank's loans and lines of credit supports services targeted to LMI individuals. The following are some notable examples:

- A $45.0 million secured bridge loan to refinance existing auction rate securities debts for a non-profit organization headquartered in San Francisco, and within the Mission Bay Redevelopment Area. The non-profit operates a system of 41 hospitals and medical centers that provides free community health services such as primary care, orthopedics, optometry,

and childhood immunizations to LMI individuals. Medicare and Medicaid payment represent over 50 percent of the organization's income.

- A $20.0 million construction loan to finance an educational building and other infrastructure for a Berkeley based church that serves LMI families. Services provided include, but are not limited to, providing food baskets to low-income school children, serving lunch to homeless youth, volunteer work at a homeless shelter, serving street meals, providing hot meals to the pensioned, unemployed, and underemployed people of Berkeley and, in general, serving the disenfranchised.
- A $10.0 million credit facility to a Los Angeles CDFI and minority owned bank. Their mission is to offer affordable financial services to support economic development in urban low-income communities throughout the nation. The entity was awarded the Bank Enterprise Award by the U.S. Department of Treasury for its CD lending.
- A $9.3 million working capital line of credit to support a temporary employment agency serving the greater Los Angeles area. The entity provides job opportunities to approximately 4,000 temporary employees, many of whom are LMI.
- A $1.5 million working capital line of credit to a San Francisco based 501c(3) non-profit organization that provides child and family services to low-income families throughout San Francisco.
- A $250,000 loan to a non-profit organization that serves several LMI areas in the Los Angeles. The entity provides mental health care to the mentally ill, indigent, and homeless of south central Los Angeles. Services provided assist the homeless and mentally ill with housing (including shelters, transitional housing, and permanent housing), and other support services.

Revitalization of LMI Areas

BOW participated and originated numerous construction loans to support revitalization of LMI and designated redevelopment areas in California. The following are some examples:

- A $22.0 million participation in a construction loan to build a comprehensive integrated retail, entertainment, and residential town center located in Glendale. The project will redevelop 15 acres of formerly underutilized and blighted property. The project is located in a moderate-income area and was developed in conjunction with the Glendale Redevelopment Agency. A portion of the project area also falls within a SBA HUB Zone.
- A $14.0 million construction loan to finance a 30 unit condominium project located in the Wilshire Center/Koreatown Recovery Redevelopment Project Area in Los Angeles.
- A $18.0 million construction loan for a 244 unit apartment building located in a moderate-income area in Sacramento. This loan helps to revitalize and stabilize the moderate-income area by providing entry-level housing units. All 244 units are affordable to moderate-income individuals.
- A $15.0 million participation in a loan to fund the expansion of a company located in the HUD designated Santa Ana Empowerment Zone and a state designated city of Santa Ana Enterprise Zone.

Letter of Credit Examples

The following are examples of letters of credits that benefited California:

- A $35.0 million letter of credit that provides financial support to a non-profit 501(c)(3) hospital's long-term bond issuances. The non-profit operates a hospital and 15 related clinics the San Diego area. Medicare and Medicaid payments represent over 51 percent of the payer mix.
- A $17.2 million renewal of an irrevocable direct pay letter of credit to support the issuance of multi-family housing revenue bonds to finance a 76 unit (20 percent are targeted to LMI families and individuals) senior housing community in Stockton.
- A $13.0 million participation in a letter of credit facility to provide construction and lease-up credit enhancement for revenue bonds issued by California Statewide Communities Development Authority. The proceeds will be used to construct a 322 unit (161 units will be targeted to the LMI) senior housing project in Dublin.

- A $10.8 million irrevocable direct pay letter of credit to a non-profit 501(c)(3) public benefit corporation that facilitates the issuance of tax-exempt bonds to fund the development of a 181 unit student apartment complex in a low-income area in Davis.

Other Loan Data Supporting CD Initiatives

The bank approved 20 letters of credits that benefited AAs within California.

Table CA-19 – Letter of Credits

AA	CDL Totals		LMI Housing $ (000s)	LMI Services $ (000s)	Economic Development $ (000s)	LMI Tract Revitalization $ (000s)
	#	$ (000s)				
San Jose-San Francisco-Oakland CSA	6	60,593	59,293	0	0	1,300
Los Angeles-Long Beach-Riverside CSA	10	23,855	6,709	9,146	0	8,000
Sacramento-Arden-Arcade-Roseville MSA	1	10,787	10,787	0	0	0
Stockton MSA	1	5,000	5,000	0	0	0
San Diego MSA	2	55,000	0	55,000	0	0
Total	**20**	**155,235**	**81,789**	**64,146**	**0**	**9,300**

Source: Bank Records

INVESTMENT TEST

BOW's California Investment Test rating is Outstanding. The bank has an excellent level of qualified CD investments in relation to the distribution of branches and deposits. This reflects excellent responsiveness to the credit and community economic development needs statewide. The bank makes extensive use of innovative or complex investments to support CD initiatives. In addition, many of the bank's investments result in additional funds from other parties involved in the CD projects. Total qualified investments are $105.3 million, which represents 51.9 percent of the bank's total investments by dollar volume. Tables CA-20 and CA-21 depict the bank's California investments by CRA qualifying criterion and location.

Table CA-20 –California CD Investments					
Investment Type	**Total $ (000s)**	**LMI Housing $ (000s)**	**LMI Tract Revitalization $ (000s)**	**Economic Development $ (000s)**	**LMI Services $ (000s)**
Statewide Investments	10,256	9,434	161	550	111
Direct Investments	24,012	13,812	8,000	485	1,715
Multiple AAs	63,930	62,643	624	663	--
Grants & Donations	7,076	455	75	461	6,085
Total	**105,274**	**86,344**	**8,860**	**2,159**	**7,911**

Source: Bank Records

Table CA-21 – Direct and Multiple AAs CD Investments						
AA	**$ Investments**		**LMI Housing $ (000s)**	**LMI Tract Revitalization $ (000s)**	**Economic Development $ (000s)**	**LMI Services $ (000s)**
	#	**$ (000s)**				
San Francisco - CSA	6	5,115	1,700	2,000	--	1,415
Los Angeles - CSA	13	9,440	8,659	--	481	300
Sacramento-Arden - MSA	4	1,648	1,648	--	--	--
Stockton MSA	3	6,459	459	6,000	--	--
Modesto MSA	1	846	846	--	--	--
Salinas MSA	--	--	--	--	--	--
Chico MSA	--	--	--	--	--	--
Fresno MSA	--	--	--	--	--	--
Hanford-Corcoran MSA	--	--	--	--	--	--
Visalia-Porterville MSA	--	--	--	--	--	--
Bakersfield MSA	--	--	--	--	--	--
San Diego MSA	2	504	500	--	4	--
Santa Barbara MSA	--	--	--	--	--	--
California Non-MSA	--	--	--	--	--	--
Multiple AAs	48	63,930	62,643	624	663	--
Total	**77**	**87,942**	**76,455**	**8,624**	**1,148**	**1,715**

Source: Bank Records

Although several of the AAs in the above table show no activity, they are part of the multiple AAs with $63.9 million in investments. All of the AAs in the above table have appropriate shares of the $63.9 million invested in multiple AAs. Several CRA qualified investments are highlighted below.

Mortgage-Backed Securities Targeted to LMI Individuals

BOW has invested in 9 federal or private sponsored mortgage-backed securities for a total of $1.1 million. The underwriting requirement for all of the securities mandates that the principal amount of the securities be backed by loans originated to LMI borrowers. The loans are secured by properties located in the state.

LIHTC

BOW participated in 25 new LIHTC offerings in California through direct investments and syndications during the review period. These investments total $53.7 million, or 56.5 percent of

BOW's LIHTC offerings. These investments were sponsored by federal, state, and local housing for profit and non-profit agencies and groups. Additionally, BOW is still participating in 25 prior period LIHTC offerings in California totaling $19.3 million. The tax credits assisted in the construction or rehabilitation of affordable housing units located in LMI geographies of California. Refer to the LIHTC section of the CAA for a description of the larger and complex investments targeted to California.

Equity & Equity Equivalent Investments

During the evaluation period, BOW participated in equity and equity equivalent investments benefiting California totaling $3.1 million. In addition, BOW participates in $0.7 million in equity investments from prior periods. Several of these investments are innovative and provide for CD in areas where private investor funds are not available. Additionally, BOW funds have facilitated additional CD investments from other parties on several investments. Refer to the Equity & Equity Equivalent Investments section of the CAA for examples of investments benefiting California.

Qualified Grants and Donations

BOW made 1,786 qualifying contributions in the amount of $7.1 million in California during the review period. Table CA-22 below depicts the bank's charitable donations by AA in the state.

Table CA-22 – CD Donations

AA	Donation $ (000s)	LMI Housing $ (000s)	LMI Tract Revitalization $ (000s)	Economic Development $ (000s)	LMI Services $ (000s)
San Francisco-Oakland CSA	4,072	215	51	216	3,590
Los Angeles-Long Beach CSA	1,708	100	23	131	1,454
Sacramento-Arden-Arcade MSA	417	22		51	344
Stockton MSA	141	2	1	29	109
Modesto MSA	169	10			159
Salinas MSA	3	--	0		3
Chico MSA	32	--			32
Fresno MSA	226	76		18	132
Hanford-Corcoran MSA	15	--		3	12
Visalia-Porterville MSA	18	--			18
Bakersfield MSA	11	--			11
San Diego MSA	206	3		11	192
Santa Barbara MSA	27	15			12
California Non-MSA	31	12		2	17
Total	7,076	455	75	461	6,085

Source: Bank Records

The bank's contributions support LMI areas and individuals in California. The following are some notable examples:

- A $320,000 contribution to support an Oakland area non-profit organization. The organization provides innovative empowerment services that consist of adult financial literacy workshops, money management, budgeting and credit counseling, mortgage and

business lending counseling, investment and retirement planning, small business technical assistance, home buyer down payment assistance matching grants, and post fund counseling. The non-profit provides these services in a one stop model location and improves the economic qualify of life for individuals and families in emerging markets.

- Multi-year final payment of a 5 year $500,000 commitment. The grant supports an organization's campaign to retire the debt on one of its facilities. The organization is a multi-ethnic research, leadership development, and public policy organization whose ultimate goal is to increase low-income and minority participation in civic activities and policy-making that result in equitable policies that improve the quality of life for all communities.
- Multi-year first payment of a 5 year $250,000 commitment. The contribution established a specific endowment fund to support a camp where low-income children from the Santa Clara Valley, particularly East San Jose, Evergreen, and Milpitas enjoy a week in the Santa Cruz Mountains participating in a variety of outdoor and educational activities.
- Multi-year third payment of a 4 year $25,000 commitment. The grant supports a health center to help build a clinic. The clinic is expected to handle 18,000 patient visits per year, including many uninsured and underinsured farm workers. Patients will be charged according to their ability to pay. The health center provides comprehensive primary medical and dental care to an ethnically diverse population, including migrant and season farm workers, Southeast Asian refugees, and the homeless population of Modesto. The Center has developed a system of 18 clinical sites and 6 dental sites including 2 free-standing women's health centers, 3 school-based centers, and a homeless health care program.
- A $25,000 grant to support an organization which support young adults in Southern California. Funding will help this organization provide financial literacy to approximately 1,000 students in the greater Los Angeles area. Its high quality financial education and entrepreneurship curriculum targets students from LMI households, and equips them with the tools to take control of their financial destiny. Additionally, BOW made 4 donations totaling $8,400 supporting this organization in the counties of Butte, Contra Costa, Orange, and Santa Clara. These contributions support in-school and after-school financial literacy, entrepreneurship, and workforce readiness programs targeting at-risk, socio-economically disadvantaged youth in underprivileged communities.
- A $25,000 contribution provided a Low-Income Housing Fund (LIHF) in the San Jose-San Francisco-Oakland CSA with general, unrestricted operating support. The LIHF works to alleviate poverty by providing capital for affordable housing, child care, education and other vital community revitalization efforts including workforce development. LIHF's capital has built bridges out of poverty by helping to fuel affordable housing for the working poor, special needs housing and services for the homeless, housing for victims of domestic violence and people with disabilities, unique homeownership developments, and community facilities such as child care centers and schools. This is the final installment of a 3-year $75,000 request.

SERVICE TEST

BOW's California Service Test rating is High Satisfactory. The strongest component is CD services where BOW demonstrated leadership. Additionally, BOW's delivery systems are readily accessible to most portions of California's AAs. To the extent changes have been made, the bank's opening and closing of branches has not adversely affected the accessibility of its

delivery systems. The range of services and alternative delivery systems offered by the bank are tailored to meet the needs of the community.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences certain portions of California's AAs, particularly LMI geographies or individuals. Table CA-23 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined, to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table CA-23 – Branch Structure as of 12/31/2008						
Branch & Drive Up Facility Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches	15	58	106	62	0	241
% of Branches	6.2	24.1	44.0	25.7	0.0	100.0
Comparisons						
% of Branches - All Institutions	7.2	21.6	36.8	33.9	0.5	100.0
% of Households	5.4	23.9	38.4	32.3	0.0	100.0
% of Businesses	6.7	22.4	35.2	35.3	0.4	100.0

Source: Bank Records and FFIEC Website

In California, BOW's branch distribution among low-income CTs is slightly lower and in the moderate-income CTs is slightly higher than the competition, at 6.2 and 24.1 percent, respectively, compared to 7.2 and 21.6 percent for all institutions.

Table CA-24 Branches in LMI CTs				
AA	**Low-Income**		**Moderate-Income**	
	BOW	**Aggregate**	**BOW**	**Aggregate**
San Jose-San Francisco-Oakland CSA	7.1	11.9	23.5	18.7
Los Angeles-Long Beach-Riverside CSA	5.7	5.8	25.7	21.7
Sacramento-Arden-Arcade-Roseville MSA	6.7	4.4	20.0	19.6
Stockton MSA	7.1	10.5	14.3	15.8
Modesto MSA	8.3	10.0	0.0	11.1
Salinas MSA			0.0	27.8
Chico MSA	0.0	0.0	33.3	30.6
Fresno MSA	12.5	6.4	12.5	19.9
Hanford-Corcoran MSA			50.0	73.7
Visalia-Porterville MSA			50.0	50.0
Bakersfield MSA	0.0	1.0	0.0	31.1
San Diego MSA	0.0	5.9	66.7	25.7
Santa Barbara MSA	0.0	3.8	50.0	33.3
California Non-MSA			50.0	22.0

Source: Bank Records and FFIEC Website

Table CA-24 details the bank's branch penetration of LMI tracts compared to the aggregate lenders by CSA, MSA, and Non-MSA. BOW's branch penetration in low-income CTs was stronger than competitors only in the Fresno and Sacramento MSAs. In moderate-income areas, BOW's penetration rate exceeds competitors in the San Jose-San Francisco-Oakland CSA, Sacramento-Arden-Arcade-Roseville MSA, Los Angeles-Long Beach-Riverside CSA, Chico MSA, San Diego MSA, Santa Barbara MSA, and California Non-MSA AAs.

BOW's particularly strong branch penetration rate in the moderate-income CTs in the San Diego MSA more than compensates for the lack of branches in this AA's low-income CTs. Table CA-24 shows that comparatively lower branch penetration rates in low-income CTs are often off-set by comparatively higher penetration rates in moderate-income CTs.

Except for the Salinas MSA, at least one or two of the branches in middle- and upper-income CTs are in close proximity to moderate-income CTs. In the California Non-MSA, two branches in middle-income CTs are very close to the boundaries of the single moderate-income CT in that particular non-MSA county. In the Hanford-Corcoran MSA the branch located in a middle-income CT is next to a larger moderate-income CT.

The Salinas MSA branch distribution has not changed since the previous PE and still appears unreasonable. Both branches are located in upper-income CTs in areas that are not convenient for the LMI tracts located in the AA.

Accessibility of Delivery Systems

Overall, given the branch distribution and the availability of the bank's ATMs and alternative delivery systems, such as telephone and Internet banking, delivery systems are accessible to essentially all portions of the California AAs. BOW operates 241 branches in California and accessibility differs by AA. BOW's branch structure is the most comprehensive in the San Francisco CSA. The bank holds a 5.7 percent branch share in this CSA. Only four large national banks operate more comprehensive branch structures in the San Francisco Bay and North Central AAs. Branches in this CSA are readily accessible to all areas.

Branches in the Los Angeles-Long Beach-Riverside CSA, Sacramento-Arden-Arcade-Roseville MSA, Chico MSA, Hanford-Corcoran MSA, and the California Non-MSA AAs cover all major population areas; however, certain less populated areas do not enjoy readily accessible branches. In the San Diego and Santa Barbara MSA, branches are centrally located in larger cities, representing reasonable accessibility given the availability of alternative delivery systems. BOW's branch structure in the Salinas MSA is inaccessible to significant portions of the AA, particularly LMI areas. The two branches are located in Carmel and Pebble Beach (inside Seventeen Mile Drive). These branches are tucked into one corner of the AA and both are in upper-income CTs. The Pebble Beach branch is not accessible to residents and businesses outside of the Seventeen Mile Drive area, as motorists must pay $8.75 to enter Seventeen Mile Drive. Only residents of Pebble Beach and their guests enter for free with a car.

Changes in Branch Locations

BOW's record of opening and closing branches in California has generally not adversely affected the accessibility of its delivery systems, particularly in LMI geographies. Over the review period, BOW opened five branches and closed five branches. Therefore, the accessibility of delivery systems was not negatively impacted. However, three of five closings were located in LMI geographies, while none of the branch openings were in LMI geographies. The net result is LMI geographies lost three branches over the review period. Tables CA-25, 26, and 27 detail the California branch closings, openings, and relocations by AA and CT income level.

Table CA-25– Branch Closings			
Branch Name	**City**	**AA**	**CT Income Level**
La Jolla	San Diego	San Diego MSA	Middle
Manteca	Manteca	Stockton MSA	Moderate
Carmel	Carmel	San Francisco CSA	Upper
Stockton Main	Stockton	Stockton MSA	Low
Richmond/Civic Center	Richmond	San Francisco CSA	Moderate

Source: Bank Records and FFIEC Website

Table CA-26 – Branch Openings			
Branch Name	**City**	**AA**	**CT Income Level**
Manteca	Manteca	Stockton MSA	Middle
El Dorado Hills	El Dorado Hills	Sacramento MSA	Upper
Lone Tree Landing	Antioch	San Francisco CSA	Middle
Sheldon Road	El Grove	Sacramento MSA	Middle
Carmichael	Carmichael	Sacramento MSA	Middle

Source: Bank Records and FFIEC Website

Table CA-27 – Branch Relocations			
Branch Name	**City**	**AA**	**CT Income Level**
LA Main	Los Angeles	Los Angeles CSA	Low
Capitola	Capitola	San Francisco CSA	Middle
Little Tokyo	Los Angeles	Los Angeles CSA	Low
Santa Ana	Santa Ana	Los Angeles CSA	From Low to Middle
Chinatown	San Francisco	San Francisco CSA	From Low to Moderate
Truckee Downtown	Truckee	California Non-MSA	Upper

Source: Bank Records and FFIEC Website

BOW also relocated six branches in California. Five of the six relocations were either in the same CTs or remained in LMI CTs. The remaining relocation went to a higher level income tract. However, the branches were in close proximity and the lease expired on the old location.

In addition to the opening of five full service branches over the evaluation period, BOW also opened six limited service branches in California as shown in Table CA-28. However, lesser consideration is given to these branches since they are not full service branches and only one was in a LMI area.

Table CA-28 – Limited Service Branch Openings			
Branch Name	**City**	**AA**	**CT Income Level**
Walnut Creek	Walnut Creek	San Francisco CSA	Middle
CSU East Bay	Hayward	San Francisco CSA	Upper
Monterey Park	Monterey Park	Los Angeles CSA	Upper
Fresno	Fresno	Fresno MSA	Upper
Visalia	Visalia	Visalia-Porterville MSA	Upper
Chino	Chino	Los Angeles CSA	Middle
Oak Road	Walnut Creek	San Francisco CSA	Middle
Pasadena	Pasadena	Los Angeles CSA	Moderate

Source: Bank Records and FFIEC Website

CD Services

BOW is a leader in providing CD services in California. For the PE period, 104 BOW employees completed CD services with 89 different groups for a total of 2,936 hours. Most of the hours worked involved providing CD services to LMI individuals or groups. BOW's participation with the Federal Home Loan Bank (FHLB) Affordable Housing Program (AHP) is particularly noteworthy. The following are some of the more significant qualified CD services in California:

- BOW has taken a leadership role in its participation in low-income housing programs and economic development services through its affiliation with the FHLB of San Francisco, which administers the AHP. The AHP awards grant funds to developers for the development or rehabilitation of very low- and low-income multi-family and single family residential housing units. Funds are awarded twice annually through a competitive application process that requires developers to submit applications through a sponsoring member bank. During the review period, BOW sponsored 67 applications totaling $26.1 million in grant requests. Through this program, BOW has directly helped attract endowments for 30 projects totaling $11 million. The bank in conjunction with the FHLB, is responsible for the disbursal of funds, as well as monitoring the use of the funds to ensure that targeted income levels, community service commitments, and habitability standards continue to be met. In support of the application process, three BOW employees expended 402 hours in affordable housing community activities.

  After AHP funds are granted, BOW's service commitment continues throughout the life of the project. The bank is currently responsible for the long-term monitoring of 139 projects totaling $44.2 million that created approximately 6,000 affordable housing units. The same three employees reported 931 hours in affordable housing community activity for the monitoring phase.

  Adding a level of complexity to its involvement in the AHP program is the bank's involvement as the construction lender for certain AHP projects. The bank also indirectly provides permanent financing for other AHP projects through the consortia loan relationship with the California Community Reinvestment Corporation (CCRC).
- Operation Hope – Banking on our Future (BOOF) partnership was established in 2000 and has grown significantly over time. After receiving training in the BOOF financial education curriculum, BOW volunteers turn their knowledge of banking into easy to understand terms that youth can apply. A tested standards-based curriculum of financial basics is used including needs vs. wants, earning vs. receiving, banking, checking, savings budgeting, credit, and investment which are presented in four one-hour sessions.
- "Be Aware, Protect Your Assets" is a consumer awareness program on elder abuse prevention created and developed by BOW. The bank worked with the San Francisco Bay area non-profit organization Elder Financial Protection Network to develop the program's content. BOW coordinates panels of experts, underwrites the cost and actively participates in fraud prevention educational events for elderly customers, their family members, caregivers and the community throughout their AAs.
- Speaker's Forum at *Thomas Jefferson High School* in South LA. This program developed by a BOW employee, brings leaders in various industries to come speak to the classes. The idea

is not so much to conduct simply a career day as it is to create a vision-inspiring day. Thomas Jefferson High School is located in a moderate-income area and is surrounded by LMI areas with 84 percent of the students participating in the free or reduced price lunch program.

- Operation Hope Financial Fair was a partnership between BOW and Operation Hope to present a Financial Freedom Fair in 2008. First-Time Home Buyer Workshops were presented. Youth from the Oral Lee Brown Foundation were taught the Banking on Our Future.com curriculum in the Cyber Café. The Bank manned a booth to provide financial education tips, resources and homeownership product information, as well as materials about the President's Council on Financial Literacy and the National Financial Literacy Challenge. Target areas were Fruitvale and Oakland.
- In response to the expressed need of the City of Los Angeles' Workforce Development Division, a BOW senior vice president acted as a review panelist for the Solicitation for Proposals for the Financial Services Sector Initiative. The purpose of the initiative was to connect low-income unemployed or underemployed residents to careers in the financial service sector in order to obtain jobs or better jobs by removing barriers to employment. One employee spent 15 hours in 2008.
- In response to the expressed need of the CCRC, BOW's performed the periodic credit examination of the company books during October 2006. The purpose of the examination was to test the credit quality, accuracy of risk rating, thoroughness of account management, adequacy of the loan loss reserve, and file maintenance. CCRC is California's premier multi-family affordable housing lender, responding to California's statewide affordable housing crisis, specializing in programs for families and seniors, citizens with special needs, and mixed-use developments. Backed by most of the major retail banks operating in California, they deliver the products, services, and technical assistance that have made them the lender of choice of California's affordable housing development community. Five employees spent 248 hours conducting the examination and preparing the report.

SAN JOSE-SAN FRANCISCO-OAKLAND CSA FULL-SCOPE EVALUATION

SCOPE OF EXAMINATION

Examiners conducted a full-scope, on-site evaluation of BOW's performance in The San Jose-San Francisco-Oakland CSA AA.

DESCRIPTION OF OPERATIONS

The BOW San Jose-San Francisco-Oakland CSA AA accounts for the following:

- Approximately 14.9 percent of the institution's branch network
- Approximately 12.0 percent of the total CTs within the combined AA
- Approximately 19.3 percent by number and 17.8 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 8.7 percent by number and 16.2 percent by dollar volume of total HMDA loans originated in the state for 2008

- Approximately 1.7 percent by number and 2.0 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 20.6 percent by number and 25.6 percent by dollar volume of total CD loans originated
- Approximately 41.9 percent by dollar volume of total qualified investments made
- Approximately 5.1 percent by number of total CD service hours conducted

DESCRIPTION OF THE SAN JOSE-SAN FRANCISCO-OAKLAND CSA AA

The San Jose-San Francisco-Oakland CSA AA is composed of the San Francisco-Oakland-Fremont MSA #41860, Napa MSA #34900, Santa Cruz-Watsonville MSA #42100, Santa Rosa-Petaluma MSA #42220, Vallejo-Fairfield MSA #46700, and part of the San Jose-Sunnyvale-Santa Clara MSA #41940 (Santa Clara County only, San Benito County excluded). The counties that comprise this AA are detailed in the statewide description. Table CA-29 reflects the demographics of this AA.

Table CA-29 - Demographic Information for the San Jose-San Francisco-Oakland CSA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	1,457	6.6	21.5	43.5	28.1	0.3
Population by Geography	7,039,362	5.7	21.3	45.5	27.4	0.1
Owner-Occupied Housing by Geography	1,478,689	1.9	13.5	47.7	36.9	0.0
Business by Geography	629,432	8.8	19.3	41.5	30.3	0.1
Farms by Geography	10,957	3.6	17.0	48.5	30.9	0.0
Family Distribution by Income Level	1,667,398	20.5	17.8	21.4	40.3	0.0
Distribution of LMI Families throughout AA Geographies	638,527	9.5	29.4	45.2	15.9	0.0
MFI		71,808	Median Housing Value			376,356
HUD Adjusted MFI for 2008		89,554	Unemployment Rate 2007			4.6%
Households Below Poverty Level		8%	2008			5.9%
			March 2009			10.2%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census, US Bureau Labor of Statistics, and 2008 HUD updated MFI

Economic Information

According to Moody's Economy.com, the San Francisco-Oakland-Fremont MSA economy is in a recession, pushed by the weakening financial and travel industries. The unemployment rate is approaching the U.S. figure but has been increasing at a slower rate than California. The housing market has experienced falling prices and increasing sales; however, credit quality continues to trend down in first quarter 2009. The housing downturn began in third quarter 2007, later than most other U.S. metro areas. Since then, the price of single family homes has fallen by more than 30 percent, nearly twice the U.S. rate, but below the figure for California. Housing affordability has been restored to a level not seen in almost a decade, sparkling a doubling of house sales in the past year.

The Napa MSA economy is contracting at a faster pace than the rest of California and the nation. Napa economy's cornerstone wine industry has held up much better than most other consumer dependent industries during the recession. The area's housing correction has burdened the economy for the past two years, but is expected to turn around before the rest of the state. Napa's housing prices have dropped at a slower pace than the rest of the state recently. Increasing housing affordability and accelerating population growth is expected to jump start demand.

The Santa Cruz-Watsonville MSA economy is in a broad recession. The University of California is facing funding concerns which have weighted on the local campus in Santa Cruz. The area's leisure and hospitality industries have struggled. Housing prices have fallen by half since it peaking in mid-2007. Local mortgage write-offs, a proxy for foreclosures, have moderated in recent quarters.

The Santa Rosa-Petaluma MSA economy is in recession as a result of deteriorating conditions in the area's technology and tourism industries. Unemployment is above the national average. Housing prices have fallen by close to 50 percent from their 2005 peak. Foreclosure sales and a return to housing affordability have fueled a recent increase in home sales. The improvement in affordability is helping to bring previously discouraged and first-time home buyers into the market.

The Vallejo-Fairfield MSA economy is in a severe recession, with no signs of a near-term turnaround. The metro area's unemployment is more than two percentage points above the national average. The health care industry is the only major area of the economy not contracting rapidly. Falling home prices have eroded a great deal of equity that many residents had in their homes and have driven the steep increase in delinquent mortgage payments. Housing starts continue to drop, which is contributing to more layoffs in the construction industry

The San Jose-Sunnyvale-Santa Clara MSA economy is contracting under the weight of weak business investment spending, which is causing a downturn in high tech. Unemployment has doubled over the past year and more than a percentage point above the national average. The area's median family house price has fallen by nearly 40 percent since the end of 2007, and is projected to decline by another 15 percent through year end 2009. This sharp decline has restored affordability, which is at its highest in more than a decade. Mortgage delinquencies continue to rise in this metro area.

PERFORMANCE TEST CONCLUSIONS

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the San Jose-San Francisco-Oakland CSA AA is presented below. Other Lending Test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. The greatest weight was given to the bank's small business lending performance, followed by HMDA lending. The small farm lending performance was considered but is not presented due to the bank's limited lending activity. Data supporting the lending test ratings are also presented in the Statewide Performance Test Conclusions section.

Borrower Profile

BOW's overall distribution of loans reflects excellent dispersion to businesses of different revenue sizes and borrowers of different income levels. This conclusion is consistent with the overall statewide conclusions.

Small Business Loans

BOW's distribution of borrowers reflects excellent penetration among business customers of different sizes in the San Jose-San Francisco-Oakland CSA AA. BOW's 2007 penetration of lending to businesses with GARs of $1.0 million or less significantly exceeds aggregate but lags demographics (BOW at 57.1 percent compared to aggregate at 41.6 percent and D&B at 67.6 percent). In 2008, the performance trended down to 54.3 percent, which is consistent with the CAA and statewide performance.

HMDA loans

BOW's distribution of borrowers reflects excellent penetration among retail customers of different income levels in the San Jose-San Francisco-Oakland CSA AA. BOW's 2007 penetration to low-income borrowers exceeds aggregate but lags demographics (BOW at 11.4 percent compared to aggregate at 1.6 percent and demographics 20.5 percent), while its penetration to moderate-income borrowers exceed both aggregate and demographics (18.4 percent compared to aggregate at 7.5 percent and demographics at 17.8 percent). In 2008, the performance trended down, which is consistent with the CAA and statewide performance. Despite the declining trend, BOW's performance is still notable, particularly given the relatively high costs of housing within the San Francisco Bay Area and the fact that many LMI families cannot afford homeownership in this regional area.

Geographic Distribution

The geographic distribution of loans reflects good penetration throughout the San Jose-San Francisco-Oakland CSA AA.

Small Business Loans

The geographic distribution of small business loans reflects good penetration throughout the San Jose-San Francisco-Oakland CSA AA. BOW's 2007 penetration in low-income CTs (7.6 percent compared to aggregate at 5.8 percent and demographics at 8.8 percent) and moderate-income CTs (21.6 percent compared to aggregate at 16.2 percent and demographics at 19.3 percent) exceeds aggregate. In 2008, the low-income CT penetration trended down to 6.8 percent, while moderate-income CT penetration trended slightly up to 22.2 percent.

HMDA Loans

The geographic distribution of residential loans reflects good penetration throughout the San Jose-San Francisco-Oakland CSA AA. BOW's 2007 penetration in low-income CTs is below

aggregate (1.8 percent compared to aggregate at 3.4 percent and demographics at 1.9 percent), while penetration in moderate-income CTs is comparable to aggregate (16.5 percent compared to aggregate at 16.7 percent and demographics at 13.5 percent). In 2008, the low-income CT penetration is unchanged at 1.8 percent, while moderate-income CT penetration trended down to 12.9 percent in 2008.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

LOS ANGELES-LONG BEACH-RIVERSIDE CSA FULL-SCOPE EVALUATION

SCOPE OF EXAMINATION

Examiners conducted a full-scope, on-site review of the Los Angeles-Long Beach-Riverside CSA AA. This section of the evaluation represents a more in-depth borrower profile and geographic distribution review of loans originated than illustrated in the combined AA analysis.

DESCRIPTION OF OPERATIONS

The Los Angeles-Long Beach-Riverside CSA AA accounts for the following:

- Approximately 10.5 percent of the institution's branch network
- Approximately 24.9 percent of the total CTs within the combined AA
- Approximately 15.5 percent by number and 21.7 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 8.4 percent by number and 15.8 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 0.9 percent by number and 2.0 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 25.8 percent by number and 31.0 percent by dollar volume of total CD loans originated within the bank's AAs
- Approximately 44.2 percent by dollar volume of total qualified investments made
- Approximately 8.3 percent by number of total CD service hours conducted

DESCRIPTION OF THE LOS ANGELES-LONG BEACH-RIVERSIDE CSA AA

The Los Angeles-Long Beach-Riverside CSA AA includes the Los Angeles-Long Beach-Santa Ana MSA #31100, Oxnard-Thousand Oaks-Ventura MSA #37100, a part of the Riverside-San Bernardino-Ontario MSA #40140 (San Bernardino County only, Riverside County is excluded), San Diego MSA #41740, and Santa Barbara MSA #42060. The counties that comprise this AA are detailed in the statewide description. Table CA-30 reflects the demographics of this AA.

Table CA-30 - Demographic Information for the Los Angeles-Long Beach-Riverside CSA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	3,030	7.3	27.9	30.9	33.2	0.7
Population by Geography	14,828,258	6.7	29.5	33.0	30.7	0.1
Owner-Occupied Housing by Geography	2,579,274	1.7	17.3	34.6	46.4	0.0
Business by Geography	1,347,734	6.3	23.4	31.1	38.5	0.7
Farms by Geography	13,452	3.6	20.0	37.1	39.1	0.2
Family Distribution by Income Level	3,419,806	22.9	17.0	18.6	41.5	0.0
Distribution of LMI Families throughout AA Geographies	1,363,245	11.2	41.0	31.9	15.9	0.0
MFI		50,559	Median Housing Value			234,015
HUD Adjusted MFI for 2008		65,447	Unemployment Rate 2007			4.9%
Households Below Poverty Level		13%	2008			7.0%
			March 2009			10.8%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

Economic Information

According to Moody's Economy.com, the Los Angeles-Long Beach-Santa Ana MSA economy is in a deep recession, impacted by a weakening demand for manufactured goods and falling trade levels. The unemployment rate is now above 11 percent, almost 3 percentage points above the nationwide rate. Falling housing prices and a reduction of excess supply has moved the area's housing market closer to bottom. Housing prices are down from their 2007 peak by more than 45 percent according to the California Associate of Realtors. While increased housing affordability has spurred a jump in sales in recent months, foreclosures have increased in the first quarter of 2009, after moderating in late 2008 (as a result of a longer default notification period and voluntary moratorium by some lenders).

The Oxnard-Thousand Oaks-Ventura MSA economy is in its third year of recession, and like the Los Angeles-Long Beach-Santa Ana MSA economy, it is performing worse than the national average. Most industries are cutting jobs, with the exception of education and healthcare. Credit quality in this area has further deteriorated. The downsizing in the financial industry is expected to continue. The foreclosure rate is up by more than 70 percent from last year. While home sales have increased due to increased affordability, rising unemployment, credit quality deterioration, and general pessimism is expected to prevent any near term rebound in the housing market.

The Riverside-San Bernardino-Ontario MSA economy is contracting. Weakening business spending and declining demand for durable goods are spurring job losses in manufacturing and business services, while wealth services and government have added jobs. The area's housing market is showing increasing signs of reaching bottom. Single family homes have fallen by 50 percent from their peak at the end of 2006, with an additional 30 percent decline expected through the first half of 2010. This is due to still rising unemployment and foreclosures. Rising affordability levels are attracting formerly cautious and discouraged homebuyers; however, unemployment and elevated mortgage delinquencies threaten to increase foreclosures in 2009.

PERFORMANCE TEST CONCLUSIONS

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the Los Angeles-Long Beach-Riverside CSA AA is presented below. Other Lending Test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. The greatest weight was given to the bank's small business lending performance, followed by HMDA lending. Small farm lending performance was considered but not presented due to the bank's limited lending activity. Data supporting the lending test ratings are also presented in the Statewide Performance Test Conclusions section.

Borrower Profile

BOW's overall distribution of loans reflects excellent dispersion among businesses of different revenue sizes and borrowers of different income levels. This conclusion is consistent with the statewide conclusions.

Small Business Loans

BOW's distribution of borrowers reflects excellent penetration among business customers of different sizes in the Los Angeles-Long Beach-Riverside CSA AA. BOW's 2007 penetration of lending to businesses with GARS of $1.0 million or less significantly exceeds aggregate but lags demographics (BOW at 48.9 percent compared to aggregate at 39.8 percent and D&B at 67.9 percent). In 2008, the performance trended down slightly to 47.3 percent, which is consistent with the CAA and statewide performance.

HMDA Loans

BOW's distribution of borrowers reflects excellent penetration among retail customers of different income levels in the Los Angeles-Long Beach-Riverside CSA AA. BOW's 2007 penetration to low-income borrowers (BOW at 3.9 percent compared to aggregate at 1.1 percent and demographics 22.9 percent) and moderate-income borrowers (BOW at 9.6 percent compared to aggregate at 4.8 percent and demographics at 17.0 percent) exceeds aggregate but lags demographics. In 2008, the performance trended up slightly, which is contrary to the CAA and statewide performance. This strong performance is also consistent with the increased housing affordability levels in this AA.

Geographic Distribution

The geographic distribution of loans reflects good penetration throughout Los Angeles-Long Beach-Riverside CSA AA. This performance is consistent with CAA and statewide performance.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the Los Angeles-Long Beach-Riverside CSA AA. BOW's 2007 penetration in low-income CTs (5.4 percent compared to aggregate at 4.3 percent and demographics at 6.3 percent) and moderate-income CTs (27.4 percent compared to aggregate at 19.4 percent and demographics at 23.4 percent) exceeds aggregate. In 2008, the low-income CT penetration trended down slightly to 5.3 percent, while moderate-income CT penetration trended down to 24.2 percent.

HMDA Loans

The geographic distribution of residential loans reflects adequate penetration throughout the Los Angeles-Long Beach-Riverside CSA AA. Because there are limited lending opportunities in low-income CTs, more weight is given to the bank's performance in moderate-income CTs. BOW's 2007 penetration in low-income CTs (1.2 percent compared to aggregate at 2.9 percent and demographics at 1.7 percent) and moderate-income CTs (15.6 percent compared to aggregate at 20.3 percent and demographics at 17.3 percent) is below aggregate and demographics. In 2008, the low-income CT penetration is unchanged at 1.8 percent, while moderate-income CT penetration trended down to 12.9 percent.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

COLORADO

The Lending Test is rated: ***High Satisfactory***
The Investment Test is rated: ***Outstanding***
The Service Test is rated: ***High Satisfactory***

BOW's Colorado CRA rating is **Satisfactory.**

The BOW's Colorado AAs account for the following:

- Approximately 13.7 percent of the institution's branch network
- Approximately 6.9 percent of the total CTs within the combined AA
- Approximately 11.5 percent by number and 10.2 percent by dollar volume of small business loans originated in 2008
- Approximately 12.9 percent by number and 15.6 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 5.4 percent by number and 4.2 percent by dollar volume of small farm loans originated in 2008
- Approximately 3.9 percent by number and 3.0 percent by dollar volume of total CD loans originated
- Approximately 8.3 percent by number and 9.3 percent by dollar volume of total qualified investments made
- Approximately 9.7 percent by number and 11.6 percent by dollar volume of total qualified donations made
- Approximately 26.4 percent by number of total CD service hours conducted

DESCRIPTION OF THE COLORADO AA

Table CO-1 details the counties that comprise the Colorado AAs.

Table CO-1 – Colorado AAs

AA	MSA/CSA Numbers	AA Counties
Denver-Aurora-Boulder CSA	216	Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Elbert, Jefferson, Weld
Fort Collins MSA	22660	Larimer
Grand Junction MSA	24300	Mesa
Pueblo MSA	39380	Pueblo
Colorado Non-MSA	99999	Chaffee, Delta, Grand, Gunnison, Kit Carson, Las Animas, Logan, Moffat, Montrose, Morgan, Phillips, Routt, Summit

Source: Bank Records

Table CO-2 reflects the demographics of the Colorado AAs combined.

Table CO-2 - Demographic Information for Full-scope Area: Colorado

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	838	3.2	24.8	43.9	26.3	1.8
Population by Geography	3,346,300	3.6	25.0	44.9	26.3	0.2

Owner-Occupied Housing by Geography	874,201	1.4	19.5	47.7	31.4	0.0
Business by Geography	382,807	2.9	22.6	41.5	32.5	0.5
Farms by Geography	9,691	1.1	14.1	56.3	28.3	0.2
Family Distribution by Income Level	845,580	18.3	18.8	23.7	39.2	0.0
Distribution of Low-and Moderate-Income Families throughout AA Geographies	314,119	5.5	36.7	44.2	13.6	0.0
MFI HUD Adjusted MFI for 2008 Households Below Poverty Level		56,464 67,521 9%	Median Housing Value Unemployment Rate 2007 2008 March 2009		174,766 3.9% 4.9% 7.9%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau of Labor Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Colorado's economy has struggled over recent months, with job losses in construction and manufacturing industries along with reductions in professional/business services. The unemployment rate has risen over the past year reaching its highest since its April 2007 low. Residential homebuilding slowed, but commercial construction is poised to see a boost from a new oil pipeline.

Community Contact Observations

Funding for start-up financing, support for minority-owned business programs was identified as a need for the Boulder community. One contact indicated that recent tightening of underwriting criteria has restricted lending on commercial real estate. A contact expressed the need for redevelopment projects throughout the area to include affordable housing, retail, and light manufacturing for the Denver community.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW's Lending Test performance in Colorado is rated High Satisfactory. The rating reflects good responsiveness to the credit needs of the AA it serves. The greatest consideration is given to small business loans, followed by HMDA loans, and the least weight is given to small farm loans. In the Pueblo MSA, the bank's small farm lending was not reviewed due to nominal lending activity in this area. Borrower profile was the strongest component followed by geographic distribution.

Level of Lending

Overall, the lending levels reflect excellent responsiveness to AA credit needs. Table CO-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares increased during the period.

Table CO-3 – Colorado AA Market Share – FDIC Insured Lenders					
Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	9 of 224	2.9	2 of 185	4.3	4.0
HMDA	48 of 1,116	0.4	31 of 998	0.7	
Small Farm	4 of 49	7.1	4 of 42	9.1	

* Small business and small farm ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers in Colorado reflects excellent penetration among businesses of different sizes and individuals of different income levels.

Small Business Loans

The distribution of borrowers reflects excellent penetration among small businesses of different sizes. Table CO-4 shows BOW's distribution of small business loans by GAR in all of Colorado AAs combined. The statewide performance and trends are consistent with the CAA conclusions and trends.

Table CO-4 – Statewide Small Business Loan GAR Distribution						
GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	63.7	1,414	61.1	41.3	832	63.6
Over $1M	4.0	583	25.2		344	26.3
Not Considered*	32.3	316	13.7		132	10.1
Total	100.0	2,313	100.0		1,308	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), and 2007 CRA aggregate data, 2008 D&B data

Table CO-5 presents the rate of lending to businesses with GARs of $1.0 million or less by AAs within Colorado. As shown, the bank's performance within each AA is generally consistent with the bank performance at the statewide level. Variations from the aggregate performance often occur due to the limited volume as illustrated in the Pueblo AA, which originated only one small business loan in 2008 and three in 2007. Changes in performance from 2007 to 2008 are also noted for the Fort Collins AA, which declined. Overall, BOW continued to originate a majority of its business loans to small businesses.

Table CO-5 – Small Business Lending Rates				
AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Denver Aurora Boulder CSA	69.7	60.0	40.7	63.7
Fort Collins MSA	21.1	74.8	41.5	58.1
Grand Junction MSA	4.7	57.9	43.8	63.8
Pueblo MSA	4.4	66.7	44.0	0.0
Colorado Non-MSA	0.1	62.4	45.3	64.9

Source: CRA data collection (2007-2008), and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects good penetration among retail customers of different income levels. Table CO-6 shows BOW's distribution of HMDA loans by borrower income in all of Colorado's AAs combined. Bank performance and trends are consistent with the CAA conclusions.

Table CO-6 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	**% of Families**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	18.3	119	7.4	5.2	103	7.2
Moderate	18.8	299	18.6	17.6	230	16.1
Middle	23.7	383	23.8	24.5	312	21.9
Upper	39.2	733	45.6	48.3	688	48.3
NA	0	73	4.6	4.4	93	6.5
Total	100.0	1,607	100.0	100.0	1,426	100.0

Source: HMDA data (2007 & 2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables CO-7 and CO-8 show BOW's loan penetration rates for LMI borrowers in each AA in Colorado. The bank's 2007 performance for a majority of the AA for moderate-income borrowers and for two of the AAs for low-income borrowers is consistent with the bank performance at the statewide level and CAA conclusions. The three remaining AAs that comprise approximately one-third of BOW's loans to low-income borrowers show that in 2007 BOW is below aggregate; however, this is mitigated by the upward trend in 2008.

Table CO-7 – AA Low-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Denver Aurora Boulder CSA	66.1	9.5	5.7	7.1
Fort Collins MSA	20.1	3.8	5.4	16.5
Grand Junction MSA	6.8	2.2	2.3	4.2
Pueblo MSA	6.7	0.0	6.0	0.0
Colorado Non-MSA	0.3	3.7	2.3	5.6

Source: HMDA data (2007 & 2008), and 2007 HMDA aggregate data

Table CO-8 – AA Moderate-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Denver Aurora Boulder CSA	66.1	20.5	18.8	17.4
Fort Collins MSA	20.1	22.5	13.8	19.6
Grand Junction MSA	6.8	12.1	12.1	13.7
Pueblo MSA	6.7	0.0	17.3	20.0
Colorado Non-MSA	0.3	14.2	8.5	11.5

Source: HMDA data (2007 & 2008), and 2007 HMDA aggregate data

Small Farms

The distribution of borrowers reflects good penetration among farm customers of different sizes. Table CO-9 shows BOW's distribution of small farm loans by GAR in all of Colorado's AAs combined. The performance and trends are consistent with CAA conclusions.

Table CO-9 – Statewide Small Farm Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	95.4	112	77.8	80.3	79	84.0
Over $1M	2.5	13	9.0		7	7.5
Not Considered*	2.1	19	13.2		8	8.5
Total	100.0	144	100.0		94	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007 & 2008), 2007 CRA aggregate data, and 2008 D&B data

Table CO-10 shows the rate of lending to small farms by AAs within Colorado. The Pueblo MSA AA is not included because there are too few loans to be meaningful. BOW's small farm lending is concentrated in the Colorado Non-MSA AA, which comprises 72.3 percent of the bank's activity. The bank's performance within each AA is lower than the statewide level except for the Colorado Non-MSA AA, which exceeds both aggregate and loan distribution data.

Table CO-10 – Small Farm Lending Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Denver Aurora Boulder CSA	19.2	58.3	81.5	72.2
Fort Collins MSA	6.4	66.7	78.4	66.7
Grand Junction MSA	2.1	50.0	65.3	50.0
Colorado Non-MSA	72.3	83.2	80.9	89.7

Source: CRA data collection (2007 & 2008), and 2007 CRA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects an adequate penetration throughout Colorado.

Small Business Loans

The geographic distribution of small business loans reflects good penetration throughout the Colorado AAs. Table CO-11 shows the distribution of small business loans by the income category of CTs within the AA. Although the bank is slightly below aggregate in low-income CTs, BOW is above aggregate in moderate-income areas. BOW is also slightly below demographic data, but increased its proportion of loans to both LMI CTs in 2008.

Table CO-11 – Statewide Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	2.8	42	1.8	2.1	25	1.9
Moderate	22.6	479	20.7	19.3	284	21.7
Middle	41.5	970	42.0	37.8	533	40.8
Upper	32.5	803	34.7	36.6	461	35.2
NA	0.6	19	0.8	4.2	5	0.4
Total	100.0	2,313	100.0	100.0	1,308	100.0

Source: CRA data collection (2007 & 2008), 2007 CRA aggregate data, and 2008 D&B

Tables CO-12 and CO-13 display BOW's small business loan penetration in LMI CTs. The bank's 2007 performance in low-income areas is comparable to aggregate, and in 2008 the bank's performance increased slightly in one AA and decreased in another. In 2007, BOW's loan penetration in moderate-income CTs exceeded the aggregate in 2007 in three AAs and is below the aggregate in the other two AAs. The trend is mixed in 2008 which showed two AAs up and two AAs down, except for the Pueblo MSA. Variations often occur due to the limited lending volume as illustrated in the Pueblo AA, which originated only three small business loans in 2007 and 2008.

Table CO-12 – Small Business Loan Low-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Denver Aurora Boulder CSA	2.6	2.6	2.7	3.6
Fort Collins MSA	0.9	0.9	0.0	1.1
Grand Junction MSA*	0.0	0.0	0.0	0.0
Pueblo MSA*	0.0	0.0	0.0	0.0
Colorado Non-MSA*	0.0	0.0	0.0	0.0

* No low-income CT

Source: CRA data collection (2007 & 2008), 2007 CRA aggregate data, and 2008 D&B

Table CO-13 – Small Business Loan Moderate-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Denver Aurora Boulder CSA	25.6	20.0	25.1	23.6
Fort Collins MSA	29.7	21.7	24.2	24.4
Grand Junction MSA	21.1	22.5	32.8	26.1
Pueblo MSA	100.0	26.1	100.0	32.6
Colorado Non-MSA	2.8	5.6	7.3	6.7

Source: CRA data collection (2007 & 2008), 2007 CRA aggregate data, and 2008 D&B

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the Colorado AA. Table CO-14 shows BOW's geographic distribution for HMDA loans. Performance and trends are consistent with the CAA conclusions.

Table CO-14 – HMDA Loan Geographic Distribution						
CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	1.4	14	0.9	1.7	17	1.2
Moderate	19.5	218	13.5	15.2	160	11.2
Middle	47.7	816	50.8	44.2	740	51.9
Upper	31.4	556	34.6	38.4	503	35.3
NA	0.0	3	0.2	0.5	6	0.4
Total	100.0	1,607	100.0	100.0	1,426	100.0

Source: HMDA data (2007 & 2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables CO-15 and CO-16 show BOW's HMDA loan penetration rate in LMI CTs by AA in Colorado. Performance and trends are consistent with statewide and CAA conclusions in low-income CTs. In moderate-income areas variances were noted in three of the AAs where bank performance exceeded aggregate in 2007, despite the statewide analysis showing that BOW was less than aggregate. In addition, variations often occur due to the limited volume as illustrated in the Pueblo AA, which originated only three loans in 2007 and five mortgages in 2008.

Table CO-15 – HMDA Loan Low-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Denver Aurora Boulder CSA	1.7	1.3	2.2	1.8
Fort Collins MSA	1.3	0.0	0.2	0.0
Grand Junction MSA*	0.0	0.0	0.0	0.0
Pueblo MSA*	0.0	0.0	0.0	0.0
Colorado Non-MSA*	0.0	0.0	0.0	0.0

* No low-income CT

Source: HMDA data (2007 & 2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table CO-16 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Denver Aurora Boulder CSA	21.4	16.9	16.2	13.9
Fort Collins MSA	13.6	7.5	13.8	11.3
Grand Junction MSA	14.2	12.1	17.2	13.7
Pueblo MSA	24.2	33.3	18.0	0.0
Colorado Non-MSA	6.5	5.8	3.5	1.7

Source: HMDA data (2007 & 2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Small Farms

The geographic distribution of small business loans reflects poor penetration throughout the Colorado AA. Table CO-17 shows the distribution of small business loans by the income category of CTs within Colorado. The distribution is considered poor because BOW's 2007 penetration rate of lending in LMI CTs is less than the rate achieved by the aggregate and significantly less than demographic data. The 2008 distribution shows a declining trend in the moderate-income CTs.

Table CO-17 – Statewide Small Farm Loan Geographic Distribution						
CT Income Level	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	1.1	0	0.0	0.6	0	0.0
Moderate	14.1	3	2.1	5.4	1	1.1
Middle	56.3	132	91.7	70.2	78	83.0
Upper	28.3	9	6.2	19.6	15	15.9
NA	0.2	0	0.0	4.2	0	0.0
Total	100.0	144	100.0	100.0	94	100.0

Source: CRA data collection (2007 & 2008), 2007 CRA aggregate data, and 2008 D&B

Tables CO-18 and CO-19 display BOW's small farm loan penetration in LMI CTs. The bank performance by AA in LMI areas is consistent with the statewide performance with one exception. BOW's 2007 performance in moderate-income CTs in the Colorado Non-MSA AA is better than aggregate. However, this improvement does not have a material impact on the bank's overall geographic distribution performance in Colorado.

Table CO-18 – Small Farm Loan Low-Income CT Penetration Rates				
AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Denver Aurora Boulder CSA	0.0	1.1	0.0	1.6
Fort Collins MSA	0.0	1.5	0.0	1.0
Grand Junction MSA*				
Colorado Non-MSA*				

* No low-income CT, Source: CRA data collection (2007 & 2008), 2007 CRA aggregate data, and 2008 D&B

Table CO-19 – Small Farm Loan Moderate-Income CT Penetration Rates				
AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Denver Aurora Boulder CSA	4.2	8.8	0.0	17.9
Fort Collins MSA	0.0	6.4	0.0	16.0
Grand Junction MSA	0.0	3.3	0.0	7.8
Colorado Non-MSA	1.8	1.2	1.5	2.9

Source: CRA data collection (2007 & 2008), 2007 CRA aggregate data, and 2008 D&B

CD Loans

BOW made a relatively high level of CD loans in Colorado relative to its presence in the state. The bank originated 23 CD loans totaling $61.6 million in Colorado over the review period. This represents about 3.0 percent of the total dollar volume of the bank's CD lending activity. Most of the loan dollars respond to LMI tract revitalization. The remainder provides support for economic development, LMI affordable housing needs, and services to LMI individuals.

INVESTMENT TEST

BOW's Colorado Investment Test rating is Outstanding. The bank has an excellent level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. BOW exhibits an excellent responsiveness to credit and

community economic needs of the Colorado AAs. The institution holds 20 qualifying investments totaling $17.7 million, which is a 130 percent increase over the previous evaluation figures. Table CO-20 depicts the bank's Colorado qualified investments and donations by investment type and category.

Table CO-20 – CD Investments					
Investment Type	**Total $ (000s)**	**LMI Housing $ (000s)**	**LMI Tract Revitalization $ (000s)**	**Economic Development $ (000s)**	**LMI Services $ (000s)**
Statewide Investments	5,997	5,026	111	750	111
Direct Investments	8,671	6,495	2,176	--	--
Multiple AAs	3,005	3,005	--	--	--
Grants & Donations	1,361	134	3	24	1,200
Total	19,035	14,660	2,290	774	1,311

Source: Bank records

Of the 20 qualified investments, 9 totaling $7.5 million has carried over from the previous evaluation period. New qualified investments totaled 11 for $10.2 million, which include 6 LIHTCs totaling $7.6 million. As illustrated in Table CO-20, BOW's qualified investments in the state are primarily to LMI housing related organizations or initiatives. These affordable housing investments include both equity and bond investments. A significant percentage of the investments are in the Denver MSA AA; however, the other AAs either through direct, regional, or statewide investments are covered in proportion to the bank's allocated resources.

SERVICE TEST

In the State of Colorado, BOW is rated High Satisfactory in the Service Test. The strongest component is CD services where BOW demonstrated leadership. Additionally, BOW's delivery systems are readily accessible to essentially all portions of Colorado's AAs. To the extent changes have been made, the bank's opening and closing of branches have not adversely affected the accessibility of its delivery systems. Services do not vary in a way that inconveniences portions of Colorado's AAs, particularly LMI geographies or individuals.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences portions of Colorado's AAs, particularly LMI geographies or individuals. Table CO-21 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined, to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table CO-21 – Branch Structure as of 12/31/2008						
Branch & Drive Up Facility Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches	2	16	42	29	1	90
% of Branches	2.2	17.8	46.7	32.2	1.1	100.0
# of Drive Up Facilities	0	1	2	1	0	4
% of Drive Up Facilities	0	25.0	50.0	25.0	0.0	100.0

Total Branches & Drive Up Facilities	***2***	***17***	***44***	***30***	***1***	***94***
% of Total Branches & Drive Up Facilities	***2.1***	***18.1***	***46.8***	***31.9***	***1.1***	***100.0***
Comparisons						
% of Branches - All Institutions	1.8	24.0	44.4	29.0	0.8	100.0
% of Households	3.1	14.8	59.7	22.4	0.0	100.0
% of Businesses	2.8	22.6	41.5	32.5	0.6	100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among LMI CTs is generally weaker when compared to the competition and to the percentages of businesses. BOW's branch distribution among moderate-income CTs (17.8 percent) compares unfavorably to the competition and businesses. However, several of the branches in the middle- and upper-income CTs are in close proximity to the moderate-income CTs. Table CO-22 details the bank's branch penetration of LMI tracts compared to other lenders in the Colorado AAs.

Table CO-22 - Branches in LMI CTs				
AA	**Low-Income %**		**Moderate-Income %**	
	BOW	**Aggregate**	**BOW**	**Aggregate**
Denver-Aurora-Boulder CSA	3.2	2.3	19.1	24.3
Fort Collins MSA	0.0	1.1	40.0	30.5
Grand Junction MSA			25.0	50.0
Pueblo MSA			100.0	34.0
Colorado Non-MSA			4.8	3.9

Source: Bank records and FFIEC Website

BOW's branch penetration in low-income CTs in the Denver AA is stronger than competitors, at 3.2 percent as compared to 2.3 percent. However, in the moderate-income areas, BOW's penetration rate is less than competitors in two of the five AAs.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of Colorado's AAs. BOW operates 90 branches in Colorado and accessibility differs slightly by AA. BOW's branch structure is the most comprehensive in the Denver CSA with 62. The bank holds a 6.6 percent branch share in this CSA and a 6.9 percent branch share in the entire state. Only three large national banks operate more comprehensive branch structures in the Denver CSA and entire state. Branches in this CSA are readily accessible to all areas.

BOW holds a 7.4 percent branch share with seven other institutions holding a more comprehensive branch structure in the Grand Junction MSA. The branches in these AAs cover the major population centers; however, certain less populated areas do not enjoy readily accessible branches.

Only one other institution operates a more comprehensive branch structure than BOW in the Colorado Non-MSA AA. However, BOW operates only 1 branch each in 10 of the 13 counties in this AA. With one branch in the Pueblo MSA located in the major city, the branch structure represents reasonable accessibility given the availability of alternative delivery systems.

Changes in Branch Locations

BOW's record of opening and closing branches in Colorado has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies. Over the review period, BOW opened three branches and closed one branch. Therefore, the accessibility of delivery systems improved. Although the one closing was in a moderate-income area, that was offset by the opening of one moderate-income branch. The net result is LMI geographies gained two branches over the review period and they did not adversely impact LMI areas. Tables CO-23, CO-24, and CO-25 detail the Colorado branch closings, openings, and relocations by AA and CT income level.

Table CO-23 – Branch Closings

Branch Name	City	AA	CT Income Level
Grand Junction Clifton	Grand Junction	Grand Junction MSA	Moderate

Source: Bank records and FFIEC Website

Table CO-24 – Branch Openings

Branch Name	City	AA	CT Income Level
Longmont Drive-up	Longmont	Denver CSA	Moderate
Gunnison Drive-up	Gunnison	Colorado Non-MSA	Middle
Grand Junction Clifton	Clifton	Grand Junction MSA	Middle

Source: Bank records and FFIEC Website

Table CO-25 – Branch Relocations

Branch Name	City	AA	CT Income Level
Louisville	Louisville	Denver CSA	Upper
Parker	Parker	Denver CSA	From Middle to Upper
Windsor Gardens	Aurora	Denver CSA	Moderate
Southglenn	Littleton	Denver CSA	Upper

Source: Bank records and FFIEC Website

BOW also relocated four branches in Colorado. Three of the four relocations were in the same CTs. The remaining relocation went to a higher level income tract. However, the relocation did not impact LMI geographies.

CD Services

BOW is a leader in providing CD services in Colorado. For the review period, 65 BOW employees completed CD services with 35 different groups for a total of 4,280 hours. Most of hours worked involved providing CD services to LMI individuals or groups, and are part of the BOW CAA section of this PE. The following are examples of significant qualified CD services applicable to Colorado:

- HUD / Rural Community Assistance Corporation Homeless Symposium, sponsored in 2007 and 2008 with BOW as the sole corporate sponsor, and provided training to agencies participating in local continuum of care and Homeless Management Information Systems programs. More than 75 and 90 homeless service providers, respectively, from 6 states attended the training and learned best practices, shared successes, and received guidance from state and federal officials on funding programs.

- BOW becomes actively involved in disaster relief efforts when tragedy strikes. Special loan payment and rate programs along with ATM surcharge waivers were offered to customers in designated disaster areas throughout the bank's CAA, to include the Windsor tornados.

DENVER-AURORA-BOULDER CSA AA FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the Denver-Aurora-Boulder CSA AA.

The Denver-Aurora-Boulder CSA AA accounts for the following:

- Approximately 9.3 percent of the institution's branch network
- Approximately 5.2 percent of the total CTs within the combined AA
- Approximately 8.1 percent by number and 6.7 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 8.6 percent by number and 10.1 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 1.0 percent by number and 0.5 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 1.7 percent by number and 1.3 percent by dollar volume of total CD loans originated
- Approximately 9.3 percent by dollar volume of total qualified investments made
- Approximately 26.5 percent by number of total CD service hours conducted

DESCRIPTION OF THE DENVER-AURORA-BOULDER CSA AA

Table CO-26 reflects the demographics of the AA.

Table CO-26 - Demographic Information for Full-scope Area: Denver-Aurora-Boulder CSA AA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	637	3.9	26.3	39.9	27.9	2.0
Population by Geography	2,601,378	4.3	27.3	40.7	27.5	0.2
Owner-Occupied Housing by Geography	672,647	1.7	21.4	43.4	33.5	0.0
Business by Geography	296,076	3.6	23.6	38.3	33.7	0.8
Farms by Geography	5,971	1.6	17.9	46.7	33.4	0.4
Family Distribution by Income Level	651,916	18.4	18.7	23.6	39.3	0.0
Distribution of LMI Families throughout AA Geographies	241,266	6.9	40.7	38.4	14.0	0.0
MFI HUD Adjusted MFI for 2008 Households Below Poverty Level		61,458 72,661 8%	Median Housing Value Unemployment Rate 2007 2008 March 2009		182,616 3.9% 5.0% 7.4%	

Source: 2000 U.S. Census data, U.S. Bureau of Labor Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Denver's economy has struggled, with weaknesses in the technology and energy sectors. The unemployment rate has risen over the past year. Residential home sales are steady, although prices have fallen, and commercial vacancy rates are climbing.

PERFORMANCE TEST CONCLUSIONS

Data applicable to the AA indicates that the overall performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any.

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the Denver AA is presented below. Other lending test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. The greatest weight was given to the bank's small business lending performance, followed by HMDA, and small farm. Data supporting the ratings are also presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

BOW's overall distribution of loans reflects good dispersion to farms and businesses of different revenue sizes and borrowers of different income levels. The borrower distribution of small business lending is excellent, while the borrower distribution of HMDA and small farm lending is good, which is consistent with the statewide performance.

Geographic Distribution

BOW's overall distribution of loans reflects adequate penetration throughout the AA. Geographic penetration is good for small business lending, adequate for HMDA lending, and poor for small farm lending, which is consistent with the statewide performance.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

KANSAS

The Lending Test is rated: ***Low Satisfactory***
The Investment Test is rated: ***Outstanding***
The Service Test is rated: ***High Satisfactory***

BOW's Kansas CRA rating is **Satisfactory.**

The BOW's Kansas AAs account for the following:

- Approximately 2.6 percent of the institution's branch network
- Approximately 1.7 percent of the total CTs within the combined AA
- Approximately 2.4 percent by number and 1.9 percent by dollar volume of small business loans originated in 2008
- Approximately 10.9 percent by number and 6.1 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 0.7 percent by number and 0.4 percent by dollar volume of small farm loans originated in 2008
- Approximately 0.9 percent by number and 0.1 percent by dollar volume of total CD loans originated
- Approximately 3.7 percent by number and 2.6 percent by dollar volume of total qualified investments made
- Approximately 1.4 percent by number and 1.1 percent by dollar volume of total qualified donations made
- Approximately 2.1 percent by number of total CD service hours conducted

DESCRIPTION OF THE KANSAS AA

Table KS-1 details the counties that comprise the Kansas AAs.

Table KS-1 – Kansas AAs

AA	MSA/CSA Numbers	AA Counties
Wichita MSA	48620	Butler, Harvey, Sedgwick
Lawrence MSA	29940	Douglas
Kansas Non-MSA	N/A	Barton, Cowley, Edwards, Finney, Ford, Pawnee, Reno

Source: Bank records

Table KS-2 reflects the demographics of the AA.

Table KS-2 - Demographic Information for Full-scope Area: Kansas AAs

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	211	2.8	26.1	48.3	22.8	0.0
Population by Geography	858,131	2.1	23.2	51.4	23.3	0.0
Owner-Occupied Housing by Geography	217,238	0.8	18.1	54.7	26.4	0.0
Business by Geography	65,049	1.7	24.2	50.1	24.0	0.0

Farms by Geography	3,424	0.3	7.5	70.7	21.5	0.0
Family Distribution by Income Level	220,493	17.9	19.3	24.5	38.3	0.0
Distribution of Low-and Moderate-Income Families throughout AA Geographies	81,967	2.6	33.3	51.8	12.3	0.0
Median Family Income HUD Adjusted MFI for 2008 Households Below Poverty Level		45,245 53,588 11%	Median Housing Value Unemployment Rate 2007 2008 March 2009		79,568 4.1% 4.4% 6.4%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau of Labor Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Kansas' economy has struggled over recent months, with job losses in aerospace, manufacturing, construction and service industries. The loss of high-paying jobs will have profound ramifications for the state's retail sector as consumer spending falls significantly. The residential real estate market will decline much less in the state than they will in most other areas of the country; consequently, residents will retain much of the equity in their homes and will have less of an incentive to walk away from their debt obligations.

Community Contact Observations

CD was identified as an issue, in particular additional retirement or assisted living facilities and more daycare facilities are needed.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW's Lending Test performance is rated Low Satisfactory. The rating reflects adequate responsiveness to the credit needs of the AAs it serves. The HMDA lending performance was given greater weight than small business lending due to the bank's lending activity. Small farm loans were not reviewed due to the bank's nominal lending activity. Borrower profile and geographic distribution are given the most weight. The bank's performance in the Wichita MSA AA drove the statewide rating due to the relative high level of lending in this AA.

Level of Lending

Overall, the lending levels reflect excellent responsiveness to AA credit needs. Table KS-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares increased during the period.

Table KS-3 – Kansas AA Market Share – FDIC Insured Lenders					
Loan Type	**2006**		**2007**		**Deposit Market Share %**
	Rank *	**Market Share %**	**Rank ***	**Market Share %**	
Small Business	11 of 82	2.1	9 of 75	3.0	

HMDA	7 of 442	2.4	7 of 399	2.9	2.8
Small Farm	11 of 26	1.9	10 of 31	1.8	

* - Small business and small farm ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers in Kansas reflects good penetration among businesses of different sizes and individuals of different income levels.

Small Business Loans

The distribution of borrowers reflects excellent penetration among businesses of different sizes. Table KS-4 shows BOW's distribution of business loans by GAR in all Kansas AAs combined. The performance and trends are consistent with CAA conclusions, except that performance trended up in 2008.

Table KS-4 – Statewide Small Business Loan GAR Distribution

GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	57.0	147	60.5	38.6	183	67.3
Over $1M	4.7	53	21.8		63	23.2
Not Considered*	38.3	43	17.7		26	9.5
Total	100.0	243	100.0		272	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

Table KS-5 presents the rate of lending to businesses with GARs of $1.0 million or less by AAs within Kansas. As shown, the bank's performance within each AA is consistent with the bank performance statewide.

Table KS-5 – Small Business Lending Rates

AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Wichita MSA	78.3	58.8	36.9	66.7
Kansas Non-MSA	19.5	69.4	42.3	67.9
Lawrence MSA	2.2	52.9	41.5	83.3

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects good penetration among retail customers of different income levels. Table KS-6 shows BOW's distribution of HMDA loans by borrower income in all Kansas AAs combined. Bank performance and trends are consistent with CAA conclusions.

Table KS-6 – Statewide HMDA Loan Borrower Profile

Borrower Income Level	% of Families	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %

Low	17.9	160	10.2	8.9	82	6.8
Moderate	19.3	334	21.3	20.8	237	19.7
Middle	24.4	417	26.5	25.1	338	28.2
Upper	38.4	646	41.1	40.7	520	43.3
NA	0	15	0.9	4.5	24	2.0
Total	100.0	1,572	100.0	100.0	1,201	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables KS-7 and KC-8 show BOW's loan penetration rates for LMI borrowers in each AA in Kansas. The bank's performance within each AA for low-income borrowers is consistent with the bank performance at the statewide level, except for the Lawrence MSA AA, where there are no loans to low-income borrowers. Lending to moderate-income borrowers in the Kansas Non-MSA AA is consistent with the statewide performance. Moderate-income borrower penetration is slightly weaker in the Wichita MSA AA, where performance is slightly below aggregate. Performance is weakest in the Lawrence MSA; however, there is relatively nominal lending activity in this AA compared to the other Kansas AAs.

Table KS-7 – AA Low-Income Borrower Penetration Rates

AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Wichita MSA	70.8	9.8	9.5	6.2
Kansas Non-MSA	28.1	11.5	8.8	8.6
Lawrence MSA	1.1	0.0	6.2	0.0

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Table KS-8 – AA Moderate-Income Borrower Penetration Rates

AA	Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Wichita MSA	70.8	19.8	21.1	18.4
Kansas Non-MSA	28.1	25.0	21.3	23.4
Lawrence MSA	1.1	10.5	18.6	14.3

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects adequate penetration throughout the State of Kansas. There are only six low-income CTs in the Kansas AAs combined (five in Wichita MSA AA and one in the Non-MSA AA). More weight is given to the bank's performance in moderate-income CTs due to limited lending opportunities in low-income CTs, as indicated by demographic data and aggregate penetration.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the Kansas AAs. Table KS-9 shows the distribution of small business loans by the income category of CTs within the AA. The performance and trends are consistent with CAA conclusions within moderate-income CTs. Within the low-income CTs, the bank's 2007 lending lags aggregate, but trended up slightly to 1.5 percent in 2008.

Table KS-9 – Statewide Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	1.7	3	1.2	1.6	4	1.5
Moderate	24.2	64	26.3	21.7	55	20.2
Middle	50.1	92	37.9	46.6	114	41.9
Upper	24.0	84	34.6	27.7	99	36.4
NA	0.0	0	0.0	2.4	0	0.0
Total	100.0	243	100.0	100.0	272	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Tables KS-10 and KS-11 display BOW's small business loan penetration in LMI CTs. The bank's performance in LMI areas is comparable to statewide conclusions, except in 2007 the bank's performance lagged aggregate in the Lawrence MSA AA's moderate-income CTs.

Table KS-10 – Small Business Loan Low-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Wichita MSA	1.7	2.2	1.9	2.3
Kansas Non-MSA*				
Lawrence MSA	0.0	1.1	0.0	2.08

*No low-income CTs

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table KS-11 – Small Business Loan Moderate-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Wichita MSA	29.4	23.0	21.6	25.7
Lawrence MSA	17.7	22.1	33.3	25.3
Kansas Non-MSA	18.4	17.3	13.2	20.3

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the Kansas AA. Table KS-12 shows BOW's geographic distribution for HMDA loans. Performance and trends are consistent with the CAA performance.

Table KS-12 – HMDA Loan Geographic Distribution						
CT Income Level	**% Owner Occupied Housing Units**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	0.8	10	0.6	0.6	4	0.3
Moderate	18.1	175	11.1	15.7	118	9.8
Middle	54.7	883	56.2	51.1	709	59.1
Upper	26.4	504	32.1	32.6	370	30.8
NA	0.0	0	0.0	0.0	0	0.0
Total	100.0	1,572	100.0	100.0	1,201	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables KS-13 and KC-14 shows BOW's HMDA loan penetration rate in LMI CTs by AA in Kansas. Performance and trends are consistent with the statewide performance, except the 2008 performance trended up in the Lawrence MSA within the moderate-income CTs.

Table KS-13 – HMDA Loan Low-Income CT Penetration Rates				
AA	**% of Housing Units**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Wichita MSA	1.2	0.9	0.8	0.5
Kansas Non-MSA*				
Lawrence MSA	0.1	0.0	0.2	0.0

*No low-income CTs
Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table KS-14 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	**% of Housing Units**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Wichita MSA	19.0	11.8	15.2	11.3
Kansas Non-MSA	15.1	9.4	13.9	5.3
Lawrence MSA	20.0	15.8	20.6	28.6

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

CD Loans

BOW has made an adequate level of CD loans in Kansas relative to its presence in the state. The bank originated 5 CD loans totaling $2.8 million in Kansas over the review period. This represents about 0.1 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. All of the loan dollars respond to LMI housing.

INVESTMENT TEST

BOW's Investment Test rating is Outstanding. The bank has an excellent level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. BOW exhibits an excellent responsiveness to the credit and community economic needs of the Kansas AAs. The institution holds 9 qualifying investments totaling $4.9 million, which constitutes 2.6 percent of the bank's total qualified investments. This performance is consistent with the resources dedicated to Kansas. Table KS-15 depicts the bank's qualified investments and donations by investment type and category in Kansas.

Table KS-15 – CD Investments					
Investment Type	**Total $ (000s)**	**LMI Housing $ (000s)**	**LMI Tract Revitalization $ (000s)**	**Economic Development $ (000s)**	**LMI Services $ (000)**
Statewide Investments	4,675	4,675	--	--	--
Direct Investments	117	117	--	--	--
Multiple AAs	--	--	--	--	--
Single AAs	156	156	--	--	--
Grants & Donations	82	10	25	17	30
Total	5,030	4,958	25	17	30

Source: Bank records

Of the 9 qualified investments, 7 totaling $2.2 million carried over from the previous evaluation period. Qualified investments purchased during this evaluation period consist of 2 statewide LIHTCs totaling $2.7 million. As illustrated in Table KS-15, a significant majority of BOW's qualified investments target LMI housing related organizations or initiatives. These LMI housing investments consisted of mortgage backed securities and LIHTC investments. The non-statewide investments were allocated equally among the state's AAs.

SERVICE TEST

BOW's Service Test is rated High Satisfactory. BOW delivery systems are readily accessible to essentially all portions of Kansas AAs. To the extent changes have been made, the bank's opening and closing of branches have not adversely affected the accessibility of its delivery systems. Services do not vary in a way that inconveniences portions of the Kansas AAs, particularly LMI geographies or individuals. BOW provides a relatively high level of CD services.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences portions of the Kansas AAs, particularly LMI geographies or individuals. Table KS-16 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table KS-16 – Branch Structure as of 12/31/2008

Branch & Drive Up Facility Distribution	Income Level of CT					
	Low	Moderate	Middle	Upper	N/A	Total
# of Branches	0	2	13	2	0	17
% of Branches	0.0	11.8	76.4	11.8	0.0	100.0
Comparisons						
% of Branches - All Institutions	1.0	21.0	51.9	26.1	0.0	100.0
% of Households	1.8	24.4	51.6	22.2	0.0	100.0
% of Businesses	1.7	24.2	50.1	24.0	0.00	100.0

Source: Bank records and FFIEC Website

Table KS-16 shows BOW's branch distribution among LMI CTs is weaker when compared to the percentages of competition, households, and businesses. BOW's branch distribution among moderate-income CTs (11.8 percent) compares unfavorably to the competition, households, and businesses. However, several of the bank's branches in middle- and upper-income CTs are in close proximity to moderate-income CTs, which compensates for the unfavorable comparison.

TableKS-17- Branches in LMI CTs

AA	Low-Income %		Moderate-Income %	
	BOW	Aggregate	BOW	Aggregate
Wichita MSA	0.0	1.3	25.0	19.4
Lawrence MSA	0.0	1.7	0.0	19.0
Kansas Non-MSA			0.0	25.5

Source: Bank records and FFIEC Website

Table KS-17 details the bank's branch penetration of LMI tracts compared to other lenders in the

Kansas AAs. BOW's branch penetration in low-income CTs in the Wichita AA is weaker than competitors, at 0.0 percent as compared to 1.3 percent. However, in moderate-income areas BOW's penetration rate is greater than competitors in the Wichita MSA, but is less than in the Lawrence MSA and Kansas Non-MSA.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Kansas AAs. BOW operates 17 branches in Kansas and accessibility differs slightly by AA. BOW's branch structure is the most comprehensive in the Wichita MSA with eight. The bank holds a 3.4 percent branch share in this MSA and a 4.1 percent branch share in the entire state. However, BOW has the highest branch share in the Kansas Non-MSA AA at 6.8 percent. All of the branches BOW operates in the non-MSA areas are located in cities with the larger populations or in close proximity to the branches. Therefore, the branch structure represents reasonable accessibility given the availability of alternative delivery systems.

Changes in Branch Locations

BOW's record of opening and closing branches in the State of Kansas has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies. Over the review period, BOW did not open any branches and closed four branches. Therefore, the accessibility of delivery systems declined. In addition, three of the four branch closings were in moderate-income areas. Although the three closings were in moderate-income areas, there were other branches in close proximity and BOW had reasonable business reasons for the closings. The net result is LMI geographies lost three branches over the review period. However, the negative impact does not appear to be significant. Tables KS-18 and KS-19 detail the Kansas branch closings and relocations.

Table KS-18 – Branch Closings

Branch Name	City	AA	CT Income Level
Wichita	Wichita	Wichita MSA	Moderate
Dodge City - 1	Dodge City	Kansas Non-MSA	Moderate
Dodge City - 2	Dodge City	Kansas Non-MSA	Moderate
Great Bend – West	Great Bend	Kansas Non-MSA	Middle

Source: Bank records

Table KS-19 – Branch Relocations

Branch Name	City	AA	CT Income Level
Wichita West	Wichita	Wichita MSA	Middle

Source: Bank records

Although there was one branch relocation in the Wichita MSA, it was in the same CT and did not impact LMI geographies.

CD Services

BOW provides a relatively high level of CD services in the Kansas AAs. For the review period, 14 BOW employees completed CD services with 14 different groups for a total of 333 hours.

Most of the hours worked involved providing CD services to LMI individuals or groups and are part of the BOW CAA section of this PE. The following are two examples of significant qualified CD services in the Kansas AAs:

- Neighborhood Summit, hosted annually by the bank, brings municipal and community leaders and the Bank's locally-based community affairs officers together to open dialogs and network opportunities with the common goal of sharing information and ideas that will help strengthen communities. Featured themes include fostering financial literacy and creating sustainable communities.
- BOW becomes actively involved in disaster relief efforts when tragedy strikes. Special loan payment and rate programs along with ATM surcharge waivers were offered to customers in designated disaster areas throughout the bank's CAA, which include the Kansas tornados.

WICHITA MSA AA
FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the Wichita MSA AA.

The Wichita MSA AA accounts for the following:

- Approximately 1.2 percent of the institution's branch network
- Approximately 1.1 percent of the total CTs within the combined AA
- Approximately 1.9 percent by number and 1.6 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 7.7 percent by number and 4.2 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 0.1 percent by number and 0.1 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 0.5 percent by number and 0.0 percent by dollar volume of total CD loans originated
- Approximately 2.6 percent by dollar volume of total qualified investments made
- Approximately 0.9 percent by number of total CD service hours conducted

DESCRIPTION OF THE WICHITA MSA AA

Table KS-20 reflects the demographics of the AA.

Table KS-20 - Demographic Information for Full-scope Area: Wichita MSA AA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	137	3.7	29.2	42.3	24.8	0.0
Population by Geography	545,220	2.2	24.6	48.3	24.9	0.0
Owner-Occupied Housing by Geography	142,506	1.2	19.0	52.0	27.8	0.0
Business by Geography	40,235	2.3	25.7	46.0	26.0	0.0
Farms by Geography	1,360	0.8	8.9	66.8	23.5	0.0
Family Distribution by Income Level	143,852	17.8	19.1	24.4	38.7	0.0

Distribution of LMI Families throughout AA Geographies	53,023	3.7	36.6	48.4	11.3	0.0
Median Family Income		51,478	Median Housing Value			79,445
HUD Adjusted MFI for 2008		59,300	Unemployment Rate 2007			4.0%
Households Below Poverty Level		9%	2008			4.2%
			March 2009			6.7%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, the Wichita MSA's economy has struggled over recent months, with job losses in aerospace industry and weak consumer spending. The unemployment rate has surged to the highest level in three years, although labor force growth has remained steady. The residential real estate market continues to deteriorate as the rise in unemployment and persistently tight lending standards sap demand; however, the area should not experience dramatic decline in prices.

PERFORMANCE TEST CONCLUSIONS

Data applicable to the Wichita MSA AA indicates that the overall performance is generally similar to the overall statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any.

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the Wichita MSA AA is presented below. Other lending test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. The greatest weight was given to the bank's HMDA lending performance followed by small business lending based upon loan volume. Small farm lending was not evaluated due to the limited number of loans originated within this AA. Data supporting the ratings is also presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

BOW's overall distribution of loans reflects good dispersion to borrowers of different income levels. The distribution of borrowers reflects excellent penetration among businesses of different sizes, while the HMDA loan distribution was considered good.

Geographic Distribution

BOW's overall distribution of loans reflects good penetration throughout the AA. There were no conspicuous gaps in the geographic distribution of loans. BOW's geographic distribution of small business loans reflects excellent penetration throughout the AA, while HMDA loans only reflect an adequate penetration.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

MINNESOTA

The Lending Test is rated: ***High Satisfactory***
The Investment Test is rated: ***High Satisfactory***
The Service Test is rated: ***Low Satisfactory***

BOW's Minnesota CRA rating is **Satisfactory**.

MINNESOTA

The BOW's Minnesota AAs account for the following:

- Approximately 3.7 percent of the institution's branch network
- Approximately 4.6 percent of the total CTs within the combined AA
- Approximately 3.6 percent by number and 3.1 percent by dollar volume of small business loans originated in 2008
- Approximately 3.9 percent by number and 2.6 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 30.9 percent by number and 28.3 percent by dollar volume of small farm loans originated in 2008
- Approximately 2.9 percent by number and 1.2 percent by dollar volume of total CD loans originated
- Approximately 1.7 percent by number and 1.6 percent by dollar volume of total qualified investments made
- Approximately 4.8 percent by number and 2.2 percent by dollar volume of total qualified donations made
- Approximately 1.1 percent by number of total CD service hours conducted

DESCRIPTION OF THE MINNESOTA AA

Table MN-1 details the counties that comprise the Minnesota AAs.

Table MN-1 – Minnesota AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Minneapolis-St. Paul-St. Cloud CSA	33460	Anoka, Carver, Dakota, Hennepin
La Crosse MSA	29100	Houston
Minnesota Non-MSA	N/A	Cottonwood, Fillmore, Grant, Jackson, Lincoln, Lyon, Morrison, Nobles, Norman, Otter Tail, Stearns, Stevens, Swift, Traverse, Wilkin

Source: Bank records

Table MN-2 reflects the demographics of the Minnesota AAs combined.

Table MN-2 - Demographic Information for Full-scope Area: Minnesota AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	563	6.6	15.8	54.7	22.7	0.2
Population by Geography	2,126,334	4.8	14.4	55.4	25.4	0.0
Owner-Occupied Housing by Geography	600,660	1.5	11.3	59.2	28.0	0.0
Business by Geography	190,412	4.0	12.3	57.4	26.1	0.2
Farms by Geography	9,345	0.3	5.9	82.6	11.2	0.0
Family Distribution by Income Level	539,370	16.6	18.7	26.2	38.5	0.0
Distribution of Low-and Moderate-Income Families throughout AA Geographies	190,656	7.1	20.4	58.6	13.9	0.0
MFI HUD Adjusted MFI for 2008 Households Below Poverty Level		58,057 72,212 7%	Median Housing Value Unemployment Rate 2007 2008 March 2009		138,814 4.6% 5.4% 8.9%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau of Labor Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Minnesota's economy has struggled, with weaknesses in the professional services and retail sectors. The unemployment rate has risen sharply to its highest since 2005. The residential real estate market continues to decline as joblessness rises.

Community Contact Observations

Farm loan guarantees and affordable housing projects for LMI were identified as needs for Minnesota. A contact indicated there are many opportunities to participate in agriculture loan guarantee and interest assistance programs. A contact expressed concern related to the cost of building materials for new homes exceeding the income level LMI borrowers could afford.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW's Lending Test performance is rated High Satisfactory. The rating reflects good responsiveness to the credit needs of the AAs it serves. More weight is given to the borrower's

profile and geographic distribution of loans for small business and farm lending for determining this conclusion.

Level of Lending

Overall, the lending levels reflect excellent responsiveness to AA credit needs. Table MN-3 details BOW's loan market ranking and market share for 2006 and 2007 by loan type, along with the deposit market share. Although the market ranking and shares trended down, the bank faced an increasingly competitive market in 2007 and still stayed within the top ten ranking for small business and small farm lending.

Table MN-3 – Minnesota AA Market Share – FDIC Insured Lenders

Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	6 of 72	5.1	10 of 105	2.2	1.1
HMDA	34 of 660	0.6	37 of 706	0.4	
Small Farm	1 of 31	36.6	1 of 33	32.2	

* - Small business and small farm ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers reflects excellent penetration among businesses and farms of different sizes and individuals of different income levels. While there are some differences, the borrower's profile is generally consistent with the CAA.

Small Business Loans

The distribution of borrowers reflects excellent penetration among business customers of different sizes. Table MN-4 shows BOW's distribution of small business loans by GAR in all Minnesota AAs combined. In 2007, BOW originated a majority (64.6 percent) of loans to small businesses with GARs of $1.0 million or less. This performance exceeds the aggregate performance by 19 percentage points. In 2008, lending to small businesses trended upwards to 67.3 percent.

Table MN-4 – Statewide Small Business Loan GAR Distribution

GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	62.9	411	64.6	45.6	269	67.3
Over $1M	5.8	156	24.5		100	25.0
Not Considered*	31.3	69	10.9		31	7.7
Total	100.0	636	100.0		400	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table MN-5 shows rate of lending to businesses with GARs of $1.0 million or less by AAs within Minnesota. With 67 percent of Minnesota's lending within the Non-MSA AA more

weight was placed in this area. The 2007 Non-MSA performance significantly exceeds aggregate data (71.4 percent compared to 45.4 percent).

Table MN-5 – Small Business Lending Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Minnesota Non-MSA	67.0	71.4	45.4	74.3
Minnesota-St. Paul-St. Cloud CSA	23.8	48.0	45.6	57.9
La Crosse MSA	9.2	43.8	44.21	40.5

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects good penetration among retail customers of different income levels. Table MN-6 shows BOW's distribution of HMDA loans by borrower income in all Minnesota AAs combined. In 2007, lending to low-income borrowers exceeds 2007 aggregate performance. BOW's lending to moderate-income borrowers slightly lags aggregate data but is comparable. In 2008, HMDA loans to LMI borrowers trended upwards to 11.7 and 24.4 percent, respectively.

Table MN-6 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	**% of Families**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	16.6	54	11.3	7.4	50	11.7
Moderate	18.7	104	21.9	24.8	104	24.4
Middle	26.2	141	29.6	27.2	108	25.4
Upper	38.5	157	33.0	36.5	141	33.1
NA	0.0	20	4.2	4.1	23	5.4
Total	100.0	476	100.0	100.0	426	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables MN-7 and MN-8 show BOW's lending penetration of LMI borrowers. Sixty-six percent of the bank's loans are in the Minnesota Non-MSA. BOW's 2007 penetration of LMI borrowers is generally similar or slightly below aggregate data, but stronger performance was noted in the La Crosse MSA in low-income CTs. In 2008, LMI performance trended upwards with the exception of Minnesota Non-MSA in the low-income CTs and the La Crosse MSA in the moderate-income CTs. Lending in each of the AAs shows differing trends and comparisons that support the overall conclusion.

Table MN-7 – AA Low-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Minnesota Non-MSA	66.2	11.3	11.0	9.57
Minnesota-St. Paul-St. Cloud CSA	24.7	5.5	7.1	11.4
La Crosse MSA	9.1	26.8	15.0	28.21

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Table MN-8 – AA Moderate-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Minnesota Non-MSA	66.2	21.8	21.5	25.9
Minnesota-St. Paul-St. Cloud CSA	24.7	22.9	25.1	24.8
La Crosse MSA	9.1	22.0	26.0	12.8

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Small Farm Loans

The distribution of borrowers reflects excellent penetration among farm customers of different sizes. Table MN-9 shows BOW's distribution of small business loans by GAR in all Minnesota AAs combined. In 2007, BOW originated a majority (86.1 percent) of loans to small businesses with GARs of $1.0 million or less. This performance exceeds the aggregate performance by 5.3 percentage points. In 2008, the bank's performance continued to show that it originated a majority (85.3 percent) of loans to small businesses.

Table MN-9 – Statewide Small Farm Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	97.8	606	86.1	80.8	462	85.3
Over $1M	1.1	50	7.1		55	10.1
Not Considered*	1.1	48	6.8		25	4.6
Total	100.0	704	100.0		542	100.0

(*) No response for D&B survey data, not considered for BOW data

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table MN-10 presents rate of lending to farms with GARs of $1.0 million or less by AAs within Minnesota. As shown, the Non-MSA's performance is consistent with the bank performance at the statewide level. The performance in the CSA and MSAs show different levels and trends, but the most weight is given to the Non-MSA performance.

Table MN-10 – Small Farm Lending Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Minnesota Non-MSA	88.9	86.9	79.2	85.5
Minnesota-St. Paul-St. Cloud CSA	2.4	82.6	85.2	84.6
La Crosse MSA	8.7	76.6	76.6	83.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects an adequate penetration throughout Minnesota. There are no low-income CTs except in the Minnesota-St. Paul- St. Cloud CSA AA. Except for one moderate-income CT in the Non-MSA, all LMI tracts are in the bank's other AAs, which have limited lending activity. The bank's geographic distribution is not as strong as the CAA.

Small Business Loans

The geographic distribution of small business loans reflects adequate penetration throughout the Minnesota AAs. As shown on Table MN-11, the bank's 2007 penetration in moderate-income CTs significantly lags aggregate lending by 5.9 percentage points. The table also shows that the 2008 penetration ratio for lending lags the D&B data. There is also no lending to low-income CTs in 2007 and 2008. However, since most of bank's lending is in the Non-MSA, which only has one moderate-income CT, the bank's overall performance is generally adequate.

Table MN-11 – Statewide Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	4.0	0	0.0	3.0	0	0.0
Moderate	12.3	29	4.6	10.5	17	4.3
Middle	57.4	576	90.6	52.9	348	87.0
Upper	26.1	31	4.8	31.9	35	8.7
NA	0.2	0	0.0	1.7	0	0.0
Total	100.0	636	100.0	100.0	400	100.0

Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Tables MN-12 and MN-13 show the bank's small business penetration by AA. Table MN-12 shows that BOW has no small business penetration of low-income CTs. As previously noted, there are no low-income CTs in the Non-MSA, which is where most of bank's loans are made. Table MN-13 shows BOW's penetration of the Non-MSA moderate-income CT significantly exceeds aggregate. The lending in the CSA AA is explained by the location of offices, which surround the cities of St Paul and Minneapolis. The conclusions vary for each AA but generally support the overall ratings.

Table MN-12 – Small Business Loan Low-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Minnesota Non-MSA*	0.0	0.0	0.0	0.0
Minnesota-St. Paul-St. Cloud CSA	0.0	3.2	0.0	4.7
La Crosse MSA*	0.0	0.0	0.0	0.0

Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table MN-13 – Small Business Loan Moderate-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Minnesota Non-MSA	4.1	1.9	4.1	2.7
Minnesota-St. Paul-St. Cloud CSA	7.9	11.2	6.3	13.8
La Crosse MSA*	0.0	0.0	0.0	0.0

- No moderate-income CTs

Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the Minnesota AAs. Table MN-14 shows BOW's geographic distribution for HMDA loans and

reflects adequate penetration throughout the Minnesota AAs. In 2007, the bank's performance lags aggregate in LMI CTs. In 2008, the bank's performance trended downward for the low-income CTs and a slight upward increase in the moderate-income CTs. The lag between the bank's penetration of LMI CTs, and the aggregate and demographic data is explained by the fact that the majority of the HMDA lending is in the Non-MSA. The Non-MSA AA also has no low-income CTs and a limited number of moderate-income CTs.

Table MN-14 – HMDA Loan Geographic Distribution						
CT Income Level	**% Owner Occupied Housing Units**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	1.5	1	0.2	2.8	0	0.0
Moderate	11.3	17	3.6	12.0	17	4.0
Middle	59.2	415	87.2	55.6	380	89.2
Upper	28.0	43	9.0	29.5	29	6.8
NA	0.0	0	0.0	0.1	0	0.0
Total	100.0	476	100.0	100.0	426	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table MN-14 shows that BOW has limited loan penetration of low-income CTs. Table MN-15 shows BOW's HMDA loan penetration in moderate-income CTs exceeds aggregate data in 2007 by 1.6 percent for the Non-MSA. The 2007 penetration of moderate-income CTs for the CSA AA lags aggregate data with a downward trend in 2008. These tables generally support the overall conclusions on geographic distribution.

Table MN-15 – HMDA Loan Low-Income CT Penetration Rates				
AA	**% Owner Occupied Housing Units**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Minnesota Non-MSA*	0.0	0.0	0.0	0.0
Minnesota-St. Paul-St. Cloud CSA	1.7	0.9	3.1	0.0
La Crosse MSA*	0.0	0.0	0.0	0.0

* No low-income CTs
Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table MN-16 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	**% Owner Occupied Housing Units**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Minnesota Non-MSA	2.1	2.5	0.9	3.6
Minnesota-St. Paul-St. Cloud CSA	12.7	8.3	12.8	6.7
La Crosse MSA*	0.0	0.0	0.0	0.0

* No moderate-income CTs
Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Small Farm Loans

The geographic distribution of small farm loans reflects good penetration throughout the Minnesota AAs. BOW shows no penetration of low-income CTs; however, there is extremely limited lending opportunity as shown by demographic data. In 2007, the bank's penetration of

moderate-income CTs exceeds aggregate and demographic data, and in 2008 it shows an upwards trend.

Table MN-17 – Statewide Small Farm Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	0.3	0	0.0	0.2	0	0.0
Moderate	5.8	46	6.5	3.4	42	7.8
Middle	82.6	654	92.9	88.0	493	91.0
Upper	11.2	4	0.6	6.7	7	1.2
NA	0.1	0	0.0	1.7	0	0.0
Total	100.0	704	100.0	100.0	542	100.0

Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Tables MN-18 and MN-19 show BOW's small farm loan penetration of LMI CTs by AAs. In Table MN-18, the bank shows no farm lending in the low-income CTs. This performance is mitigated by the fact that the farms are primarily in the Non-MSA and there are no low-income CTs in the Non-MSA AA. In Table MN-18, BOW's 2007 penetration of moderate-income tracts significantly exceeds aggregate and demographic data. The analysis and conclusions are generally the same as the statewide AAs for Minnesota.

Table MN-18 – Small Farm Loan Low-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Minnesota Non-MSA*	0.0	0.0	0.0	0.0
Minnesota-St. Paul-St. Cloud CSA	0.0	0.0	0.0	0.7
La Crosse MSA*	0.0	0.0	0.0	0.0

* No low-income CTs
Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table MN-19 – Small Farm Loan Moderate-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Minnesota Non-MSA	6.3	2.4	8.3	2.1
Minnesota-St. Paul-St. Cloud CSA	26.1	3.3	15.4	10.9
La Crosse MSA*	0.0	0.0	0.0	0.0

* No moderate-income CTs
Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

CD Loans

BOW is a leader in making CD loans in Minnesota relative to its presence in the state. The bank originated 17 CD loans totaling $23.5 million in Minnesota over the review period. This represents about 1.2 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI tract revitalization. The remainder provides support for services to LMI individuals, economic development, and LMI affordable housing needs.

INVESTMENT TEST

BOW's Investment Test rating is High Satisfactory. The bank has a significant level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. BOW exhibits a good responsiveness to credit and community economic needs of the Minnesota AAs. The institution holds 4 qualifying investments totaling $3.1 million (excludes grants and donations), which is a 19 percent increase over the previous evaluation figures. At the previous evaluation, qualified investments were rated a Low Satisfactory for Minnesota. This performance equates to 1.6 percent of the bank's total qualified investments. This performance is relatively consistent with the resources dedicated to Minnesota. Table MN-20 depicts the bank's qualified investments and donations by investment type and category in Minnesota.

Table MN-20 – CD Investments

Investment Type	Total $ (000s)	LMI Housing $ (000s)	LMI Tract Revitalization $ (000s)	Economic Development $ (000s)	LMI Services $ (000)
Statewide Investments	107	107	--	--	--
Direct Investments	--	--	--	--	--
Multiple AAs	--	--	--	--	--
Single AAs	2,981	2,981	--	--	--
Grants & Donations	158	15	1	25	117
Total	3,246	3,103	1	25	**117**

Source: Bank records

Of the 4 qualified investments, 2 totaling $587,683 carried over from the previous evaluation period. Qualified investments purchased during this evaluation period consists of 2 LIHTC totaling $2.5 million. As illustrated in Table MN-20, all of the qualified investments target LMI housing related organizations or initiatives. These LMI housing investments consisted of mortgage backed securities and LIHTC investments. The non-statewide investments were concentrated in the Minneapolis-St. Paul-St. Cloud CSA, where there is a greater opportunity for qualified investments.

SERVICE TEST

BOW is rated Low Satisfactory in the Service Test. The strongest component is the delivery system, which is accessible to essentially all portions of the Minnesota AA. To the extent changes have been made, the bank's opening and closing of branches have not adversely affected the accessibility of its delivery systems. The bank provides an adequate level of CD services. Services do not vary in a way that inconveniences portions of the AA, particularly LMI geographies or individuals.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences portions of the Minnesota AA, particularly LMI geographies or individuals. Table MN-21 evaluates the branch structure by comparing the

number of branches by CT income level in all AAs combined, to the branch distribution of all financial institutions, and to the percentage of households and businesses.

Table MN-21 – Branch Structure as of 12/31/2008						
Branch & Drive Up Facility Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches	0	1	18	5	0	24
% of Branches	0.0	4.2	75.0	20.8	0.0	100.0
# of Drive Up Facilities	0	0	1	0	0	1
% of Drive Up Facilities	0.0	0.0	100.0	0.0	0.0	100.0
Total Branches & Drive Up Facilities	***0***	***1***	***19***	***5***	***0***	***25***
% of Total Branches & Drive Up Facilities	***0.0***	***4.0***	***76.0***	***20.0***	***0.0***	***100.0***
Comparisons						
% of Branches - All Institutions	2.5	12.5	64.7	20.3	0.0	100.0
% of Households	4.5	15.6	56.0	23.9	0.0	100.0
% of Businesses	4.0	12.3	57.4	26.1	0.2	100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among LMI CTs is weaker compared to the percentages of competition, households, and businesses. BOW's branch distribution among moderate-income CTs (4.2 percent) compares unfavorably to the competition, households, and businesses; however, mitigating this is a couple of branches in the proximity of moderate-income CTs.

Table MN-22- Branches in LMI CTs				
AA	**Low-Income %**		**Moderate-Income %**	
	BOW	**Aggregate**	**BOW**	**Aggregate**
Minneapolis-St. Paul-St. Cloud CSA	0.0	3.3	0.0	15.4
La Crosse MSA				
Minnesota Non-MSA			6.3	2.2

Source: Bank records and FFIEC Website

BOW's branch penetration in LMI CTs in the Minneapolis-St. Paul-St. Cloud CSA AA is weaker than competitors at 0.0 percent as compared to aggregate of 3.3 percent and 15.4 percent, respectively. In the Non-MSA, BOW exceeds the competition in moderate-income CTs.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Minnesota AA. BOW operates 25 branches in the state and accessibility differs slightly by AA. BOW has a 3.8 percent market share for Minnesota. The bank's branch structure is the most comprehensive in the Minnesota Non-MSA AA with 16 offices, which is more than twice as many as the nearest competitor with a branch share of 10.4 percent. Similarly, BOW has a branch share of 11.1 percent in the La Crosse MSA AA, which ties all other banks operating in the AA.

Changes in Branch Locations

BOW's record of opening and closing branches in Minnesota has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies. Over the review period, BOW opened one limited service branch, and relocated one branch from a middle-income CT to another middle-income CT. All branches were located in middle-income CTs, so there is minimal impact on LMI geographies. No branches were closed, so the net result is a branch network with slightly greater accessibility.

Table MN-23 – Branch Relocations			
Branch Name	**City**	**AA**	**CT Income Level**
Worthington Oxford	Worthington	Minnesota Non-MSA	Middle

Source: Bank records

Table MN-24 – Limited Service Branch Openings			
Branch Name	**City**	**AA**	**CT Income Level**
Minneapolis	Minneapolis	Minneapolis CSA	Middle

Source: Bank records

CD Services

BOW provides an adequate level of CD services. For the review period, 15 BOW employees completed CD services with 16 different groups for a total of 184 hours. Most of the hours worked involved providing CD services for LMI individuals or groups, and are part of the BOW CAA section of this PE. The following are examples of CD that benefited Minnesota:

- INROADS develops and places talented minority youth in businesses and industry to provide work experience and give year round advising, training, and tutoring for intern participants. In 2006, 2007, and 2008 the Bank sponsored 9 students each year (a total of 27 students) to participate in a 10 week summer internship. Participants are from Hennepin, Minnesota.
- Neighborhood Summit, hosted annually by the bank, brings municipal and community leaders and the Bank's locally-based community affairs officers together to strengthen communities. Featured themes include fostering financial literacy and creating sustainable communities.

MINNESOTA NON-MSA
FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the Minnesota Non-MSA AA.

The Minnesota Non-MSA AA accounts for the following:

- Approximately 2.6 percent of the institution's branch network
- Approximately 0.6 percent of the total CTs within the combined AA
- Approximately 2.4 percent by number and 1.8 percent by dollar volume of small business loans originated in the state for 2008

- Approximately 2.6 percent by number and 1.4 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 27.5 percent by number and 26.4 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 2.0 percent by number and 1.0 percent by dollar volume of total CD loans originated
- Approximately 1.6 percent by dollar volume of total qualified investments made
- Approximately 1.0 percent by number of total CD service hours conducted

DESCRIPTION OF THE MINNESOTA NON-MSA AA

Table MN-25 reflects the demographics of the AA.

Table MN-25 - Demographic Information for Full-scope Area: Minnesota Non-MSA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	69	0.0	2.9	95.7	1.4	0.0
Population by Geography	233,126	0.0	2.2	96.2	1.6	0.0
Owner-Occupied Housing by Geography	70,870	0.0	2.1	96.5	1.4	0.0
Business by Geography	23,290	0.0	2.7	95.4	1.9	0.0
Farms by Geography	4,870	0.0	2.1	97.6	0.3	0.0
Family Distribution by Income Level	62,507	18.5	20.6	27.2	33.7	0.0
Distribution of LMI Families throughout AA Geographies	24,433	0.0	2.8	96.2	1.0	0.0
MFI HUD Adjusted MFI for 2008 Households Below Poverty Level		45,925 56,700 11%	Median Housing Value Unemployment Rate 2007 2008 March 2009		76,180 4.7% 5.6% 9.4%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

PERFORMANCE TEST CONCLUSIONS

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the Minnesota Non-MSA AA is presented below. Other Lending Test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. More weight is given to small business and farm lending for determining this conclusion. Data supporting the ratings are presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

BOW's overall distribution of loans reflects excellent dispersion to farms and businesses of different revenue sizes, and borrowers of different income levels. For both small business loans and small farm loans, BOW's performance is considered excellent. For HMDA loans, BOW had a good level of lending to LMI borrowers.

Geographic Distribution

BOW's overall distribution of loans reflects excellent penetration throughout the AA. This conclusion is different from the overall conclusion for Minnesota combined. Overall, the performance is stronger than the combined AAs for Minnesota. For small business lending, the bank shows excellent penetration of the moderate-income CT in the Non-MSA. The 2008 penetration also exceeds D&B data. The bank shows excellent penetration for HMDA loans in the Non-MSA, as the bank's penetration of moderate-income CTs exceeds aggregate data. For small farm lending, the bank shows excellent penetration of the moderate-income CT in the Non-MSA, as the bank's penetration of moderate-income CTs exceeds aggregate data.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

OMAHA MULTI-STATE MSA

The Lending Test is rated:	***Outstanding***
The Investment Test is rated:	***High Satisfactory***
The Service Test is rated:	***High Satisfactory***

BOW's Omaha Multi-State CRA rating is **Outstanding.**

The Omaha Multi-State MSA AA accounts for the following:

- Approximately 4.1 percent of the institution's branch network
- Approximately 1.8 percent of the total CTs within the combined AA
- Approximately 3.0 percent by number and 2.0 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 8.8 percent by number and 5.5 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 1.5 percent by number and 0.7 percent by dollar volume of small farm loans originated in the state for 2008

- Approximately 4.1 percent by number and 0.5 percent by dollar volume of total CD loans originated
- Approximately 6.4 percent by number and 11.8 percent by dollar volume of total qualified donations made
- Approximately 12.2 percent by number of total CD service hours conducted

DESCRIPTION OF THE OMAHA MULTI-STATE AA

Table OH-1 details the counties that comprise the Omaha Multi-State MSA.

Table OH-1 – Omaha Multi-State AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Omaha Multi-State MSA	36540	Harrison, Pottawattamie, Douglas, Sarpy

Source: Bank records

Table OH-2 reflects the demographics of the AA.

Table OH -2 – Demographic Information for Full-scope Area: Omaha Multi-State MSA AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	216	3.3	27.8	44.4	24.5	0.0
Population by Geography	689,550	2.2	27.0	45.6	25.2	0.0
Owner-Occupied Housing by Geography	173,992	1.1	21.2	48.4	29.3	0.0
Business by Geography	48,528	2.1	21.5	47.2	29.2	0.0
Farms by Geography	2,180	0.3	10.2	67.1	22.4	0.0
Family Distribution by Income Level	177,515	17.7	19.3	24.3	38.7	0.0
Distribution of LMI Families throughout AA Geographies	65,710	3.5	40.8	44.7	11.0	0.0
MFI		53,955	Median Housing Value			103,948
HUD Adjusted MFI for 2008		67,100	Unemployment Rate 2007			3.4%
Households Below Poverty Level		8%	2008			3.7%
			March 2009			5.2%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S Bureau of Labor Statistics, and 2008 HUD updated MFI

For the Omaha Multi-State MSA refer to the economic analyses for the states of Iowa and Nebraska.

Community Contact Observations

Contact indicated a need for affordable housing and financial education for first-time homebuyers. A contact indicated a need for financing of home construction projects.

MULTI-STATE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW is rated outstanding in the lending test in the Omaha Multi-State MSA. The rating reflects excellent responsiveness to the credit needs of the AA it serves. Both the borrower distribution and geographic penetration are overall excellent. BOW mostly exceeds aggregate performance and is generally comparable to or better than demographic data. The bank's performance in HMDA lending carries the most weight, followed by small business lending. Small farm lending has the least weight base on loan numbers.

Level of Lending

Overall, the lending levels reflect excellent responsiveness to AA credit needs. Table OH-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares generally increased during the period. The bank was also a top lender and a leader in CD loans.

Table OH-3– Omaha Multi-State MSA AA Market Share – FDIC Insured Lenders

Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	6 of 68	1.0	6 of 63	1.4	4.6
HMDA	8 of 403	2.6	9 of 371	2.8	
Small Farm	3 of 23	10.0	6 of 20	5.5	

* - Small business and small farm ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers in the Omaha Multi-State MSA reflects excellent penetration among businesses and farms of different sizes, and individuals of different income levels.

Small Business Loans

The distribution of borrowers reflects excellent penetration among business customers of different revenue sizes. Table OH-4 shows the GARs related to the bank's small business lending. The performance and trends are consistent with the CAA conclusions.

Table OH-4 – Multi-State Small Business Loan GAR Distribution

GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	61.8	251	66.9	38.5	229	67.2
Over $1M	6.3	73	19.5		72	21.1
Not Considered*	31.9	51	13.6		40	11.7
Total	100.0	375	100.0		341	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The distribution of borrowers reflects excellent penetration among retail customers of different income levels. Table OH-5 shows BOW's distribution of home HMDA loans by borrower income in the AA. Lending to low-income borrowers significantly exceeds aggregate lending in 2007, which is excellent. Although BOW's level is slightly below the percentage of low-income families, not all low-income families may qualify for loans. BOW's 2007 performance to moderate-income borrowers is excellent since lending exceeds both demographic data and aggregate performance. In 2008, HMDA loans to LMI borrowers trended nominally downward.

Table OH-5 – Multi-State HMDA Loan Borrower Profile						
Borrower Income Level	**% of Families**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	17.7	156	14.6	9.9	140	14.4
Moderate	19.3	240	22.4	21.3	198	20.4
Middle	24.3	277	25.8	26.2	237	24.5
Upper	38.7	349	32.6	37.8	337	34.8
NA	0.0	49	4.6	4.8	57	5.9
Total	100.0	1,071	100.0	100.0	969	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Small Farm Loans

The distribution of borrowers in the Omaha Multi-State MSA AA reflects good penetration among farm customers of different revenue sizes. Table OH-6 shows BOW's distribution of small farm loans by GARs in this AA. The performance is consistent with CAA conclusions; however, unlike the CAA, the trend is positive from 2007 to 2008.

Table OH-6 – Multi-State Small Farm Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	97.9	36	81.8	84.2	23	88.5
Over $1M	1.3	0	0.0		1	3.8
Not Considered*	0.8	8	18.2		2	7.7
Total	100.0	44	100.0		26	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Geographic Distribution

The geographic distribution of loans reflects excellent penetration throughout the Omaha Multi-State MSA AA.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the Omaha Multi-State MSA AA. Table OH-7 shows the distribution of small business loans by the income category of CTs within the AA. The 2007 performance and trends are consistent with the

CAA conclusions, except that BOW's lending in 2008 is slightly less than D&B data, rather than comparable as in the CAA conclusions.

Table OH-7 – Multi-State Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	2.1	5	1.3	1.1	3	0.9
Moderate	21.5	73	19.5	15.9	59	17.3
Middle	47.2	199	53.1	45.0	176	51.6
Upper	29.2	98	26.1	36.3	103	30.2
NA	0.0	0	0.0	1.7	0	0.0
Total	100.0	375	100.0	100.0	341	100.0

Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects good penetration throughout the Omaha Multi-State MSA AA. Table OH-8 shows the distribution of HMDA loans by the income category of CTs within the AA. In 2007, BOW's lending was better than aggregate lending in both LMI CTs. The bank's performance was comparable to demographic data with levels slightly exceeding low-income CTs, and slightly below moderate-income CTs. In 2008, the bank trended slightly downward in LMI CTs.

Table OH-8 – Multi-State HMDA Loan Geographic Distribution						
CT Income Level	**% Owner Occupied Housing Units**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	1.1	13	1.2	1.0	10	1.0
Moderate	21.2	221	20.6	17.4	162	16.7
Middle	48.4	528	49.3	44.0	485	50.1
Upper	29.3	309	28.9	37.5	312	32.2
NA	0.0	0	0.0	0.1	0	0.0
Total	100.0	1,071	100.0	100.0	969	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Small Farm Loans

The geographic distribution of small farm loans reflects excellent penetration throughout the Omaha Multi-State MSA AA. Table OH-9 shows the distribution of small farm loans by the income category of CTs within the AA. In 2007, BOW's lending to small farms located in moderate-income CTs significantly exceeded D&B data by 21.6 percent and aggregate by 26.6 percent. The bank did not make any small farm loans in low-income CTs considering aggregate lending was only 0.1 percent. According to D&B, there are few lending opportunities in low-income areas with only 0.3 percent of all farms. In 2008, BOW's lending in moderate-income CTs trended downward but still substantially exceeded demographic distribution.

Table OH-9 – Multi-State Small Farm Loan Geographic Distribution						
CT Income Level	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	0.3	0	0.0	0.1	0	0.0
Moderate	10.2	14	31.8	5.2	7	26.9
Middle	67.1	30	68.2	77.3	18	69.2
Upper	22.4	0	0.0	17.1	1	3.9
NA	0.0	0	0.0	0.3	0	0.0
Total	100.0	44	100.0	100.0	26	100.0

Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

CD Loans

BOW is a leader in making CD loans in the Omaha Multi-State MSA AA relative to its presence in the AA. The bank originated 24 CD loans totaling $10.0 million in the Omaha Multi-State MSA AA over the review period. This represents about 0.5 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI tract revitalization. The remainder provides support for LMI affordable housing needs and services to LMI individuals.

INVESTMENT TEST

BOW's Investment Test rating is High Satisfactory. BOW has a significant level of qualified community investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. The institution exhibits a good responsiveness to credit and community economic development needs. Although the bank does not hold any investments that directly impact the Omaha Multi-State AA, this AA is covered by substantial statewide investments in the two states that constitute this multi-state area. Statewide investments for Iowa and Nebraska total $3.5 million and $5.4 million, respectively for a total of $8.9 million. These qualified investments consists of equity, mortgage-backed, and LIHTC type investments.

SERVICE TEST

BOW is rated High Satisfactory in the Service Test. BOW is a leader in providing CD services, which is the bank's strongest component. The bank's opening and closing of branches are not rated because there was no activity during the review period. The bank's delivery systems are accessible to essentially all portions of the AA. Services do not vary in ways that inconvenience certain portions of the AA, particularly LMI geographies or individuals.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences certain portions of the Omaha Multi-State AA, particularly LMI geographies or individuals. Table OH-10 evaluates the branch structure by comparing the number of branches by CT income level throughout the whole MSA combined, to

the branch distribution of all financial institutions and to the percentage of households and businesses.

Table OH-10 – Branch Structure as of 12/31/2008						
Branch & Drive Up Facility Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches	0	6	14	7		27
% of Branches	0.0	22.2	51.9	25.9		100.0
# of Drive Up Facilities	0	0	1	0		1
% of Drive Up Facilities	0.0	100.0	0.0	0.0		100.0
Total Branches & Drive Up Facilities	***0***	***6***	***15***	***7***		***28***
% of Total Branches & Drive Up Facilities	***0.0***	***21.4***	***53.6***	***25.0***		***100.0***
Comparisons						
% of Branches - All Institutions	1.5	16.0	53.1	29.4		100.0
% of Households	1.8	27.1	48.0	23.1		100.0
% of Businesses	2.1	21.5	47.2	29.2		100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among low-income CTs is slightly weaker when compared to the percentages of competition, households, and businesses. However, BOW's branch distribution among moderate-income CTs (21.4 percent) compares favorably to the competition and is commensurate with the households and businesses.

Table OH-11- Branches in LMI CTs				
AA	**Low-Income %**		**Moderate-Income %**	
	BOW	**Aggregate**	**BOW**	**Aggregate**
Omaha IA NE Multi-State MSA	0.0	1.5	21.4	16.0

Source: Bank records and FFIEC Website

BOW's branch penetration in low-income CTs is weaker than competitors in the Omaha Multi-State MSA. However, the bank's penetration in moderate-income CTs is significantly stronger and is 5.4 percent higher than the competition in moderate-income CTs.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Omaha Multi-State AA. BOW operates 27 branches in the multi-state MSA. BOW has a 4.6 percent market share for the Omaha Multi-State MSA. The bank's branch structure is the second-most comprehensive in the MSA with 27 offices, and a branch share of 10.0 percent.

Changes in Branch Locations

BOW's record of opening and closing branches in the Omaha Multi-State AA is not applicable as BOW did not open or close any branches in the AA during the review period.

CD Services

BOW is a leader in providing CD services in the Omaha Multi-State AA. For the review period, 34 BOW employees completed CD services with 27 different groups for a total of 1,973 hours. Most of the hours worked (70.4 percent) involved providing CD services for LMI individuals or groups and are part of the BOW CAA section. Also, a significant portion of the hours worked, 27.6 percent, benefited affordable housing. The following is an example of CD services in the AA:

- Neighborhood Summit, hosted annually by the bank, brings municipal and community leaders and the Bank's locally-based community affairs officers together to open dialogues and network opportunities with the common goal of sharing information and ideas that will help strengthen communities. Featured themes include fostering financial literacy and creating sustainable communities.

IOWA

The Lending Test is rated: ***High Satisfactory***
The Investment Test is rated: ***Outstanding***
The Service Test is rated: ***High Satisfactory***

BOW's Iowa CRA rating is **Satisfactory**.

The BOW's Iowa AAs account for the following:

- Approximately 5.3 percent of the institution's branch network
- Approximately 2.4 percent of the total CTs within the combined AA
- Approximately 3.0 percent by number and 2.3 percent by dollar volume of small business loans originated in 2008
- Approximately 7.0 percent by number and 3.5 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 6.7 percent by number and 4.9 percent by dollar volume of small farm loans originated in 2008
- Approximately 1.5 percent by number and 1.7 percent by dollar volume of total CD loans originated
- Approximately 4.5 percent by number and 3.6 percent by dollar volume of total qualified investments made
- Approximately 4.3 percent by number and 3.0 percent by dollar volume of total qualified donations made
- Approximately 3.3 percent by number of total CD service hours conducted

DESCRIPTION OF THE IOWA AA

Table IA-1 details the counties that comprise the Iowa AAs.

Table IA-1 – Iowa AAs

AA	MSA/CSA Numbers	AA Counties
Des Moines MSA	19780	Dallas, Polk, Warren

Ames-Boone MSA	11180	Story
Cedar Rapids MSA	16300	Jones, Linn
Davenport MSA	19340	Scott
Iowa City MSA	26980	Johnson
Iowa Non-MSA	N/A	Boone, Carroll, Davis, Decatur, Howard, Mahaska, Marshall, Shelby, Wapello, Winneshiek

Source: Bank records

Table IA-2 reflects the demographics of the Iowa AAs combined.

Table IA-2 - Demographic Information for Full-scope Area: Iowa AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	294	4.1	17.4	59.2	19.0	0.3
Population by Geography	1,224,586	3.0	14.6	58.6	23.4	0.4
Owner-Occupied Housing by Geography	334,599	1.2	12.5	61.5	24.8	0.0
Business by Geography	101,919	7.3	11.2	56.2	25.1	0.2
Farms by Geography	8,272	0.8	5.1	78.5	15.5	0.1
Family Distribution by Income Level	314,154	17.0	18.8	25.0	39.2	0.0
Distribution of Low-and Moderate-Income Families throughout AA Geographies	112,462	4.3	20.9	60.9	13.9	0.0
MFI		47,935	Median Housing Value			99,273
HUD Adjusted MFI for 2008		58,108	Unemployment Rate 2007			3.7%
Households Below Poverty Level		9%	2008			4.1%
			2009			5.7%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S Bureau of Labor Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Iowa's economy has recently experienced a sharp contraction in manufacturing with business retrenching sending industrial production to a six-year low. Farming is relatively strong; however, falling agriculture prices pose a threat. The jobless rate is up over the past year to reach its highest point since 2004.

Community Contact Observations

CD was identified as a need for Adir County, Iowa. Construction of the third ethanol plant will help increase local jobs and a contact mentioned several more wind farms are being proposed for the area.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW's Lending Test performance is rated High Satisfactory. The rating reflects adequate responsiveness to the credit needs of the AAs it serves. More weight is given to the borrower's profile and geographic distribution of loans for HMDA lending (based on volume) for determining this conclusion.

Level of Lending

Overall, the lending levels reflect excellent responsiveness to AA credit needs. Table IA-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares generally increased during the period and the bank is one of the top lenders in the market.

Table IA-3 – Iowa AA Market Share – FDIC Insured Lenders					
Loan Type	**2006**		**2007**		**Deposit Market Share %**
	Rank *	**Market Share %**	**Rank ***	**Market Share %**	
Small Business	8 of 81	2.6	7 of 85	2.8	3.5
HMDA	13 of 555	1.0	14 of 495	1.5	
Small Farm	5 of 29	9.8	4 of 29	7.9	

*Small business and small farm ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers reflects good penetration among businesses of different sizes, and individuals of different income levels. While there are some differences, the borrower's profile is generally consistent with the CAA.

Small Business Loans

The distribution of borrowers reflects excellent penetration among business customers of different sizes. Table IA-4 shows BOW's distribution of small business loans by GAR in all Iowa AAs combined. In 2007, BOW originated a majority (69.5 percent) of loans to small businesses with GARs of $1.0 million or less. This performance significantly exceeds the aggregate performance by 25.2 percentage points. In 2008, lending to small businesses trended upwards to 70.3 percent.

Table IA-4 – Statewide Small Business Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	59.9	348	69.5	44.3	234	70.3
Over $1M	5.1	75	15.0		56	16.8
Not Considered*	35.0	78	15.5		43	12.9
Total	100.0	501	100.0		333	100.0

*No response for D&B survey data, not considered for BOW data
Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table IA-5 presents rate of lending to businesses with GARs of $1.0 million or less by AAs within Iowa. With 51.4 percent of Iowa's lending within the Des Moines MSA, this MSA received most weight for the statewide conclusion. In 2007, BOW's lending to small business significantly exceeds aggregate data (70.8 percent compared to 43.4 percent). The 2008 penetration also showed an upwards trend. With the exception of the Davenport MSA, which has the smallest percentage of loans made in Iowa, BOW's 2007 lending exceeded aggregate data.

Table IA-5 – Small Business Lending Rates				
AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Des Moines MSA	51.4	70.8	43.4	71.9
Iowa Non-MSA	15.3	67.8	44.3	74.5
Cedar Rapids MSA	20.4	61.1	44.5	72.1
Ames-Boone CSA	6.6	77.8	45.2	72.7
Iowa City MSA	5.1	53.3	46.5	41.2
Davenport MSA	1.2	25.0	44.4	100.0

Source: CRA data (2007-2008) and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects adequate penetration among retail customers of different income levels. Table IA-6 shows BOW's distribution of HMDA loans by borrower income in all Iowa AAs combined. In 2007, the lending to LMI borrowers slightly lags aggregate performance. In 2008, HMDA loans to LMI borrowers trended down slightly to 7.9 and 18.7 percent, respectively.

Table IA-6 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	% of Families	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	17.0	89	8.7	10.5	61	7.9
Moderate	18.8	203	19.9	24.4	144	18.7
Middle	25.0	262	25.6	25.4	198	25.8
Upper	39.2	440	43.1	34.5	337	43.8
NA	0.0	28	2.7	5.2	29	3.8
Total	100.0	1,022	100.0	100.0	769	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables IA-7 and IA-8 show BOW's lending penetration of LMI borrowers. Lending in the Des Moines MSA, Cedar Rapids MSA, and the Non-MSA shows that the bank's 2007 lending lags aggregate data. Total lending in these 3 AAs equals 78 percent of BOW's loans that are made in Iowa. The 2007 Iowa City MSA penetration of LMI CTs exceeds aggregate data; however, the Iowa City MSA represents only 13.7 percent of all Iowa loans. The 2008 LMI penetration levels show a general downward trend with a few exceptions.

Table IA-7 – AA Low-Income Borrower Penetration Rates				
AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Des Moines MSA	40.1	7.8	11.3	7.5
Iowa Non-MSA	23.7	9.21	12.3	8.8
Cedar Rapids MSA	14.2	8.51	11.8	9.2
Ames-Boone CSA	13.7	7.9	7.8	5.7
Iowa City MSA	5.3	16.3	6.8	12.2
Davenport MSA	3.0	15.0	8.7	4.2

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Table IA-8 – AA Moderate-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Des Moines MSA	40.1	19.4	26.3	16.9
Iowa Non-MSA	23.7	21.1	24.9	25.3
Cedar Rapids MSA	14.2	19.9	24.9	14.7
Ames-Boone CSA	13.7	19.1	22.2	16.2
Iowa City MSA	5.3	20.9	20.2	19.5
Davenport MSA	3.0	20.0	20.2	20.8

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Small Farm Loans

The distribution of borrowers reflects good penetration among farms of different sizes. Table IA-9 shows BOW's distribution of small business loans by GAR in all Iowa AAs combined. In 2007, BOW originated a majority (78.8. percent) of loans to small businesses with GARs of $1.0 million or less. This performance exceeds the aggregate performance by 2.3 percentage points. In 2008, lending to small businesses shows BOW continued to originate a majority (74.4 percent) of loans to small farms.

Table IA-9 – Statewide Small Farm Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	98.2	141	78.8	76.5	87	74.4
Over $1M	0.9	11	6.1		16	13.6
Not Considered*	0.9	27	15.1		14	12.0
Total	100.0	179	100.0		117	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data (2007-2008) and 2007 CRA aggregate data

Table IA-10 presents the rate of lending to farms with GARs of $1.0 million or less by AAs within Iowa. The performance in the AAs shows different levels and trends; however, the performance generally supports the overall conclusion.

Table IA-10 – Small Farm Lending Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Des Moines MSA	4.3	83.3	68.9	60.0
Iowa Non-MSA	91.5	78.6	84.9	75.7
Cedar Rapids MSA	1.7	n/a	70.7	50.0
Ames-Boone CSA	2.5	0.0	79.9	66.7
Iowa City MSA	0.0	n/a	69.3	n/a
Davenport MSA	0.0	n/a	82.4	n/a

Source: CRA data (2007-2008) and 2007 CRA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects an adequate penetration throughout the State of Iowa. Except for six moderate-income CTs in the Non-MSA, all LMI tracts are in the bank's other AAs, which has more limited lending. Geographic distribution is not as strong as that of the CAA but still supports the overall conclusion.

Small Business Loans

The geographic distribution of small business loans reflects adequate penetration throughout the Iowa AAs. As shown in Table IA-11, the 2007 penetration of moderate-income CTs lags aggregate lending by 3.8 percentage points. However, the penetration of the 12 low-income CTs exceeds aggregate. In 2008, the penetration shows a slight downward trend in the low-income CTs and an upward trend in the moderate-income CTs.

Table IA-11 – Statewide Small Business Loan Geographic Distribution

CT Income Level	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	7.3	31	6.2	5.5	18	5.4
Moderate	11.2	27	5.4	9.2	24	7.2
Middle	56.2	313	62.4	52.0	198	59.5
Upper	25.1	130	26.0	30.6	93	27.9
NA	0.2	0	0	2.7	0	0
Total	100.0	501	100.0	100.0	333	100.0

Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Tables IA-12 and IA-13 show the bank's loan penetration by AA. Table IA-12 shows that in 2007, BOW's penetration of low-income tracts exceeds aggregate for the Des Moines MSA, which represents 40 percent of lending in Iowa. Also, BOW's Davenport MSA 2007 penetration significantly exceeds aggregate data, but shows no penetration of low-income tracts in 2008. Table IA-13 shows that in 2007, BOW's penetration of moderate-income tracts lags aggregate data for the Des Moines MSA; however, the Cedar Rapids and Iowa City MSAs exceeds aggregate data for the same period. As shown, the conclusions vary for each AA, but they generally support the conclusion.

Table IA-12 – Small Business Loan Low-Income CT Penetration Rates

AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Des Moines MSA	8.8	6.8	7.9	11.4
Iowa Non-MSA	0.0	0.0	0.0	0.0
Cedar Rapids MSA	2.8	3.3	2.9	3.5
Ames-Boone CSA	6.7	10.9	4.6	9.5
Iowa City MSA	0.0	4.6	11.8	6.5
Davenport MSA	25.0	5.5	0.0	7.6

Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table IA-13 – Small Business Loan Moderate-Income CT Penetration Rates				
AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Des Moines MSA	4.0	7.8	5.9	10.2
Iowa Non-MSA	2.3	9.5	5.9	9.0
Cedar Rapids MSA	15.3	11.5	14.7	14.0
Ames-Boone CSA	0.0	0.0	0.0	0.0
Iowa City MSA	20.0	13.9	5.9	18.3
Davenport MSA	0.0	13.5	0.0	15.2

Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the Iowa AAs. Table IA-14 shows BOW's geographic distribution for HMDA loans. In 2007, the bank's performance lags aggregate in LMI CTs. In 2008, the bank's performance stayed the same for its low-income CTs and trended upward slightly in the moderate-income CTs.

Table IA-14 – HMDA Loan Geographic Distribution						
CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	1.2	6	0.6	1.3	4	0.6
Moderate	12.5	70	6.9	11.1	60	7.8
Middle	61.5	692	67.7	56.1	534	69.4
Upper	24.8	254	24.8	31.4	171	22.2
NA	0.0	0	0.0	0.0	0	0.0
Total	100.0	1,022	100.0	100.0	769	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables IA-15 and IA-16 show the bank's LMI penetration by AA. Table IA-15 shows that BOW has limited loan penetration of low-income CTs. Table IA-16 shows that BOW's 2007 HMDA loan penetration in moderate-income CTs lags aggregate data for the Des Moines MSA AA, but its lending also exceeded aggregate for the Non-MSA AA. These tables generally support the overall conclusions on geographic distribution.

Table IA-15 – HMDA Loan Low-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Des Moines MSA	1.8	1.4	1.9	1.3
Iowa Non-MSA	9.0	0.0	0.0	0.0
Cedar Rapids MSA	0.5	0.0	0.7	0.0
Ames-Boone CSA	2.8	0.0	1.9	0.0
Iowa City MSA	0.0	0.0	0.2	0.0
Davenport MSA	1.6	0.0	13.8	0.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table IA-16 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Des Moines MSA	17.6	10.3	13.8	9.7
Iowa Non-MSA	8.9	6.6	1.9	8.8
Cedar Rapids MSA	8.4	3.6	7.2	6.4
Ames-Boone CSA	0.0	0.0	0.0	0.0
Iowa City MSA	12.6	7.0	11.1	7.3
Davenport MSA	14.7	10.0	13.8	16.7

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Small Farm Loans

The geographic distribution of small farm loans reflects adequate penetration throughout the Iowa AAs. BOW's 2007 penetration of LMI CTs lags aggregate data. However, in 2008 there was an upward trend of moderate-income CT penetration.

Table IA-17 – Statewide Small Farm Loan Geographic Distribution						
CT Income Level	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	0.8	0	0.0	0.3	0	0.0
Moderate	5.1	13	7.3	8.0	10	8.6
Middle	78.4	165	92.2	76.3	104	88.8
Upper	15.6	1	0.5	14.7	3	2.6
NA	0.1	0	0.0	0.7	0	0.0
Total	100.0	179	100.0	100.0	117	100.0

Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Tables IA-18 and IA-19 show the bank's small farm penetration by AA. Table IA-18 shows no farm lending in the low-income CTs, but aggregate also shows no or nominal lending as well. Table IA-19 shows BOW's 2007 penetration of moderate-income lags aggregate data; however, in 2008 the bank's lending showed an upward trend in the Iowa Non-MSA and Cedar Rapids MSA. Given the bank's overall limited volume of farm lending, its penetration levels are adequate.

Table IA-18 – Small Farm Loan Low-Income CT Penetration Rates				
AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Des Moines MSA	0.0	1.6	0.0	1.4
Iowa Non-MSA	0.0	0.0	0.0	0.0
Cedar Rapids MSA	n/a	0.9	0.0	0.4
Ames-Boone CSA	0.0	0.0	0.0	2.3
Iowa City MSA	n/a	0.0	n/a	n/a
Davenport MSA	n/a	0.0	n/a	n/a

Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table IA-19 – Small Farm Loan Moderate-Income CT Penetration Rates				
AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Des Moines MSA	0.0	3.5	0.0	6.4
Iowa Non-MSA	7.5	18.5	8.4	3.9
Cedar Rapids MSA	n/a	4.7	50.0	9.3
Ames-Boone CSA	0.0	0.0	0.0	0.0
Iowa City MSA	n/a	1.3	n/a	n/a
Davenport MSA	n/a	2.7	n/a	n/a

Source: CRA data (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

CD Loans

BOW has made a relatively high level of CD loans in Iowa in relationship to its presence in the state. The bank originated 9 CD loans totaling $34.9 million in Iowa over the review period. This represents about 1.7 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI affordable housing needs. The remainder provides support for LMI tract revitalization and economic development.

INVESTMENT TEST

BOW's Investment Test rating is Outstanding. The bank has an excellent level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. BOW exhibits an excellent responsiveness to credit and community economic needs of the Iowa AAs. The institution holds 11 qualifying investments totaling $6.9 million (excludes donations and grants), which is a 302 percent increase over the previous evaluation figures. A portion of the statewide investments in Iowa are considered in the Omaha Multi-State MSA AA analysis. At the previous evaluation, qualified investments were rated a High Satisfactory for Iowa. This performance is consistent with the resources dedicated to Iowa. Table IA-20 depicts the bank's qualified investments and donations by investment type and category in Iowa.

Table IA-20 – CD Investments					
Investment Type	Total $ (000s)	LMI Housing $ (000)	LMI Tract Revitalization $ (000)	Economic Development $ (000s)	LMI Services $ (000s)
Statewide Investments	3,494	3,494	--	--	--
Direct Investments	2,000	2,000	--	--	--
Multiple AAs	416	--	--	416	--
Single AAs	981	981	--	--	--
Grants & Donations	239	39	3	7	190
Total	7,130	6,514	3	423	190

Source: Bank records

Of the 11 qualified investments, 5 totaling $1.8 million carried over from the previous evaluation period. A sample of qualified investments purchased during this evaluation period consist of 2 LIHTC totaling $2.5 million, of which 1 for $2.0 million is a statewide investment with the

remaining amount benefiting the Iowa City MSA AA. As illustrated in Table IA-19, the majority of the qualified investments target LMI housing related organizations or initiatives. Four of the investments totaling $416,000 are to a SBIC organization with a primary emphasis towards economic development. In summary, qualified investments were diversified across the six Iowa AAs.

SERVICE TEST

BOW is rated High Satisfactory in the Service Test. BOW delivery systems are readily accessible to essentially all portions of Iowa AAs. To the extent changes have been made, the bank's opening and closing of branches were not adversely affected the accessibility of its delivery systems. Services do not vary in a way that inconveniences portions of the Iowa AAs, particularly LMI geographies or individuals. Finally, BOW provides a relatively high level of CD services.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences portions of the Iowa AAs, particularly LMI geographies or individuals. Table IA-21 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined, to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table IA-21 – Branch Structure as of 12/31/2008

Branch & Drive Up Facility Distribution	Income Level of CT					
	Low	Moderate	Middle	Upper	N/A	Total
# of Branches	2	3	23	7	0	35
% of Branches	5.7	8.6	65.7	20.0	0.0	100.0
# of Drive Up Facilities	1	0	2	0	0	3
% of Drive Up Facilities	33.3	0.0	66.7	0.0	0.0	100.0
Total Branches & Drive Up Facilities	***3***	***3***	***25***	***7***	***0***	***38***
% of Total Branches & Drive Up Facilities	***7.9***	***7.9***	***65.8***	***18.4***	***0.0***	***100.0***
Comparisons						
% of Branches - All Institutions	8.0	9.9	61.5	20.6	0.0	100.0
% of Households	3.0	14.8	59.7	22.5	0.0	100.0
% of Businesses	7.3	11.2	56.2	25.1	0.2	100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among LMI CTs is generally weaker when compared to the percentages of competition, households, and businesses. BOW's branch distribution among moderate-income CTs (8.6 percent) compares unfavorably to the competition, households, and businesses. However, several of the branches in middle- and upper-income CTs are in close proximity to the moderate-income CTs and this positively impacts the AAs.

Table IA 22- Branches in LMI CTs

AA	Low-Income %		Moderate-Income %	
	BOW	Aggregate	BOW	Aggregate
Des Moines MSA	16.7	11.7	16.7	9.7

Ames-Boone CSA	0.	16.7		
Cedar Rapids MSA	0.0	1.1	16.7	17.2
Davenport MSA	0.0	7.9	0.0	6.4
Iowa City MSA	50.0	15.4	0.0	18.0
Iowa Non-MSA			0.0	7.1

Source: Bank records and FFIEC Website

Table IA-21 details the bank's branch penetration of LMI tracts compared to other lenders in the Iowa AAs. BOW's branch penetration in LMI CTs in the Des Moines MSA AA is stronger than competitors at 16.7 percent. It is also stronger in the Iowa City MSA in the low-income CT. However, BOW has no branch penetration in the Ames-Boone CSA, Davenport MSA, and Iowa Non-MSA. In the Cedar Rapids MSA, LMI branch penetration is weaker in the low-income CTs and comparable in the moderate-income CT. However, in those areas with weak or no branch penetration, the bank has other branches that are in close proximity to the LMI areas.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Iowa AAs. BOW operates 35 branches in Iowa and accessibility differs slightly by AA. BOW's branch structure is the most comprehensive in the Des Moines MSA with 12. The bank holds a 5.5 percent branch share in this MSA and a 6.2 percent branch share in the entire state. However, BOW has the highest branch share in the Iowa Non-MSA AA at 9.2 percent. All of the branches BOW operates in the Non-MSA areas are located in cities with larger populations or in close proximity to the branches. The accessibility of the branch structure is supported by the availability of alternative delivery systems.

Changes in Branch Locations

BOW's record of opening and closing branches in Iowa has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies. Over the review period, BOW opened two branches and closed five branches. Although one of the five branch closings was in a moderate-income area, the branch overlapped another branch so the impact was minimal. The net result is LMI geographies lost one branch and the middle-income branches lost two. However, in all closing there were overlapping branches which did not negatively impact accessibility. Tables IA-23 and IA-24 detail the branch closings and openings.

Table IA-23 – Branch Closings			
Branch Name	**City**	**AA**	**CT Income Level**
Mt. Vernon Road	Cedar Rapids	Cedar Rapids MSA	Middle
Iowa City - East	Iowa City	Iowa City MSA	Middle
Johnson Avenue	Cedar Rapids	Cedar Rapids MSA	Middle
Iowa City- South	Iowa City	Iowa City MSA	Moderate
Normandy Plaza	West Des Moines	Des Moines MSA	Middle

Source: Bank records and FFIEC Website

Table IA-24 – Branch Openings			
Branch Name	**City**	**AA**	**CT Income Level**
Decorah Drive-up	Decorah	Iowa Non-MSA	Middle
Lamoni Drive-up	Lamoni	Iowa Non-MSA	Middle

Source: Bank records and FFIEC Website

CD Services

BOW provides a relatively high level of CD services in Iowa. For the review period, 40 BOW employees completed CD services with 45 different groups for a total of 531 hours. Most of the hours worked involved providing CDS to LMI individuals or groups, and are part of the BOW CAA section. The following are examples of CD services:

- Participating in the Earned Income Tax Credit (EITC) Program, a 30-year old federal tax credit for low-income workers. The program involves bank employees, the IRS and non-profits in Iowa. Free tax preparation help is offered for EITC filers and bank employees facilitate banking relationships where possible for unbanked EITC filers.
- BOW becomes actively involved in disaster relief efforts when tragedy strikes. Special loan payment and rate programs along with ATM surcharge waivers were offered to customers in designated disaster areas throughout the bank's CAA including the flooding in Cedar Rapids, Iowa.

DES MOINES IOWA MSA
FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the Des Moines MSA AA.

The BOW Des Moines MSA AA accounts for the following:

- Approximately 2.0 percent of the institution's branch network
- Approximately 0.8 percent of the total CTs within the combined AA
- Approximately 1.5 percent by number and 0.8 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 2.8 percent by number and 1.7 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 0.3 percent by number and 0.1 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 0.9 percent by number and 1.2 percent by dollar volume of total CD loans originated
- Approximately 3.6 percent by dollar volume of total qualified investments made
- Approximately 1.8 percent by number of total CD service hours conducted

DESCRIPTION OF THE DES MOINES MSA AA

Table IA-25 reflects the demographics of the AA.

Table IA-25 - Demographic Information for Full-scope Area: Des Moines MSA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	101	5.9	21.8	54.5	17.8	0.0
Population by Geography	456,022	4.5	19.0	52.3	24.2	0.0
Owner-Occupied Housing by Geography	126,276	1.9	17.6	54.6	25.9	0.0

Business by Geography	40,816	11.4	10.2	48.7	29.7	0.0
Farms by Geography	1,851	1.4	6.4	68.3	23.9	0.0
Family Distribution by Income Level	119,689	17.3	18.8	25.4	38.5	0.0
Distribution of LMI Families throughout AA Geographies	43,107	6.6	28.6	51.6	13.2	0.0
Median Family Income HUD Adjusted MFI for 2008 Households Below Poverty Level		55,620 67,900 7%	Median Housing Value Unemployment Rate 2007 2008 March 2009		105,389 3.5% 3.9% 5.2%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Des Moines, IA MSA's economy has experienced slow income growth, declining retail sales, and financial service providers struggle to cope with poor earnings. Business confidence is likewise dismal; access to credit, particularly for small businesses is hampered. Home prices are still falling, and the resulting negative wealth effect will erode credit conditions and dampen spending. The jobless rate has nudged up, but is much lower than the national average.

PERFORMANCE TEST CONCLUSIONS

LENDING TEST

A discussion of borrower's profile and geographic distribution review of loans originated in the Des Moines IA MSA AA is presented below. Other Lending Test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. The greatest weight was given to the bank's small business lending performance and residential lending. Because of limited volume (five loans made in 2008 and six in 2007), small farm lending was not evaluated. Data supporting the ratings are presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

BOW's overall distribution of loans reflects good dispersion to farms and businesses of different revenue sizes and borrowers of different income levels. This conclusion is consistent with the overall statewide conclusion.

Small Business Loans

Conclusions for small business lending penetration is excellent and the same as the statewide conclusion. The penetration shows 70.8 percent of the loans were to small businesses earning GARs for $1.0 million or less.

HMDA Loans

BOW's 2007 HMDA lending to LMI borrowers lagged aggregate data in 2007. While penetration ratio comparisons are slightly different, the conclusion is the same as statewide conclusions.

Geographic Distribution

BOW's overall distribution of loans reflects adequate penetration throughout the AA. BOW had adequate small business and HMDA loan penetration. In 2007, small business low-income CT penetration exceeds aggregate, but lags aggregate for moderate-income penetration. In 2007, HMDA LMI lending penetrations percentages lagged aggregate data. This conclusion is consistent with the statewide conclusion.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

OREGON

The Lending Test is rated:	***High Satisfactory***
The Investment Test is rated:	***Low Satisfactory***
The Service Test is rated:	***High Satisfactory***

BOW's Oregon CRA rating is **Satisfactory**.

The BOW's Oregon AAs account for the following:

- Approximately 4.7 percent of the institution's branch network
- Approximately 3.5 percent of the total CTs within the combined AA

- Approximately 6.2 percent by number and 7.6 percent by dollar volume of small business loans originated in 2008
- Approximately 2.5 percent by number and 3.0 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 2.7 percent by number and 1.9 percent by dollar volume of total CD loans originated
- Approximately 2.9 percent by number and 2.4 percent by dollar volume of total qualified investments made
- Approximately 4.5 percent by number and 4.0 percent by dollar volume of total qualified donations made
- Approximately 9.0 percent by number of total CD service hours conducted

DESCRIPTION OF THE OREGON AA

Table OR-1 details the counties that comprise the Oregon AAs.

Table OR-1 – Oregon AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Portland MSA	38900	Clackamas, Columbia, Multnomah, Washington
Salem MSA	41420	Marion
Oregon Non-MSA	N/A	Jefferson, Lincoln, Malheur, Umatilla, Wasco

Source: Bank records

Table OR-2 reflects the demographics of the Oregon AAs combined.

Table OR-2 - Demographic Information for Full-scope Area: Oregon AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	425	1.9	21.2	52.5	24.2	0.2
Population by Geography	1,962,055	0.9	20.5	54.1	24.5	0.0
Owner-Occupied Housing by Geography	471,524	0.3	14.7	56.2	28.8	0.0
Business by Geography	187,463	3.4	20.9	50.0	25.7	0.0
Farms by Geography	6,783	0.7	9.5	67.1	22.7	0.0
Family Distribution by Income Level	494,017	18.3	18.9	23.1	39.7	0.0
Distribution of Low-and Moderate-Income Families throughout AA Geographies	183,887	1.0	28.0	55.9	15.1	0.0
MFI		49,339	Median Housing Value			168,705
HUD Adjusted Median Family Income for 2008		59,827	Unemployment Rate 2007			5.1%
Households Below Poverty Level		9%	2008			6.4%
			March 2009			12.7%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Oregon MSA's economy has struggled, with job losses in construction and manufacturing operations. The unemployment rate has increased with local job losses worse than those suffered elsewhere in the U.S. over the past several months. The residential real estate market continues to decline, and the continuing housing downturn will

weigh heavily on growth this summer and put the state's outlook for above average growth during the recovery at risk.

Community Contact Observations

A contact indicated a need for banks to support small business lending programs through sponsorships, donations, or referrals. A contact indicated a need for volunteers for financial education.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW's Lending Test performance is rated High Satisfactory. The rating reflects good responsiveness to the credit needs of the AAs it serves. Small business lending was given greater weight than HMDA lending based on the level of activity. Small farm loans were not reviewed due to nominal lending activity. Borrower profile is the strongest component followed by geographic distribution.

Level of Lending

Overall, the lending levels reflect excellent responsiveness to AA credit needs. Table OR-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares increased during the period and the bank was one of the top small business lenders.

Table OR-3 – Oregon AA Market Share – FDIC Insured Lenders

Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	5 of 100	4.5	3 of 106	5.7	2.1
HMDA	73 of 685	0.2	47 of 599	0.4	
Small Farm	11 of 36	1.8	8 of 35	3.0	

* - Small business and small farm ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers reflects good penetration among businesses of different sizes and individuals of different income levels.

Small Business Loans

The distribution of borrowers reflects good penetration among businesses of different sizes. Table OR-4 shows BOW's distribution of business loans by GAR in all Oregon AAs combined. The bank's penetration level exceeds aggregate, but is well below demographic data.

Table OR-4 – Statewide Small Business Loan GAR Distribution						
GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	65.3	546	49.4	45.2	344	49.1
Over $1M	4.7	490	44.3		329	46.9
Not Considered*	30.0	69	6.3		28	4.0
Total	100.0	1,105	100.0		701	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table OR-5 presents the rate of lending to businesses with GARs of $1.0 million or less by AAs within Oregon. Bank performance in the Portland MSA AA, which constitutes nearly 88 percent of its loan origination, is consistent with performance at the statewide level. Wider variances were noted in the other two AAs, but the low activity level did not materially impact the overall state performance.

Table OR-5 – Small Business Lending Rates				
AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Portland MSA	87.9	45.7	45.2	47.7
Salem MSA	9.5	29.2	45.3	5.6
Oregon Non-MSA	2.6	86.4	45.2	73.1

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects excellent penetration among borrowers of different income levels. Table OR-6 shows BOW's distribution of HMDA loans by borrower income in all Oregon AAs combined. In 2007, the bank performance was particularly strong in the LMI tracts. In 2008, the performance has trended upwards in the low-income CTs, while the moderate-income CTs trended downward.

Table OR-6 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	% of Families	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	18.3	15	4.0	2.5	15	5.4
Moderate	18.9	72	19.5	14.9	41	14.6
Middle	23.1	80	21.6	26.5	59	21.1
Upper	39.7	179	48.4	52.2	146	52.1
NA	0.0	24	6.5	3.9	19	6.8
Total	100.00	370	100.0	100.0	280	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables OR-7 and OR-8 show BOW's loan penetration rates for LMI borrowers in each AA in Oregon. The bank's performance within each AA for LMI borrowers is consistent with the bank performance and trends at the statewide level, except for the Salem MSA AA, which did not have any HMDA loans to low-income borrowers. In 2007, BOW's moderate-income CT lending was greater than aggregate, while in 2008 the lending trended downward.

Table OR-7 – AA Low-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Portland MSA	70.7	4.2	2.5	5.0
Salem MSA	26.8	0.0	2.7	0.0
Oregon Non-MSA	2.5	4.1	2.4	6.7

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Table OR-8– AA Moderate-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Portland MSA	70.7	20.0	15.1	16.2
Salem MSA	26.8	50.0	15.4	14.3
Oregon Non-MSA	2.5	14.3	11.1	10.7

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects good penetration throughout the State of Oregon.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the Oregon AAs. Table OR-9 shows the distribution of small business loans by the income category of CTs within the AA. The performance and trends are consistent with the CAA conclusions.

Table OR-9 – Statewide Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	3.4	71	6.4	2.5	52	7.4
Moderate	20.9	196	17.8	17.7	118	16.9
Middle	50.0	565	51.1	46.3	352	50.2
Upper	25.7	273	24.7	29.4	179	25.5
NA	0.0	0	0.0	4.1	0	0.0
Total	100.0	1,105	100.0	100.0	701	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Tables OR-10 and OR-11 display BOW's small business loan penetration in LMI CTs. BOW's performance in the Portland MSA AA is comparable to statewide conclusions. There is almost no lending opportunity in low-income CTs in the Salem MSA AA, which is reflected in the limited lending by both BOW and aggregate. Lending in the moderate-income CTs, excluding the Portland MSA AA, is less than aggregate or demographic data. Since the Portland MSA AA comprises the greatest portion of bank activity in Oregon, this AA materially impacts the overall state lending in the LMI AAs.

Table OR-10 – Small Business Loan Low-Income CT Penetration Rates				
AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Portland MSA	7.3	3.0	8.4	4.3
Salem MSA	0.0	0.1	0.0	0.3
Oregon Non-MSA*	0.0	0.0	0.0	0.0

* No low-income CTs
Source: Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table OR-11 – Small Business Loan Moderate-Income CT Penetration Rates				
AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Portland MSA	18.9	17.8	17.9	21.0
Salem MSA	16.7	21.0	16.7	25.8
Oregon Non-MSA	8.2	10.3	7.5	12.8

Source: Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the Oregon AA. Table OR-12 shows BOW's geographic distribution for HMDA loans. In 2007, the bank's performance in the low-income CTs varied from the CAA performance by slightly exceeding both aggregate and demographic data. Performance and trends are consistent with the CAA conclusions for moderate-income areas.

Table OR-12 – Statewide HMDA Loan Geographic Distribution						
CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	0.3	3	0.8	0.6	0	0.0
Moderate	14.7	34	9.2	17.8	20	7.1
Middle	56.2	246	66.5	53.5	187	66.8
Upper	28.8	87	23.5	28.1	73	26.1
NA	0.0	0	0.0	0.0	0	0.0
Total	100.0	370	100.0	100.0	280	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables OR-13 and OR-14 show BOW's HMDA loan penetration rate in LMI CTs by AA in Oregon. Performance and trends in the Portland MSA AA are consistent with statewide and CAA conclusions in low-income CTs. There is little opportunity to lend in low-income CTs in the Salem MSA AA as demonstrated by aggregate and demographic data. In moderate-income CTs, the 2007 lending is consistent with the statewide conclusions, but the trends vary by AA from statewide trends.

Table OR-13 – HMDA Loan Low-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Portland MSA	0.4	1.1	0.7	0.0

Salem MSA	0.1	0.0	0.2	0.0
Oregon Non-MSA*	0.0	0.0	0.0	0.0

* No low-income CTs
Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table OR-14 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Portland MSA	15.3	8.5	18.7	8.6
Salem MSA	16.6	25.0	17.4	0.0
Oregon Non-MSA	7.1	9.2	7.1	4.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

CD Loan

BOW made a relatively high level of CD loans in Oregon relative to its presence in the state. The bank originated 16 CD loans totaling $38.1 million in Oregon over the review period. This represents about 2.7 percent by number and 1.9 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. The loan proceeds were well distributed across the four types of CD loans with approximately half supporting LMI services.

INVESTMENT TEST

BOW's Investment Test rating is Low Satisfactory. The bank has an adequate level of qualified CD investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors. BOW exhibits an adequate responsiveness to credit and community economic needs of the Oregon AAs. The institution holds 7 qualifying investments totaling $4.5 million (excludes grants and donations), which is an 18 percent increase over the previous evaluation figures. At the previous evaluation, qualified investments were rated a Low Satisfactory for the State of Oregon. This performance slightly lags dedicated resources and lending levels of the state. Table OR-15 depicts the bank's qualified investments and donations by investment type and category in Oregon.

Table OR-15 – CD Investments					
Investment Type	Total $ (000s)	LMI Housing $ (000s)	LMI Tract Revitalization $ (000s)	Economic Development $ (000s)	LMI Services $ (000s)
Statewide Investments	2,402	2,402	--	--	--
Direct Investments	148	48	--	--	100
Multiple AAs	2,008	2,008	--	--	--
Grants & Donations	484	29	10	5	440
Total	5,042	4,487	10	5	540

Source: Bank records

Of the 7 qualified investments, 4 totaling $2.3 million or 52 percent by dollar volume, carried over from the previous evaluation period. Qualified investments purchased during this evaluation period consist of 2 LIHTC totaling $2.0 million to a statewide LMI housing organization, and a $100,000 time certificate of deposit with a CD financial institution. As illustrated in Table OR-

15, the majority of the qualified investments target LMI housing related organizations or initiatives. Qualified investments and donations covered the three AAs in a manner consistent with the bank's allocation of resources.

SERVICE TEST

BOW is rated High Satisfactory in the Service Test. The strongest component is CD services where BOW is a leader in providing CD services. Additionally, BOW delivery systems are readily accessible to essentially all portions of Oregon AAs. To the extent changes have been made, the bank's opening and closing of branches have not adversely affected the accessibility of its delivery systems. Services do not vary in a way that inconveniences certain portions of the Oregon AAs, particularly LMI geographies or individuals.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences certain portions of the Oregon AAs, particularly LMI geographies or individuals. Table OR-16 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined, to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table OR-16 – Branch Structure as of 12/31/2008

Branch Distribution	Income Level of CT					
	Low	Moderate	Middle	Upper	N/A	Total
# of Branches	1	6	19	5	0.0	31
% of Branches	3.2	19.4	61.3	16.1	0.0	100.0
Comparisons						
% of Branches - All Institutions	4.4	24.9	52.8	17.9	0.0	100.0
% of Households	0.8	20.9	53.7	24.6	0.0	100.0
% of Businesses	3.4	20.9	50.0	25.7	0.0	100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among LMI CTs is weaker when compared to the competition and to the percentages of businesses. BOW's branch distribution among moderate-income CTs (19.4 percent) compares unfavorably to the competition, households, and businesses. However, several of the branches are in middle- and upper-income CTs and are in close proximity to moderate-income CTs.

Table OR-17- Branches in LMI CTs

AA	Low-Income %		Moderate-Income %	
	BOW	Aggregate	BOW	Aggregate
Portland MSA	4.8	6.0	14.3	26.4
Salem MSA	0.0	0.0	100.0	21.4
Oregon Non-MSA			22.2	19.7

Source: Bank records and FFIEC Website

Table OR-17 details the bank's branch penetration of LMI tracts compared to other lenders in the Oregon AAs. BOW's branch penetration in low-income CTs in the Portland AA is weaker than competitors at 4.8 percent vs. 6.0 percent for aggregate. Additionally, in moderate-income areas, BOW's penetration rate (14.3 percent) in the Portland MSA is less than competitors (26.4

percent). However, in the Salem MSA and Oregon Non-MSA, BOW has stronger branch penetration in the moderate-income CTs. Although the branch penetration is weaker in LMI areas of the Portland MSA, many of the branches are in close proximity to LMI areas.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Oregon AAs. BOW operates 31 branches in Oregon and accessibility differs slightly by AA. BOW's branch structure is the most comprehensive in the Portland MSA with 21. The bank holds a 4.7 percent branch share in this MSA and a 5 percent branch share in the entire state. Only four large national banks operate a more comprehensive branch structure in the Portland MSA and the entire state. Branches in this MSA are readily accessible to all areas.

BOW holds only a 1.2 percent branch share in the Salem MSA. However, BOW has only one branch in the Salem MSA and it is located in a moderate-income geography. This branch is accessible to LMI individuals.

Only one other institution operates a more comprehensive branch structure than BOW in the Oregon Non-MSA AA. BOW has a market share of 11.3 percent. There a limited number of LMI geographies in the Oregon Non-MSA AAs and the bank has branches in close proximity to those areas.

Changes in Branch Locations

BOW's record of opening and closing branches in Oregon has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies. Over the review period, BOW opened one full-service branch and one limited- service branch. However, both of those branches were in upper-income CTs. Therefore, the accessibility of delivery systems to LMI geographies was not affected. Tables OR-18 and OR-19 detail the Oregon full-service and limited service branch openings. Oregon had no branch closures or relocations during the review period.

Table OR-18– Branch Openings			
Branch Name	**City**	**AA**	**CT Income Level**
Orenco Station	Hillsboro	Portland MSA	Upper

Source: Bank records

Table OR-19 – Limited Service Branch Openings			
Branch Name	**City**	**AA**	**CT Income Level**
Koin	Portland	Portland MSA	Upper

Source: Bank records

CD Services

BOW is a leader in providing CD services in Oregon. For the PE period, 67 BOW employees completed CD services with 50 different groups for a total of 1,449 hours. Most of the hours worked involved providing CD services to LMI individuals or groups and economic

development activities. Many of the Oregon CD service activities are referenced in the CAA section of this PE. Examples of CD services applicable to Oregon include Operation Hope – BOOF, and "Be Aware, Protect Your Assets" a consumer awareness program on elder abuse prevention. Both of these CD services are more fully described elsewhere within this evaluation.

PORTLAND MSA AA
FULL-SCOPE EVALUATION

SCOPE OF EXAMINATION

Examiners conducted a full-scope, off-site review of the Portland MSA AA.

DESCRIPTION OF OPERATIONS

The BOW's Portland MSA AA accounts for the following:

- Approximately 3.3 percent of the institution's branch network
- Approximately 2.7 percent of the total CTs within the combined AA
- Approximately 5.5 percent by number and 7.0 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 1.8 percent by number and 2.3 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 0.8 percent by number and 0.6 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 1.9 percent by number and 0.9 percent by dollar volume of total CD loans originated
- Approximately 2.4 percent by dollar volume of total qualified investments made
- Approximately 6.5 percent by number of total CD service hours conducted

DESCRIPTION OF THE PORTLAND MSA AA

Table OR-20 reflects the demographics of the Portland MSA AA.

Table OR-20 – Demographic Information for Full-scope Area: Portland MSA AA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	323	2.2	22.6	48.9	26.3	0.0
Population by Geography	1,487,779	1.0	21.1	51.1	26.8	0.0
Owner-Occupied Housing by Geography	360,809	0.4	15.3	52.8	31.5	0.0
Business by Geography	146,904	4.3	21.0	45.9	28.8	0.0
Farms by Geography	3,881	1.2	10.3	60.3	28.2	0.0
Family Distribution by Income Level	373,418	18.1	18.9	23.0	40.0	0.0
Distribution of LMI Families throughout AA Geographies	138,129	1.3	28.8	53.8	16.1	0.0

MFI	55,453	Median Housing Value	183,476
HUD Adjusted MFI for 2008	67,500	Unemployment Rate 2007	4.6%
Households Below Poverty Level	9%	2008	5.5%
		March 2009	11.0%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, the Portland MSA's economy has struggled with job losses in construction and manufacturing. The unemployment rate has increased with local job losses worse than those suffered elsewhere in the U.S. over the past several months. The residential real estate market, house prices, and construction employment continues to decline.

PERFORMANCE TEST CONCLUSIONS

Data applicable to the AA indicates that the overall performance is generally similar to the overall statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any.

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the Portland MSA AA is presented below. Other Lending Test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. The greatest weight was given to the bank's small business lending performance followed by HMDA lending due to the number of loans originated. Small farm loans performance was not evaluated due to the limited number of loans originated within this AA. Data supporting the ratings are presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

BOW's overall distribution of loans reflects good dispersion to borrowers of different income levels. The borrower distribution of small business and HMDA loans is consistent with the statewide performance.

Geographic Distribution

BOW's overall distribution of loans reflects good penetration throughout the AA. There were no conspicuous gaps in the geographic distribution of loans. The distribution of small business loans is consistent with statewide performance. The distribution of HMDA loans is adequate, but varies slightly from the statewide performance by trending downwards.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

WYOMING

The Lending Test is rated:	***High Satisfactory***
The Investment Test is rated:	***Outstanding***
The Service Test is rated:	***High Satisfactory***

BOW's Wyoming CRA rating is **Satisfactory**.

WYOMING

The BOW's Wyoming AAs account for the following:

- Approximately 3.8 percent of the institution's branch network
- Approximately 0.9 percent of the total CTs within the combined AA
- Approximately 3.1 percent by number and 2.3 percent by dollar volume of small business loans originated in 2008
- Approximately 5.4 percent by number and 4.6 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 4.1 percent by number and 3.3 percent by dollar volume of small farm loans originated in 2008
- Approximately 1.0 percent by number and 0.5 percent by dollar volume of total CD loans originated
- Approximately 2.5 percent by number and 2.7 percent by dollar volume of total qualified investments made
- Approximately 2.3 percent by number and 1.5 percent by dollar volume of total qualified donations made
- Approximately 6.4 percent by number of total CD service hours conducted

DESCRIPTION OF THE WYOMING AA

Table WY-1 details the counties that comprise the Wyoming AAs.

Table WY-1 – Wyoming AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Casper MSA	16220	Natrona
Cheyenne MSA	16940	Laramie
Wyoming Non-MSA	99999	Albany, Campbell, Carbon, Converse, Fremont, Goshen, Lincoln, Niobrara, Park, Platte, Sheridan, Sublette, Sweetwater, Teton, Uinta, Washakie

Source: Bank records

Table WY-2 reflects the demographics of the Wyoming AAs combined.

Table WY-2 - Demographic Information for Full-scope Area: Wyoming AAs						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	114	0.9	15.8	67.5	15.8	0.0
Population by Geography	457,833	0.7	14.1	66.3	18.9	0.0
Owner-Occupied Housing by Geography	124,758	0.1	11.9	68.8	19.2	0.0
Business by Geography	56,302	0.2	16.2	65.1	18.5	0.0
Farms by Geography	2,451	0.1	10.1	76.8	13.0	0.0
Family Distribution by Income Level	121,466	18.3	18.7	23.5	39.5	0.0
Distribution of LMI Families throughout AA Geographies	44,933	0.7	19.4	68.9	11.0	0.0
MFI HUD Adjusted Median Family Income for 2008 Households Below Poverty Level		45,597 60,535 11%	Median Housing Value Unemployment Rate 2007 2008 March 2009		107,417 2.9% 3.1% 5.3%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, the Wyoming MSA's economy has slowed on the heels of the national downturn with weaknesses in the mining and support activities. Construction is struggling as residential housing permits are at their lowest level since the beginning of the decade. Still, the overall minor problems in housing and financial services have helped keep total job losses relatively mild. Although the unemployment rate is well below the national average, it is quickly rising.

Community Contact Observations

A contact indicated a need for affordable housing for LMI families. Another contact indicated a need for CD in Campbell County.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW's Lending Test performance is rated High Satisfactory. The rating reflects good responsiveness to the credit needs of the AAs it serves. The bank's performance in HMDA lending carries the most weight, followed by small business. Small farm has the least weight base on loan originations.

Level of Lending

Overall, the lending levels reflect excellent responsiveness to AA credit needs. Table WY-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares increased during the period.

Table WY-3 – Wyoming AA Market Share – FDIC Insured Lenders					
Loan Type	**2006**		**2007**		**Deposit Market Share %**
	Rank *	**Market Share %**	**Rank ***	**Market Share %**	
Small Business	5 of 71	6.9	3 of 78	8.5	6.9
HMDA	14 of 382	2.0	9 of 362	2.5	
Small Farm	2 of 24	21.5	2 of 24	22.3	

* - Small business and small farm ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers reflects excellent penetration among businesses and farms of different sizes, and individuals of different income levels. HMDA lending showed a good performance, while small business and small farm lending showed an excellent performance. The borrower's profile performance is generally consistent with the CAA.

Small Business Loans

The distribution of borrowers reflects excellent penetration among business customers of different sizes. Table WY-4 shows BOW's distribution of small business loans by GAR in all Wyoming AAs combined. In 2007, BOW originated a majority (66.8 percent) of loans to small businesses with GARs of $1.0 million or less. This performance significantly exceeded the aggregate performance by 26.6 percentage points. In 2008, the lending to small businesses trended slightly downwards to 64.5 percent.

Table WY-4 – Statewide Small Business Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	55.5	371	66.8	40.2	223	64.5
Over $1M	3.4	131	23.6		92	26.5
Not Considered*	41.1	53	9.6		31	9.0
Total	100.0	555	100.0		346	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table WY-5 presents rate of lending to businesses with GARs of $1.0 million or less by AAs within the State of Wyoming. With 90.2 percent of lending within the Non-MSA, most consideration for the statewide conclusion was the lending distribution for this AA. In 2007, BOW's penetration of small businesses significantly exceeded aggregate data (69.7 percent compared to 39.0 percent).

Table WY-5 – Small Business Lending Rates				
AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Wyoming Non-MSA	90.2	69.7	39.0	67.6
Casper MSA	5.5	63.8	44.4	31.6
Cheyenne MSA	4.3	48.4	40.7	40.0

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects good penetration among retail customers of different income levels. Table WY-6 shows BOW's distribution of HMDA loans by borrower income in all Wyoming AAs combined. In 2007, lending to LMI borrowers slightly exceeded aggregate performance. In 2008, HMDA loans to LMI borrowers trended slightly downward to 5.8 percent and 17.8 percent, respectively.

Table WY-6 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	% of Families	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	18.3	58	7.8	5.3	34	5.8
Moderate	18.7	150	20.3	17.5	105	17.8
Middle	23.5	213	28.8	28.6	175	29.6
Upper	39.5	290	39.2	45.8	257	43.5
NA	0.0	29	3.9	2.8	20	3.3
Total	100.0	740	100.0	100.0	591	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables WY-7 and WY-8 show BOW's lending penetration of LMI borrowers. In 2007, BOW's penetration of LMI borrowers in the Non-MSA exceeded aggregate. Performance is generally consistent with the statewide conclusion for Wyoming for residential lending.

Table WY-7 – AA Low-Income Borrower Penetration Rates				
AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Wyoming Non-MSA	86.8	7.3	4.5	5.9
Casper MSA	7.1	6.9	8.2	4.8
Cheyenne MSA	6.1	14.8	5.7	5.7

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Table WY-8 – AA Moderate-Income Borrower Penetration Rates				
AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Wyoming Non-MSA	86.8	20.3	15.1	16.6
Casper MSA	7.1	19.0	22.0	19.1
Cheyenne MSA	6.1	21.3	19.8	33.3

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Small Farm Loans

The distribution of borrowers reflects excellent penetration among farm customers of different sizes. Table WY-9 shows BOW's distribution of small business loans by GAR in all Wyoming AAs combined. In 2007, BOW originated a majority (89.0 percent) of loans to small businesses with GARs of $1.0 million or less. This performance exceeded the aggregate performance by 9.8 percentage points. In 2008, lending to small businesses shows BOW continuing to originate a majority (85.9 percent) of loans to small businesses.

Table WY-9 – Statewide Small Farm Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	96.4	130	89.0	79.2	61	85.9
Over $1M	1.3	1	0.7		3	4.2
Not Considered*	2.3	15	10.3		7	9.9
Total	100.0	146	100.0		71	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table WY-10 presents rate of lending to farms with GARs of $1.0 million or less by AAs within the Wyoming. As shown, the Non-MSA's performance is consistent with the bank performance at the statewide level. The performance in the other MSA's are excellent but the volume of lending is small.

Table WY-10 – Small Farm Lending Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Wyoming Non-MSA	94.4	88.7	77.6	88.1
Casper MSA	1.4	100.0	85.1	100.0
Cheyenne MSA	4.2	100.0	87.9	33.3

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects an adequate penetration throughout Wyoming. The bank shows no penetration of the low-income CT and good penetration of moderate-income CTs, which indicates an overall adequate penetration. Also considered was the aggregate data, which shows limited lending opportunities in low-income CTs. The geographic distribution is not as strong as the CAA conclusions.

Small Business Loans

The geographic distribution of small business loans reflects adequate penetration throughout the Wyoming AAs. As shown in Table WY-11, the bank showed no penetration of the one low-income CT. In 2007, the bank's penetration of moderate-income CTs is similar to aggregate lending and trended slightly downward in 2008.

Table WY-11 – Statewide Small Business Loan Geographic Distribution						
CT Income Level	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	0.2	0	0.0	0.1	0	0.0
Moderate	16.2	76	13.7	13.9	41	11.9
Middle	65.1	399	71.9	57.3	247	71.4
Upper	18.5	80	14.4	19.4	58	16.7
NA	0.0	0	0.0	9.3	0	0.0
Total	100.0	555	100.0	100.0	346	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table WY-12 shows that BOW has no small business penetration of low-income CTs. Table WY-13 shows that BOW's penetration of moderate-income CTs for all AAs exceeded aggregate. With moderate-income CT penetration by AA, the conclusions for each AA support the overall conclusion.

Table WY-12 – Small Business Loan Low-Income CT Penetration Rates				
AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Wyoming Non-MSA	0.0	0.2	0.0	0.3
Casper MSA	0.0	0.0	0.0	0.0
Cheyenne MSA	0.0	0.0	1.0	0.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table WY-13 – Small Business Loan Moderate-Income CT Penetration Rates				
AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Wyoming Non-MSA	7.9	5.0	8.7	7.1
Casper MSA	38.3	31.8	52.6	37.3
Cheyenne MSA	37.1	34.1	26.7	41.7

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the Wyoming AAs. Table WY-14 shows BOW's geographic distribution for HMDA loans reflects adequate penetration throughout the Wyoming AAs combined. The table shows no penetration of the low-income CT which is similar to aggregate. The bank's 2007 moderate-income CT is slightly better than aggregate performance but trended downward in 2008.

Table WY-14 – HMDA Loan Geographic Distribution						
CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	0.1	0	0.0	0.0	0	0.0
Moderate	11.9	69	9.3	9.0	46	7.8
Middle	68.7	559	75.6	65.6	409	69.2
Upper	19.3	112	15.1	25.4	136	23.0
NA	0.0	0	0.0	0.0	0	0.0
Total	100.0	740	100.0	100.0	591	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table WY-15 shows no penetration of low-income CTs. BOW's HMDA loan Table WY-16 shows penetration of moderate-income CTs which is better than aggregate for all AAs.

Table WY-15 – HMDA Loan Low-Income CT Penetration Rates				
AA	**% Owner Occupied Housing Units**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Wyoming Non-MSA	0.0	0.0	0.0	0.0
Casper MSA	0.0	0.0	0.0	0.0
Cheyenne MSA	0.0	0.0	0.0	0.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table WY-16 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	**% Owner Occupied Housing Units**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Wyoming Non-MSA	7.5	6.8	4.1	5.3
Casper MSA	18.1	19.0	17.7	28.6
Cheyenne MSA	23.4	26.2	18.7	19.4

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Small Farm Loans

The distribution of farm loans reflects good penetration. As shown in Table WY-17, the bank showed no penetration of the one low-income CT and is similar to aggregate. The bank's penetration of moderate-income tracts exceeds aggregate lending and trended slightly upwards in 2008.

Table WY-17 – Statewide Small Farm Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	0.1	0	0.0	0.0	0	0.0
Moderate	10.1	24	16.4	9.3	14	19.7
Middle	76.8	110	75.3	71.5	50	70.4
Upper	13.0	12	8.3	13.6	7	9.9
NA	0.0	0	0.0	5.6	0	0.0
Total	100.0	146	100.0	100.0	71	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table WY-18 shows BOW's small farm loan penetration of low-income CTs by AAs. The bank shows no farm lending in the low-income CTs, which is similar to aggregate. Table WY-19 shows BOW's small farm loan penetration of moderate-income CTs. The table shows BOW's penetration of moderate-income tracts exceeded aggregate data in 2007 and continued with an upward trend in 2008.

Table WY-18 – Small Farm Loan Low-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Wyoming Non-MSA	0.0	0.0	0.0	0.1

Casper MSA	0.0	0.0	0.0	0.0
Cheyenne MSA	0.0	0.0	0.0	13.4

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table WY-19 – Small Farm Loan Moderate-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Wyoming Non-MSA	16.3	10.7	20.9	8.6
Casper MSA	0.0	4.6	0.0	22.8
Cheyenne MSA	25.0	1.5	0.0	13.4

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

CD Loans

BOW has made an adequate level of CD loans in Wyoming relative to its presence in the state. The bank originated 6 CD loans totaling $9.7 million in Wyoming over the review period. This represents about 0.5 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI tract revitalization. The remainder provides support for affordable housing needs.

INVESTMENT TEST

BOW's Investment Test rating is Outstanding. The bank has a significant level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. BOW exhibits an excellent responsiveness to credit and community economic needs of the Wyoming AAs. The institution holds 6 qualifying investments totaling $5 million (excludes grants and donations), which is a 110 percent increase over the previous evaluation figures. At the previous evaluation, qualified investments were rated a Low Satisfactory for Wyoming. The bank significantly increased its qualified investments and donations from the previous evaluation. More important, the qualitative aspect of the investments is strong and diverse. For example, BOW has an equity investment with a rural qualified organization which funds affordable housing and supports community facilities.

Table WY-20 – CD Investments					
Investment Type	**Total $ (000s)**	**LMI Housing $ (000s)**	**LMI Tract Revitalization $ (000s)**	**Economic Development $ (000s)**	**LMI Services $ (000s)**
Statewide Investments	826	604	111	--	111
Direct Investments	3,150	3,150	--	--	--
Multiple AAs	48	48	--	--	--
Single AAs	1,000	1,000	--	--	--
Grants & Donations	89	2	--	20	67
Total	5,113	4,804	111	20	178

Source: Bank records

Table WY-20 depicts the bank's qualified investments and donations by investment type and category in the Wyoming. Of the 6 qualified investments, just 2 totaling $872,833 carried over from the previous evaluation period. In addition to the investment described above, other

qualified investments purchased during this evaluation period consist of 3 LIHTC totaling $4.1 million to LMI housing organizations. The majority of the qualified investments target LMI housing related organizations or initiatives; however, other types of investments complement the bank's efforts in the state. Qualified investments and donations covered the three AAs in a manner consistent with the bank's allocation of resources.

SERVICE TEST

BOW is rated High Satisfactory in the Service Test. Services do not vary in a way that inconveniences certain portions of the Wyoming AAs, particularly LMI geographies or individuals. Additionally, BOW's delivery systems are readily accessible to essentially all portions of Wyoming AAs. BOW also provides a relatively high level of CD services. Branch openings and closings were not rated because there was no activity.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences certain portions of the Wyoming AAs, particularly LMI geographies or individuals. Table WY-21 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined, to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table WY-21 – Branch Structure as of 12/31/2008

Branch & Drive Up Facility Distribution	Income Level of CT					
	Low	Moderate	Middle	Upper	N/A	Total
# of Branches	0	4	20	1		25
% of Branches	0.0	16.0	80.0	4.0		100.0
# of Drive Up Facilities	0	0	1	0		1
% of Drive Up Facilities	0.0	0.0	100.0	0.0		100.0
Total Branches & Drive Up Facilities	***0***	***4***	***21***	***1***		***26***
% of Total Branches & Drive Up Facilities	***0.0***	***15.4***	***80.8***	***3.8***		***100.0***
Comparisons						
% of Branches - All Institutions	1.0	19.7	64.9	14.4		100.0
% of Households	0.4	14.3	67.0	18.3		100.0
% of Businesses	0.2	16.2	65.1	18.5		100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among low-income CTs is slightly weaker compared to the competition and to the percentages of households and businesses. BOW's branch distribution among moderate-income CTs (16.0 percent) compares unfavorably to the competition (19.7 percent) and businesses. Although BOW operates the most comprehensive branch structure in the Wyoming Non-MSA AA, it only operates 1 branch each in 12 of the 16 counties in this AA. Further, one branch is located on an Indian Reservation and the branches in the Cheyenne and Casper MSAs are located in moderate-income CTs. With two branches in the MSA located in major cities, the branch structure represents reasonable accessibility given the availability of alternative delivery systems. Table WY-22 details the bank's branch penetration of LMI tracts compared to other lenders in the Wyoming AAs.

Table WY-22- Branches in LMI CTs				
AA	Low-Income %		Moderate-Income %	
	BOW	Aggregate	BOW	Aggregate
Casper MSA			50.0	61.9
Cheyenne MSA			33.3	36.8
Wyoming Non-MSA	0.0	1.2	9.5	10.3

Source: Bank records and FFIEC Website

BOW's branch penetration in low-income CTs is slightly weaker than competitors. However, there are a minimal number of low-income CTs in Wyoming. Additionally, in moderate-income areas BOW's branch penetration rates are weaker than competitors. Although the branch penetration is weaker in LMI CTs, several of the bank's non-LMI branches are located in close proximity to the moderate-income CTs improving the overall accessibility.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Wyoming AAs. BOW operates 25 branches in Wyoming and accessibility differs slightly by AA. BOW's branch structure is the most comprehensive in the state with a 10.8 percent market share. BOW's market share is the highest in entire state. Branches in the Wyoming MSA are readily accessible to all areas.

BOW holds a 33.3 percent branch share in the Casper MSA. However, BOW has only two branches in the Casper MSA and one is located in a moderate-income geography. In the Cheyenne MSA, BOW has four branches, one of which is in a moderate-income CT. Therefore, collectively the bank's branches are accessible to LMI individuals.

Changes in Branch Locations

BOW's record of opening and closing branches in Wyoming is not applicable as the bank did not open or close any branches during the review period.

CD Services

BOW provides a relatively high level of CD services. For the PE period, 15 BOW employees completed CD services with 15 different groups for a total of 1,040 hours. Most of hours worked involved providing CD services to LMI individuals or groups and affordable housing activities. Many Wyoming's CD service activities are referenced as part of the BOW CAA section of this PE. Examples significant qualified CD services applicable to Wyoming include the HUD / Rural Community Assistance Corporation Homeless Symposium and the "Be Aware, Protect Your Assets", a consumer awareness program on elder abuse prevention, which are both described elsewhere within this evaluation.

WYOMING NON-MSA
FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the Wyoming Non-MSA AA.

The Wyoming Non-MSA AA accounts for the following:

- Approximately 3.2 percent of the institution's branch network
- Approximately 0.6 percent of the total CTs within the combined AA
- Approximately 2.8 percent by number and 1.9 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 4.7 percent by number and 4.0 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 3.8 percent by number and 3.1 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 1.0 percent by number and 0.5 percent by dollar volume of total CD loans originated
- Approximately 2.7 percent by dollar volume of total qualified investments made
- Approximately 4.4 percent by number of total CD service hours conducted

DESCRIPTION OF THE WYOMING NON-MSA AA

Table WY-23 reflects of the demographics of the AA.

Table WY-23 - Demographic Information for Full-scope Area: Wyoming Non-MSA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	79	1.3	10.1	73.4	15.2	0.0
Population by Geography	309,693	1.1	8.4	73.0	17.5	0.0
Owner-Occupied Housing by Geography	83,951	0.1	7.5	75.4	17.0	0.0
Business by Geography	40,549	0.3	7.1	73.2	19.4	0.0
Farms by Geography	2,016	0.1	8.6	81.0	10.3	0.0
Family Distribution by Income Level	81,869	18.5	18.2	23.3	40.0	0.0
Distribution of LMI Families throughout AA Geographies	30,056	1.0	12.0	77.4	9.6	0.0
MFI HUD Adjusted MFI for 2008 Households Below Poverty Level		45,456 60,100 12%	Median Housing Value Unemployment Rate 2007 2008 March 2009			114,895 2.7% 2.9% 5.2%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

PERFORMANCE TEST CONCLUSIONS

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the Wyoming Non-MSA AA is presented below. The greatest weight was given to the bank's small business lending performance, followed by residential and farm lending. Data supporting the ratings are presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

Based on the following review, BOW's distribution of loans reflects excellent dispersion to farms and businesses of different revenue sizes and borrowers of different income levels in the AAs. This conclusion is consistent with the performance of borrower's profile for the state.

Small Business Loans

The bank has excellent penetration in the Non-MSA (69.7 percent of loans were to small businesses earning GARs of $1.0 million or less compared to aggregate of 39.0 percent).

HMDA Loans

The bank has excellent lending as BOW's 2007 HMDA lending to LMI borrowers exceeded aggregate data (the bank shows LMI lending of 7.3 percent and 20.3 percent, compared to aggregate of 4.2 percent and 15.1 percent, respectively).

Small Farm Loans

The bank has excellent 2007 lending to small farm borrowers as lending exceeded aggregate data (88.7 percent compared to 77.6 percent).

Geographic Distribution

Based on the following review, BOW's overall distribution of loans reflects adequate penetration throughout the AA. This conclusion is consistent with the performance of geographic distribution of the state.

Small Business Loans

The bank has adequate penetration. There is no penetration of the low-income CT, but the bank's 2007 penetration of moderate-income CTs exceeded aggregate data (7.9 percent compared to 5.0 percent).

HMDA Loans

The bank has adequate penetration. There is no penetration of the low-income CT, but the 2007 moderate-income CT penetration exceeded aggregate data (6.8 percent compared to 4.1 percent).

Small Farm Loans

The bank has good penetration. There is no penetration of the low-income CT, but the 2007 moderate-income CT penetration exceeded aggregate data (16.3 percent compared to 10.7 percent).

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

NEW MEXICO

The Lending Test is rated: ***High Satisfactory***
The Investment Test is rated: ***Low Satisfactory***
The Service Test is rated: ***High Satisfactory***

BOW's New Mexico CRA rating is **Satisfactory**.

The BOW's New Mexico AAs account for the following:

- Approximately 4.1 percent of the institution's branch network
- Approximately 1.8 percent of the total CTs within the combined AA
- Approximately 3.9 percent by number and 3.5 percent by dollar volume of small business loans originated in 2008
- Approximately 3.8 percent by number and 3.6 percent by dollar volume of total HMDA loans originated in 2008

- Approximately 1.7 percent by number and 1.6 percent by dollar volume of total CD loans originated
- Approximately 1.7 percent by number and 2.2 percent by dollar volume of total qualified investments made
- Approximately 4.4 percent by number and 3.4 percent by dollar volume of total qualified donations made
- Approximately 8.6 percent by number of total CD service hours conducted

DESCRIPTION OF THE NEW MEXICO AA

Table NM-1 details the counties that comprise the New Mexico AAs.

Table NM-1 – New Mexico AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Albuquerque MSA	16220	Bernalillo, Sandoval, Valencia
Las Cruces MSA	16940	Dona Ana

Source: Bank records

Table NM-2 reflects the demographics of the New Mexico AAs combined.

Table NM-2 - Demographic Information for Full-scope Area: New Mexico AAs						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	221	4.1	26.2	38.9	29.0	1.7
Population by Geography	887,420	2.6	28.1	40.0	29.3	0.0
Owner-Occupied Housing by Geography	226,103	1.2	22.9	41.5	34.4	0.0
Business by Geography	67,575	1.7	23.0	45.2	30.1	0.0
Farms by Geography	1,362	1.7	25.5	43.6	29.2	0.0
Family Distribution by Income Level	226,061	21.3	17.3	20.6	40.8	0.0
Distribution of LMI Families throughout AA Geographies	87,123	4.0	39.7	40.1	16.2	0.0
MFI		44,055	Median Housing Value			115,484
HUD Adjusted MFI for 2008		55,759	Unemployment Rate 2007			3.5%
Households Below Poverty Level		14%	2008			4.2%
			2009			6.0%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, the New Mexico economy fell deeper into recession with signs of contraction in goods-producing industries. Employment has declined and is at it lowest since 2006. The residential real estate market remains the most significant weight on growth; however, existing home prices have fallen less than the national average. New Mexico's economy is expected to stabilize sooner due to stable employers like Los Alamos and Sandia national labs.

Community Contact Observations

A contact indicated a need for funding and closing loans and volunteers to support financial literacy training.

LENDING TEST

BOW's Lending Test performance is rated High Satisfactory. The rating reflects good responsiveness to the credit needs of the AAs it serves. The bank's HMDA lending was given slightly more weight than its small business lending. Small farm lending was not reviewed due to its limited performance.

Level of Lending

Overall, the lending levels reflect excellent responsiveness to AA credit needs. Table NM-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares increased and the bank was among the top lenders during the review period.

Table NM-3 – New Mexico AA Market Share – FDIC Insured Lenders

Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	6 of 82	4.9	4 of 93	5.5	5.2
HMDA	36 of 540	0.7	23 of 441	1.1	
Small Farm	6 of 19	5.3	4 of 14	17.5	

* - Small business and small farm ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers in New Mexico reflects excellent penetration among businesses of different revenue sizes and individuals of different income levels. Although there are some differences, the bank's borrower's profile is generally consistent with the CAA.

Small Business Loans

The distribution of borrowers reflects excellent penetration among business customers of different sizes. Table NM-4 shows BOW's distribution of small business loans by GAR in all New Mexico AAs combined. In 2007, BOW originated a majority (55.9 percent) of loans to small businesses with GARs of $1.0 million or less. This performance significantly exceeded the aggregate performance by 14.0 percentage points. In 2008, lending to small businesses trended slightly upward to 59.3 percent.

Table NM-4 – Statewide Small Business Loan GAR Distribution

GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	66.1	323	55.9	41.9	258	59.3
Over $1M	4.7	212	36.7		142	32.6
Not Considered*	29.2	43	7.4		35	8.1
Total	100.0	578	100.0		435	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table NM-5 presents rate of lending to businesses with GARs of $1.0 million or less by AAs within New Mexico. Since 88.7 percent of the lending is concentrated within the Albuquerque MSA, more weight was placed on this AA for the statewide conclusions. In 2007, BOW's penetration of small businesses significantly exceeded aggregate data (57.3 percent compared to 41.8 percent). The bank's 2008 lending in both MSAs show an upward trend.

Table NM-5 – Small Business Lending Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Albuquerque MSA	88.7	57.3	41.8	59.3
Las Cruces MSA	11.3	41.5	42.5	59.2

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects excellent penetration among retail customers of different income levels. Table NM-6 shows BOW's distribution of HMDA loans by borrower income in all New Mexico AAs combined. In 2007, lending to LMI borrowers exceeded 2007 aggregate performance, especially lending to low-income borrowers. The 2008 lending shows a generally moderate downward trend.

Table NM-6 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	**% of Families**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	21.3	66	10.1	3.8	30	7.3
Moderate	17.3	111	17.0	16.2	67	16.2
Middle	20.6	158	24.2	24.8	91	21.9
Upper	40.8	294	45.0	51.8	199	48.1
NA	0.0	24	3.7	3.4	27	6.5
Total	100.0	653	100.0	100.0	414	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables NM-7 and NM-8 show BOW's lending penetration of LMI borrowers. BOW's penetration of LMI borrowers exceeded aggregate in 2007. Performance is generally consistent with the statewide conclusion for New Mexico for residential lending. In 2008, the bank's lending was mixed but generally was stronger to the low-income borrowers.

Table NM-7 – AA Low-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Albuquerque MSA	75.6	11.9	4.0	8.0
Las Cruces MSA	24.4	3.6	2.1	5.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table NM-8 – AA Moderate-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Albuquerque MSA	75.6	18.9	17.7	18.2

Las Cruces MSA	24.4	10.1	7.0	9.9

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Geographic Distribution

BOW's geographic distribution of loans reflects a good penetration throughout Wyoming. This performance is consistent with the findings of the CAA.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the New Mexico AAs. As shown in Table NM-9, the bank's 2007 penetration in LMI CTs exceeds aggregate data. The bank's 2007 LMI penetration also exceeds D&B demographic data. The bank's 2008 LMI CT penetration shows a downward trend.

Table NM-9 – Statewide Small Business Loan Geographic Distribution

CT Income Level	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	1.7	15	2.6	1.1	5	1.2
Moderate	23.0	163	28.2	20.1	100	23.0
Middle	45.2	252	43.6	40.2	214	49.2
Upper	30.1	148	25.6	34.0	116	26.6
NA	0.0	0	0.0	4.6	0	0.0
Total	100.0	578	100.0	100.0	435	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Tables NM-10 and NM-11 show that BOW's 2007 small business loan penetration exceeds aggregate data for the Albuquerque MSA. Performance generally supports the overall conclusion.

Table NM-10 – Small Business Loan Low-Income CT Penetration Rates

AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Albuquerque MSA	2.9	1.2	1.3	1.8
Las Cruces MSA	0.0	1.0	0.0	1.16

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table NM-11 – Small Business Loan Moderate-Income CT Penetration Rates

AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Albuquerque MSA	29.7	20.6	24.9	23.5
Las Cruces MSA	13.2	16.8	8.2	19.7

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects good penetration throughout the New Mexico AAs. Table NM-12 shows BOW's penetration of moderate-income CTs is similar to

aggregate data but slightly less in low-income CTs. BOW's penetration of LMI tracts increased slightly from the 2007 levels. In 2008, the bank's LMI lending shows an upward trend.

Table NM-12 – Statewide HMDA Loan Geographic Distribution						
CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	1.1	4	0.6	1.2	4	1.0
Moderate	22.9	113	17.3	17.4	72	17.4
Middle	41.5	324	49.6	42.0	179	43.2
Upper	34.5	212	32.5	39.4	159	38.4
NA	0.0	0	0.0	0.0	0	0.0
Total	100.0	653	100.0	100.0	414	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables NM-13 and NM-14 show differences from the overall penetration of HMDA loans but they generally support the geographic distribution conclusions.

Table NM-13 – HMDA Loan Low-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Albuquerque MSA	1.4	0.8	1.5	1.3
Las Cruces MSA	0.0	0.0	0.1	0.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table NM-14 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Albuquerque MSA	21.9	17.7	18.2	14.4
Las Cruces MSA	27.6	15.8	12.3	26.7

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

CD Loans

BOW has made an adequate level of CD loans in New Mexico relative to its presence in the state. The bank originated 10 CD loans totaling $32.8 million in New Mexico over the review period. This represents about 1.6 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI affordable housing needs. The remainder provides support for economic development and services to LMI individuals.

INVESTMENT TEST

BOW's Investment Test rating is Low Satisfactory. The bank has an adequate level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. BOW exhibits an adequate responsiveness to credit and community economic needs of the New Mexico AAs. The institution holds 4 qualifying

investments totaling $4.1 million (excludes grants and donations), which remains consistent with the previous evaluation figures. However, all four investments were purchased prior to this evaluation period. At the previous evaluation, qualified investments were rated a High Satisfactory for the New Mexico. This performance modestly lags dedicated resources and lending levels of the state. Table NM-15 depicts the bank's qualified investments and donations by investment type and category in New Mexico.

Table NM-15 – CD Investments					
Investment Type	**Total $ (000s)**	**LMI Housing $ (000)**	**LMI Tract Revitalization $ (000s)**	**Economic Development $ (000s)**	**LMI Services $ (000s)**
Statewide Investments	383	383	--	--	--
Direct Investments	35	35	--	--	--
Multiple AAs	3,667	3,667	--	--	--
Grants & Donations	436	16	1	95	324
Total	4,521	4,101	1	95	324

Source: Bank records

As illustrated in Table NM-15, all of the qualified investments target LMI housing related organizations or initiatives; however, through qualified donations BOW has reached other segments of the community. One prominent donation was a 3 part grant totaling $90,000 to an enterprise center that houses businesses in their critical start-up years. Qualified investments and donations are well distributed between the New Mexico AAs.

SERVICE TEST

BOW is rated High Satisfactory in the Service Test. BOW was rated highest in CD services where they are a leader. In addition, services do not vary in a way that inconveniences certain portions of the New Mexico AAs, particularly LMI geographies or individuals. Additionally, BOW delivery systems are readily accessible to essentially all portions of New Mexico AAs. Finally, BOW's record of opening and closing of branches have not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences certain portions of the New Mexico AAs, particularly LMI geographies or individuals. Table NM-16 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table NM-16 – Branch Structure as of 12/31/2008						
Branch & Drive Up Facility Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches	0	6	13	8	0	27
% of Branches	0.0	22.2	48.2	29.6	0.0	100.0
# of Drive Up Facilities	0	0	2	0	0	2
% of Drive Up Facilities	0.0	0.0	100.0	0.0	0.0	100.0

Total Branches & Drive Up Facilities	***0***	***6***	***15***	***8***	***0***	***29***
% of Total Branches & Drive Up Facilities	***0.0***	***20.7***	***51.7***	***27.6***	***0.0***	***100.0***
Comparisons						
% of Branches - All Institutions	0.5	19.2	50.8	29.5	0.0	100.0
% of Households	2.1	25.8	41.5	30.6	0.0	100.0
% of Businesses	1.7	23.0	45.2	30.1	0.00	100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among low-income CTs is slightly weaker when compared to the competition, households, and businesses. However, BOW's branch distribution among moderate-income CTs (22.2 percent) is stronger than the competition (19.2 percent). BOW operates branches primarily in the Albuquerque MSA with a lesser presence in the Las Cruces MSA. The branches that are not located in LMI areas are generally in close proximity to LMI areas. Table NM-17 details the bank's branch penetration of LMI tracts compared to other lenders in the New Mexico AAs.

Table NM-17- Branches in LMI CTs				
AA	**Low-Income %**		**Moderate-Income %**	
	BOW	**Aggregate**	**BOW**	**Aggregate**
Albuquerque MSA	0.0	0.7	17.4	18.7
Las Cruces MSA	0.0	0.0	33.3	21.1

Source: Bank records and FFIEC Website

BOW's branch penetration in low-income CTs is slightly weaker than competitors. In moderate-income areas, the BOW branch penetration is strong than the competition in the Las Cruces MSA. Although the branch penetration is weaker in LMI areas of the Albuquerque, several of their non-LMI branches are located in close proximity to them.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the New Mexico AAs. BOW operates 27 branches in New Mexico and accessibility differs slightly by AA. BOW's branch structure mainly serves the Albuquerque MSA and to a lesser extent the Las Cruces MSA. BOW's market share for the combined MSAs is 12.3 percent, which ranks 2nd only to a large national bank. Also, 22 of the 27 branches are in the Albuquerque MSA. Branches in this New Mexico MSA are readily accessible to LMI areas.

BOW holds an 11.6 branch share in the Las Cruces MSA, which is second only to a large national bank. Two of the five branches are in LMI areas with the other three in close proximity.

Changes in Branch Locations

The institution's opening and closing of branches have not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. During the review period, BOW closed one branch and opened another resulting in a zero net gain. The branch closed was in a moderate-income CT. However, there are three existing branches located

within four miles of this closed branch. BOW also opened one new branch to extend its footprint in the state. Tables NM-18 and NM-19 detail the branch openings and closings during the review period.

Table NM-18– Branch Closings			
Branch Name	**City**	**AA**	**CT Income Level**
Arenal	Albuquerque	Albuquerque MSA	Moderate

Source: Bank records

Table NM-19 – Branch Openings			
Branch Name	**City**	**AA**	**CT Income Level**
Los Lunas	Los Lunas	Albuquerque MSA	Middle

Source: Bank records

CD Services

BOW is a leader in providing CD services. For the review period, 45 BOW employees completed CD services with 48 different groups for a total of 1,395 hours. The majority of hours worked involved providing CD services to LMI individuals or groups and economic development activities. Two examples of significant qualified CD services include the bank's participation in the Earned Income Tax Credit Program and the HUD / Rural Community Assistance Corporation Homeless Symposium, which are detailed elsewhere within the evaluation.

ALBUQUERQUE MSA
FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the Albuquerque MSA AA.

The BOW Albuquerque MSA AA accounts for the following:

- Approximately 3.3 percent of the institution's branch network
- Approximately 1.6 percent of the total CTs within the combined AA
- Approximately 3.4 percent by number and 3.1 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 2.8 percent by number and 2.8 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 1.2 percent by number and 1.3 percent by dollar volume of total CD loans originated
- Approximately 2.2 percent by dollar volume of total qualified investments made
- Approximately 5.7 percent by number of total CD service hours conducted

DESCRIPTION OF THE ALBUQUERQUE MSA AA

Table NM-20 reflects the demographics of the Albuquerque MSA AA.

Table NM-20- Demographic Information for Full-scope Area: Albuquerque MSA AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	189	4.2	25.4	39.7	28.6	2.1
Population by Geography	712,738	2.8	26.9	41.1	29.2	0.0
Owner-Occupied Housing by Geography	185,902	1.4	21.9	42.3	34.4	0.0
Business by Geography	57,616	1.8	23.5	46.1	28.6	0.0
Farms by Geography	979	2.3	19.7	49.4	28.6	0.0
Family Distribution by Income Level	183,078	20.8	17.5	21.0	40.7	0.0
Distribution of LMI Families throughout AA Geographies	70,190	4.6	38.8	41.0	15.6	0.0
MFI		45,738	Median Housing Value			122,852
HUD Adjusted MFI for 2008		58,000	Unemployment Rate 2007			3.5%
Households Below Poverty Level		13%	2008			4.3%
			March 2009			6.3%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Albuquerque MSA's economy has recently experienced a decline in residential construction. The jobless rate is up, but it is not climbing as quickly as the national rate. The worst economic declines are likely complete, while increased credit availability is likely to have an overall positive impact on the economy. New government job creation and residential investment are expected to shift from a drag to a net contribution to growth.

PERFORMANCE TEST CONCLUSIONS

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the Albuquerque-MSA AA are presented below. Other Lending Test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. The greatest weight was given to the bank's small business lending performance, followed by residential. The volume of farm lending was too small to be analyzed. Data supporting the ratings is presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

BOW's distribution of loans reflects an excellent penetration to businesses and farms of different revenue sizes and borrowers of different income levels. This conclusion is consistent with the New Mexico AAs combined.

Small Business Loans

The bank shows excellent 2007 penetration in the AA (57.4 percent of loans were to small businesses earning GARs for $1.0 million or less compared to 41.8 percent for aggregate).

HMDA Loans

BOW shows excellent 2007 penetration to LMI borrowers as the bank's lending exceeds aggregate data. The bank's LMI lending was strong at 11.9 percent and 18.9 percent when compared to 4.0 percent and 17.7 percent for aggregate data, respectively.

Geographic Distribution

BOW's overall distribution of loans reflects good penetration throughout the AA. This performance is generally consistent with the statewide conclusion.

Small Business Loans

The bank's 2007 performance shows excellent small business lending in its LMI CTs by exceeding aggregate data (2.9 percent and 29.7 percent compared to 1.2 percent and 20.6 for aggregate data, respectively). The performance is slightly stronger than the overall conclusion.

HMDA Loans

The bank's 2007 performance shows adequate HMDA lending in its LMI CTs by showing similar performance to aggregate data (0.8 percent and 17.7 percent compared to 1.5 percent and 18.2 percent for aggregate data, respectively). The bank's performance was also enhanced by showing a slight upward trend in 2008 within its low-income CTs.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

NEBRASKA

The Lending Test is rated: ***High Satisfactory***
The Investment Test is rated: ***High Satisfactory***
The Service Test is rated: ***Low Satisfactory***

BOW's Nebraska CRA rating is **Satisfactory**.

The BOW's Nebraska AAs account for the following:

- Approximately 3.4 percent of the institution's branch network
- Approximately 1.1 percent of the total CTs within the combined AA
- Approximately 1.4 percent by number and 0.6 percent by dollar volume of small business loans originated in 2008
- Approximately 3.6 percent by number and 1.9 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 7.8 percent by number and 6.2 percent by dollar volume of small farm loans originated in 2008
- Approximately 0.9 percent by number and 0.2 percent by dollar volume of total CD loans originated
- Approximately 3.7 percent by number and 2.9 percent by dollar volume of total qualified investments made
- Approximately 1.8 percent by number and 0.6 percent by dollar volume of total qualified donations made
- Approximately 1.9 percent by number of total CD service hours conducted

DESCRIPTION OF THE NEBRASKA AA

Table NE-1 details the counties that comprise the Nebraska AAs.

Table NE-1 – Nebraska AAs

AA	MSA/CSA Numbers	AA Counties
Lincoln MSA	30700	Lancaster
Nebraska Non-MSA	N/A	Box Butte, Buffalo, Cherry, Dawes, Dodge, Gage, Grant, Hall, Hooker, Lincoln, Madison, Morrill, Platte, Sheridan

Source: Bank records

Table NE-2 reflects the demographics of the Nebraska AAs combined.

Table NE-2 - Demographic Information for Full-scope Area: Nebraska AAs

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	135	1.5	13.3	60.0	22.2	3.0
Population by Geography	547,291	1.5	11.0	63.5	23.0	1.0
Owner-Occupied Housing by Geography	138,246	0.3	6.7	66.8	26.2	0.0
Business by Geography	46,514	0.9	12.7	63.0	23.0	0.4
Farms by Geography	4,136	0.1	3.5	80.8	15.5	0.1
Family Distribution by Income Level	139,626	16.3	18.4	25.0	40.3	0.0

Distribution of LMI Families throughout AA Geographies	48,326	1.9	15.9	68.5	13.7	0.0

MFI	44,088	Median Housing Value	90,481
HUD Adjusted Median Family Income for 2008	54,740	Unemployment Rate 2007	2.9%
Households Below Poverty Level	10%	2008	3.3%
		March 2009	5.0%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Nebraska's economy has struggled over recent months, with weaknesses in the financial, shipping, and manufacturing sectors, weighed down by the broadening and deepening national downturn. The unemployment rate has climbed steadily over the past year reaching its highest since 2005. Residential homebuilding slowed, but commercial construction is poised to see a boost from a new oil pipeline.

Community Contact Observations

Community and business development was identified as a need for Oshkosh, Nebraska. The contact described the local economy as agriculture driven and the primary type of credit needed is farm loans.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW's Lending Test performance is rated High Satisfactory. The rating reflects good responsiveness to the credit needs of the AAs it serves. More weight is given to the borrower's profile and geographic distribution of loans. The bank's performance in HMDA lending carries the most weight, followed by small business then small farm.

Level of Lending

Overall, the lending levels reflect good responsiveness to AA credit needs. Table NE-3 details BOW's market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares generally increased during the period, although small farms activity declined somewhat.

Table NE-3 – Nebraska AA Market Share – FDIC Insured Lenders

Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	11 of 55	1.2	10 of 60	1.7	3.7
HMDA	10 of 314	2.3	10 of 291	2.4	
Small Farm	6 of 23	7.9	7 of 24	6.4	

* - Small business and small farm ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers in Nebraska reflects excellent penetration among businesses and farms of different sizes and individuals of different income levels. Although HMDA lending carried the most weight, the strong performance of its small business and small farm lending raised the overall borrower profile to excellent. While there are some differences, the bank's borrower's profile performance is generally consistent with the CAA.

Small Business Loans

The distribution of borrowers reflects excellent penetration among business customers of different sizes. Table NE-4 shows BOW's distribution of small business loans by GAR in all Nebraska AAs combined. In 2007, BOW originated a majority (73.6 percent) of loans to small businesses with GARs of $1.0 million or less. This performance significantly exceeds the aggregate performance by 29.8 percent. In 2008, lending to small businesses trended upwards to 78.0 percent.

Table NE-4 – Statewide Small Business Loan GAR Distribution

GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	56.9	142	73.6	43.8	124	78.0
Over $1M	4.4	32	16.6		28	17.6
Not Considered*	38.7	19	9.8		7	4.4
Total	100.0	193	100.0		159	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table NE-5 presents rate of lending to businesses with GARs of $1.0 million or less by AAs. In 2007, BOW's penetration of small businesses exceeds aggregate data. In 2008, the bank's performance shows an upwards trend in both AAs.

Table NE-5 – Small Business Lending Rates

AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Nebraska Non-MSA	62.3	72.8	43.4	78.8
Lincoln MSA	37.7	76.1	44.2	76.7

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects good penetration among retail customers of different income levels. Table NE-6 shows BOW's distribution of HMDA loans by borrower income in all Nebraska AAs combined. In 2007, lending to LMI borrowers was similar to aggregate performance. In 2008, HMDA loans to low-income borrowers trended downwards to 8.0 percent and increased slightly to 23.4 percent.

Table NE-6 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	% of Families	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	16.3	49	9.2	9.6	32	8.0
Moderate	18.4	116	21.9	21.3	94	23.4
Middle	25.0	146	27.5	27.6	109	27.2
Upper	40.3	210	39.5	37.2	146	36.4
NA	0.0	10	1.9	4.3	20	5.0
Total	100.0	531	100.0	100.0	401	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables NE-7and NE-8 show differences from the overall penetration of HMDA loans but generally support the conclusions.

Table NE-7 – AA Low-Income Borrower Penetration Rates				
AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Nebraska Non-MSA	58.1	6.7	7.7	6.1
Lincoln MSA	41.9	13.1	10.7	10.7

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Table NE-8 – AA Moderate-Income Borrower Penetration Rates				
AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Nebraska Non-MSA	58.1	17.7	19.6	19.7
Lincoln MSA	41.9	27.9	22.3	28.6

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Small Farm Loans

The distribution of borrowers reflects excellent penetration among farm customers of different sizes. Table NE-9 shows BOW's distribution of small farm loans by GAR in all Nebraska AAs combined. In 2007, BOW originated a majority (92.1 percent) of loans to small farms with GARs of $1.0 million or less. This performance exceeds the aggregate performance by 5.7 percentage points. In 2008, BOW continued to originate a majority (92.7 percent) of loans to small farms.

Table NE-9 – Statewide Small Farm Loan GAR Distribution						
GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	97.4	163	92.1	86.5	126	92.7
Over $1M	1.0	5	2.8		7	5.1
Not Considered*	1.6	9	5.1		3	2.2
Total	100.0	177	100.0		136	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table NE-10 presents rate of lending to farms with GARs of $1.0 million or less by AAs within the Nebraska. As shown, the Non-MSA's 2007 performance is excellent as it exceeds aggregate data, while the bank's 2008 performance shows a slightly upward trend. This lending is consistent with the overall conclusions.

Table NE-10 – Small Farm Lending Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Nebraska Non-MSA	100.0	92.5	86.7	92.6
Lincoln MSA	0.0	N/A	82.9	N/A

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects an adequate penetration throughout Nebraska. The geographic distribution is not as strong as the CAA performance.

Small Business Loans

The geographic distribution of small business loans reflects adequate penetration throughout the Nebraska AAs. As shown in Table NE-11, the bank's 2007 penetration of the LMI CTs are less than aggregate. However, the bank's 2008 penetration of moderate-income tracts showed an upward trend.

Table NE-11 – Statewide Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	0.9	1	0.5	0.9	0	0.0
Moderate	12.6	14	7.3	13.4	24	15.1
Middle	63.0	140	72.5	55.1	112	70.4
Upper	23.0	38	19.7	26.8	23	14.5
NA	0.5	0	0.0	3.8	0	0.0
Total	100.0	193	100.0	100.0	159	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table NE-12 shows that BOW has no small business penetration of the low-income CTs for the Non-MSA. The bank's Lincoln MSA showed a greater than aggregate penetration for 2007 but no penetration for 2008. Table NE-13 shows no penetration of the moderate-income CT for the Non-MSA. However, BOW's moderate-income lending in the Lincoln MSA exceeded aggregate and showed a strong upward tend in 2008. The bank's stronger Lincoln MSA lending compensates for the weaker Non-MSA lending.

Table NE-12 – Small Business Loan Low-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Nebraska Non-MSA	0.0	0.0	0.0	0.0
Lincoln MSA	2.2	1.8	0.0	2.3

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table NE-13 – Small Business Loan Moderate-Income CT Penetration Rates				
AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Nebraska Non-MSA	0.0	3.1	0.0	3.3
Lincoln MSA	30.4	24.3	40.0	27.4

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the Nebraska AAs. Table NE-14 shows BOW's geographic distribution for HMDA loans reflects adequate penetration throughout the Nebraska AAs combined. The bank's 2007 LMI CT lending lagged aggregate performance and trended downward in 2008.

Table NE-14 – HMDA Loan Geographic Distribution						
CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	0.3	1	0.2	0.5	1	0.3
Moderate	6.7	33	6.2	8.9	22	5.5
Middle	66.7	388	73.1	60.7	283	70.6
Upper	26.3	109	20.5	29.8	95	23.6
NA	0.0	0	0.0	0.1	0	0.0
Total	100.0	531	100.0	100.0	401	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables NE-15 and NE-16 show weaker low-income CT penetration for both AAs. The bank's moderate-income CT 2007 performance was stronger in the Lincoln MSA by exceeding aggregate data. The bank's 2008 performance for both AAs within its moderate-income CTs showed a fairly slight downward trend. Collectively, the bank's performance supports the overall conclusion.

Table NE-15 – HMDA Loan Low-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Nebraska Non-MSA	0.0	0.0	0.0	0.0
Lincoln MSA	0.6	0.5	0.9	0.6

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table NE-16 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Nebraska Non-MSA	1.6	1.0	1.1	0.9
Lincoln MSA	13.3	14.0	13.3	11.9

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Small Farm Loans

The geographic distribution of small business loans reflects good penetration throughout the Nebraska AAs. Table NE-17 showed no penetration of the low-income CT, but this performance is due to the lack of lending opportunities as reflected in the aggregate figure of only 0.1 percent. The bank's 2007 penetration of moderate-income tracts significantly exceeded aggregate lending but trended slightly downwards in 2008.

Table NE-17 – Statewide Small Farm Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	0.1	0	0.0	0.1	0	0.0
Moderate	3.5	13	7.3	2.2	5	3.7
Middle	80.8	149	84.2	82.0	121	89.0
Upper	15.5	15	8.5	14.7	10	7.3
NA	0.1	0	0.0	1.0	0	0.0
Total	100.0	177	100.0	100.0	136	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Tables NE-18 and NE-19 show BOW's small farm loan penetration of LMI CTs by AAs. There are no low-income non-MSA CTs and the bank had no lending in the Lincoln MSA. The lack of lending is due to limited lending opportunities in the Lincoln MSA as reflected by the 0.5 percent aggregate figure. The bank's 2007 penetration of moderate-income CTs exceeds aggregate data with a downward trend in 2008. Performance supports the overall conclusion.

Table NE-18 – Small Farm Loan Low-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Lincoln MSA	0.0	0.5	N/A	N/A

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table NE-19 – Small Farm Loan Moderate-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Nebraska Non-MSA	6.9	2.0	3.7	2.3
Lincoln MSA	33.3	6.2	N/A	N/A

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

CD Loans

BOW has made a relatively high level of CD loans in Nebraska relative to its presence in the state. The bank originated 5 CD loans totaling $4.7 million in Nebraska over the review period. This represents about 0.2 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI tract revitalization. The remainder provides support to LMI affordable housing needs.

INVESTMENT TEST

BOW's Test rating is High Satisfactory. The bank has a significant level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. BOW exhibits an adequate responsiveness to credit and community economic needs of the Nebraska AAs as the investments are concentrated in statewide LIHTCs or mortgage-backed securities. The institution holds 9 qualifying investments totaling $5.4 million (excludes grants and donations), which is an 476 percent increase over the reported previous evaluation figure of $950,000. At the previous evaluation, qualified investments were rated a Low Satisfactory for Nebraska. This performance is consistent with dedicated resources and lending levels of the state.

Table NE-20 – CD Investments

Investment Type	Total $ (000s)	LMI Housing $ (000s)	LMI Tract Revitalization $ (000s)	Economic Development $ (000s)	LMI Services $ (000s)
Statewide Investments	5,474	5,474	--	--	--
Direct Investments	--	--	--	--	--
Grants & Donations	61	3	6	3	49
Total	5,535	5,477	6	3	49

Source: Bank records

Table NE-20 depicts the bank's qualified investments and donations by investment type and category in Nebraska. Of the nine qualified investments, eight are LIHTC with a LMI housing organization which offers statewide equity funds. The other remaining investment for $397,853 consists of a targeted FNMA mortgage-backed security. All of the qualified investments target LMI housing related organizations or initiatives. Qualified investments and donations adequately cover the two AAs since the investments are strictly statewide.

SERVICE TEST

BOW is rated Low Satisfactory in the Service Test. BOW delivery systems are readily accessible to essentially all portions of Nebraska AAs. To the extent changes have been made, the bank's opening and closing of branches have not adversely affected the accessibility of its delivery systems. Services do not vary in a way that inconveniences portions of the Nebraska AAs, particularly LMI geographies or individuals. Finally, BOW provides an adequate level of CD services.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences portions of the Nebraska AAs, particularly LMI geographies or individuals. Table NE-21 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined, to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table NE-21 – Branch Structure as of 12/31/2008						
Branch & Drive Up Facility Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches	0	3	15	4	0	22
% of Branches	0.0	13.6	68.2	18.2	0.0	100.0
# of Drive Up Facilities	0	0	1	0	0	1
% of Drive Up Facilities	0.0	0.0	100.0	0	0	100.0
Total Branches & Drive Up Facilities	***0***	***3***	***16***	***4***	***0***	***23***
% of Total Branches & Drive Up Facilities	***0.0***	***13.0***	***69.6***	***17.4***	***0.0***	***100.0***
Comparisons						
% of Branches - All Institutions	1.0	14.5	61.0	23.2	0.3	100.0
% of Households	2.1	11.8	63.7	22.4	0.0	100.0
% of Businesses	0.9	12.7	62.9	23.0	0.5	100.0

Source: Bank Records and FFIEC Website

BOW's branch distribution among LMI CTs is weaker when compared to the percentages of competition, households, and businesses. BOW's branch distribution among moderate-income CTs (13.6 percent) compares unfavorably to the competition, but compares favorably to the households and businesses. Also, several of the branches in middle- and upper-income CTs are in close proximity to moderate-income CTs or in distressed and underserved rural areas.

Table NE-22 details the bank's branch penetration of LMI tracts compared to other lenders in the Nebraska AAs.

Table NE-22 - Branches in LMI CTs				
AA	**Low-Income %**		**Moderate-Income %**	
	BOW	**Aggregate**	**BOW**	**Aggregate**
Nebraska Non-MSA			0.0	5.1
Lincoln MSA	0.0	2.3	42.9	27.1

Source: Bank Records and FFIEC Website

BOW's branch penetration in low-income CTs in the Lincoln MSA is weaker than competitors, at 0.0 percent as compared to 2.3 percent. However, in the moderate-income CTs BOW's penetration rate is stronger than competitors in the Lincoln MSA, but weaker in the Nebraska Non-MSA. Consideration was given to the five branches in the Nebraska Non-MSA which are in close proximity and provide adequate accessibility to the moderate-income CTs.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Nebraska AAs. BOW operates 22 branches in Nebraska and accessibility differs slightly by AA. BOW's branch structure is the most comprehensive in the Nebraska Non-MSA with 15. The bank holds a 7.8 percent branch share in this Non-MSA, which is the highest market share in the state. In the Lincoln MSA, BOW has a 5 percent branch share, which is the 8th largest share. All of the branches BOW operates in the Non-MSA areas are located in cities with the larger populations. Therefore, the

branch structure represents reasonable accessibility given the availability of alternative delivery systems.

Changes in Branch Locations

BOW's record of opening, closing, or relocating branches in Nebraska has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies. Over the review period, BOW did not open any branches and closed one that was located in an upper-income CT. In addition, two branches were relocated in middle-income CTs. However, the three branches closed and relocated were in middle- and upper-income CTs, so they did not materially impact accessibility of its delivery systems. Tables NE-23 and NE-24 detail the Nebraska branch closings and relocations.

Table NE 23 – Branch Closings			
Branch Name	**City**	**AA**	**CT Income Level**
156th & West Center	Omaha	Omaha Multi-State MSA	Upper

Source: Bank records

Table NE 24– Branch Relocations			
Branch Name	**City**	**AA**	**CT Income Level**
90th & West Center	Omaha	Omaha Multi-State MSA	Middle
Norfolk	Norfolk	Nebraska Non-MSA	From Upper to Middle

Source: Bank records

CD Services

BOW provides an adequate level of CD services in Nebraska. For the review period, 25 BOW employees completed CD services with 19 different groups for a total of 306 hours. Most of hours worked involved providing CD services to LMI individuals or groups and are part of the CAA section of this PE. Examples of CD services applicable to Nebraska include the Neighborhood Summit and the Earned Income Tax Credit Program; details of these programs are described elsewhere within this evaluation.

NEBRASKA NON-MSA
FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the Nebraska Non-MSA AA.

The Nebraska Non-MSA AA accounts for the following:

- Approximately 2.3 percent of the institution's branch network
- Approximately 0.6 percent of the total CTs within the combined AA
- Approximately 0.9 percent by number and 0.4 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 2.1 percent by number and 1.1 percent by dollar volume of total HMDA loans originated in the state for 2008

- Approximately 7.8 percent by number and 6.2 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 0.7 percent by number and 0.2 percent by dollar volume of total CD loans originated
- Approximately 2.9 percent by dollar volume of total qualified investments made
- Approximately 0.4 percent by number of total CD service hours conducted

DESCRIPTION OF THE NEBRASKA NON-MSA AA

Table NE-25 reflects the demographics of the AA.

Table NE-25 - Demographic Information for Full-scope Area: Nebraska Non-MSA AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	76	0.0	4.0	76.3	19.7	0.0
Population by Geography	297,000	0.0	2.5	75.4	22.1	0.0
Owner-Occupied Housing by Geography	78,279	0.0	1.6	75.1	23.3	0.0
Business by Geography	28,351	0.0	3.3	76.5	20.2	0.0
Farms by Geography	3,455	0.0	2.3	83.5	14.2	0.0
Family Distribution by Income Level	78,254	15.5	17.9	24.3	42.3	0.0
Distribution of LMI Families throughout AA Geographies	26,113	0.0	3.5	81.5	15.0	0.0
MFI HUD Adjusted MFI for 2008 Households Below Poverty Level		41,596 51,800 11%	Median Housing Value Unemployment Rate 2007 2008 March 2009		77,608 2.7% 3.2% 4.9%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census, 2007-09 US Bureau Labor of Statistics, and 2008 HUD updated MFI

PERFORMANCE TEST CONCLUSIONS

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the Nebraska Non-MSA AA is presented below. Other Lending Test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. The greatest weight was given to the bank's HMDA lending performance, followed by small business and small farm lending. Data supporting the ratings are presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

Based on the following review, BOW's distribution of loans reflects excellent dispersion to farms and businesses of different revenue sizes and borrowers of different income levels. This conclusion is consistent with the performance of borrower's profile statewide.

Small Business Loans

The bank has excellent penetration in the Non-MSA (72.8 percent of loans were to small businesses earning GARs of $1.0 million or less compared to aggregate of 43.4 percent).

HMDA Loans

The bank has good penetration of HMDA lending. Lending to low-income borrowers in 2007 exceeded aggregate data (the bank shows lending of 6.7 percent were to low-income borrowers compared to 7.7 of aggregate data). The bank's penetration of moderate-income CTs slightly lagged aggregate (17.7 percent compared to 19.6 percent).

Small Farm Loans

The bank has excellent penetration in the Non-MSA (92.5 percent of loans were to small businesses earning GARs of $1 million or less compared to aggregate of 86.7 percent).

Geographic Distribution

Based on the following review, BOW's overall distribution of loans reflects adequate penetration throughout the AA. This conclusion is consistent with the performance of geographic distribution statewide.

Small Business Loans

The bank shows poor penetration as no loans were made in the three moderate-income CTs.

HMDA Loans

The bank has adequate penetration. BOW's 2007 lending in moderate-income CTs is similar to that of aggregate data (the bank's penetration of moderate-income CTs is 1.0 compared to aggregate of 1.1 percent).

Small Farm Loans

The bank has excellent penetration. In 2007, the bank's lending to small farms in the moderate-income CTs exceeded aggregate data by 5.0 percent (6.9 percent compared to 1.9 percent). In 2008, BOW's lending of 3.7 percent exceeded D&B data by 1.3 percent.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

KANSAS CITY MULTI-STATE MSA

The Lending Test is rated: ***High Satisfactory***
The Investment Test is rated: ***Outstanding***
The Service Test is rated: ***Needs to Improve***

BOW's Kansas City Multi-State CRA rating is **Satisfactory**.

The Kansas City Multi-State MSA AA accounts for the following:

- Approximately 3.0 percent of the institution's branch network
- Approximately 3.3 percent of the total CTs within the combined AA
- Approximately 2.8 percent by number and 2.1 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 2.3 percent by number and 1.6 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 2.9 percent by number and 2.6 percent by dollar volume of total CD loans originated
- Approximately 1.2 percent by number and 1.3 percent by dollar volume of total qualified investments made
- Approximately 0.6 percent by number and 0.4 percent by dollar volume of total qualified donations made
- Approximately 0.1 percent by number of total CD service hours conducted

DESCRIPTION OF THE KANSAS CITY MULTI-STATE AA

Table KC-1 details the counties that comprise the Kansas City Multi-State MSA AA.

Table KC-1 – Kansas City Multi-State AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Kansas City Multi-State MSA	28140	Cass, Clay, Jackson, Franklin, Johnson, Platte

Source: Bank records

Table KC-2 reflects the demographics of the AA.

Table KC-2 - Demographic Information for Full-scope Area: Kansas City Multi-State MSA AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	401	9.5	21.2	39.4	28.7	1.2
Population by Geography	1,470,629	5.0	16.1	46.3	32.5	0.1
Owner-Occupied Housing by Geography	395,641	3.1	13.1	47.2	36.6	0.0
Business by Geography	117,772	4.0	15.0	44.4	36.1	0.5
Farms by Geography	2,887	1.7	9.0	55.1	34.1	0.1
Family Distribution by Income Level	390,432	16.8	18.0	23.6	41.6	0.0
Distribution of LMI Families throughout AA Geographies	135,860	9.67	25.72	49	15.61	0.0
MFI		55,031	Median Housing Value			113,506
HUD Adjusted MFI for 2008		67,800	Unemployment Rate 2007			4.8%
Households Below Poverty Level		8%	2008			5.6%
			March 2009			8.0%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census, 2007-09 US Bureau Labor of Statistics, and 2008 HUD updated MFI

For the Kansas City Multi-State MSA refer to Kansas for the economic analysis.

Community Contact Observations

Affordable housing was identified as a need, as well as financial literacy courses and foreclosure prevention for Johnson County. A contact expressed a need for financial literacy programs, especially in the city of Belton, Missouri. The contact stated that participation in CD activities is through SBA lending, particularly small or start-up businesses within the Kansas City area.

PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW is rated High Satisfactory in the Lending Test. The rating reflects good responsiveness to the credit needs of the AA it serves. Both the bank's small business and HMDA lending were given equal weight in determining the conclusions. Small farm activity was not considered due to the nominal activity.

Level of Lending

Overall, the lending levels reflect good responsiveness to AA credit needs. Table KC-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares increased slightly during the periods reviewed.

Table KC-3 – Kansas City Multi-State MSA AA Market Share – FDIC Insured Lenders					
Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	14 of 121	0.3	12 of 126	0.7	1.2
HMDA	50 of 729	0.4	36 of 646	0.5	
Small Farm	8 of 35	0.7	18 of 35	1.3	

* - Small business and small farm ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers reflects good penetration in the Kansas City Multi-State MSA. The bank's excellent penetration to small businesses substantially exceeds aggregate, while it's HMDA lending only reflected adequate performance.

Small Business Loans

The distribution of borrowers reflects excellent penetration among business customers of different sizes. Table KC-4 shows BOW's distribution of small business loans by GARs in the AA. The performance and trends are consistent with the CAA conclusions.

Table KC-4 - Kansas City Multi-State Small Business Loan GAR Distribution						
GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	63.9	289	64.4	35.8	219	70.4
Over $1M	5.7	123	27.4		67	21.5
Not Considered*	30.4	37	8.2		25	8.1
Total	100.0	449	100.0		311	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The distribution of borrowers reflects adequate penetration to customers of different income levels. Table KC-5 shows BOW's distribution of HMDA loans by borrower income in the AA. In 2007, the bank's LMI borrower lending was below aggregate. In 2008, the bank had a decreasing trend to its low-income borrowers and an increasing trend to its moderate-income borrowers.

Table KC-5 Kansas City Multi-State HMDA Loan Borrower Profile						
Borrower Income Level	% of Families	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	16.8	31	6.4	7.7	12	4.5
Moderate	18.0	86	17.9	21.5	56	21.0
Middle	23.6	113	23.5	25.5	63	23.6
Upper	41.6	235	48.9	40.6	113	42.3
NA	0.0	16	3.3	4.7	23	8.6
Total	100.0	481	100.0	100.0	267	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Geographic Distribution

BOW's geographic distribution of loans reflects good penetration throughout the Kansas City Multi-State MSA AA.

Small Business Loans

The geographic distribution of small business loans reflects good penetration throughout the Kansas City Multi-State MSA AA. Table KC-6 shows the distribution of small business loans by the income category of CTs within the AA. In 2007, BOW's performance in low-income CTs is below aggregate and demographic data with a slight downward trend in 2008. By contrast, BOW's 2007 lending in moderate-income CTs exceeded aggregate and reflects an upward trend in 2008.

Table KC-6 - Kansas City Multi-State Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	3.9	5	1.1		3	1.0
Moderate	15.0	68	15.1	11.3	38	12.2
Middle	44.4	180	40.1	39.7	143	46.0
Upper	36.2	196	43.7	44.6	126	40.5
NA	0.5	0	0.0	2.0	1	0.3
Total	100.0	449	100.0	100.0	311	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the Kansas City Multi-State MSA AA. Table KC-7 shows the distribution of HMDA loans by the income category of CTs within the AA. In 2007, BOW's performance in low-income CTs is below aggregate with a slight downward trend in 2008. By contrast, the bank's 2007 performance in moderate-income CTs is fairly comparable to aggregate with a slight upward trend in 2008.

Table KC-7 Kansas City Multi-State HMDA Loan Geographic Distribution						
CT Income Level	**% Owner Occupied Housing Units**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	3.1	4	0.8	2.2	2	0.7
Moderate	13.1	52	10.8	11.0	32	12.0
Middle	47.2	197	41.0	45.0	115	43.1
Upper	36.6	228	47.4	41.8	118	44.2
NA	0.0	0	0.0	0.0	0	0.0
Total	100.0	481	100.0	100.0	267	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

CD Loans

BOW is a leader in making CD loans in Kansas City Multi-State MSA AA relative to its presence in the AA. The bank originated 17 CD loans totaling $52.8 million in the Kansas City Multi-State MSA AA over the review period. This represents about 2.6 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI affordable housing needs. The remainder provides support for LMI tract revitalization and services to LMI individuals.

INVESTMENT TEST

BOW's Investment Test rating is Outstanding. BOW has an excellent level of qualified community investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. The institution exhibits an excellent responsiveness to credit and community economic development needs. BOW holds 3 qualified investments totaling $2.4 million that benefit the Missouri portion of this AA. This AA is also covered by the 6 Kansas statewide and 4 multi-AA Kansas investments totaling $4.6 million and $357,117, respectively. These qualified investments consist of LIHTC and targeted mortgage-backed securities.

SERVICE TEST

BOW is rated Needs to Improve in the Service Test. The strongest component is the delivery system, which is reasonably accessible to essentially all portions of the Kansas City Multi-State MSA AA. BOW provides a limited level of CD services. Services vary in a way that inconveniences certain portions of the Kansas City Multi-State AA, particularly LMI geographies and individuals. BOW's opening and closing of branches is not applicable as the bank did not open or close any branches in the Kansas City Multi-State MSA AA during the review period.

Reasonableness of Retail Services

Services vary in a way that inconveniences certain portions of the AA, particularly LMI geographies and individuals. Table KC-8 evaluates the branch structure by comparing the number of branches by CT income level in the Kansas City Multi-State MSA AA to the branch distribution of all financial institutions, and to the percentage of households and businesses.

Table KC-8 – Branch Structure as of 12/31/2008

Branch Distribution	Income Level of CT					
	Low	Moderate	Middle	Upper	N/A	Total
# of Branches	0	1	8	11	0	20
% of Branches	0.0	5.0	40.0	55.0	0.0	100.0
Comparisons						
% of Branches - All Institutions	2.4	10.7	48.4	38.3	0.2	100.0
% of Households	4.8	17.0	47.8	30.4	0.0	100.0
% of Businesses	4.0	15.0	44.4	36.2	0.4	100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among LMI CTs is weaker in comparison to the percentages of competition, households, and businesses. BOW does not have any presence within the low-income CTs of the AA. BOW's branch distribution among moderate-income CTs (5.0 percent) compares unfavorably to the competition, households, and businesses.

Table KC-9- Branches in LMI CTs				
AA	**Low-Income %**		**Moderate-Income %**	
	BOW	**Aggregate**	**BOW**	**Aggregate**
Kansas City Multi-State MSA	0.0	2.4	5.0	10.8

Source: Bank records and FFIEC Website

Table KC-9 shows that BOW's branch penetration in LMI CTs in the Kansas City Multi-State MSA AA is weaker than competitors. The bank's low-income branch penetration is weak at 0.0 percent, while that bank's moderate-income branch penetration is also weak at 5.0 percent when compared to aggregate at 10.8 percent.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the institution's Kansas City Multi-State AA. BOW operates 20 branches in the AA and has a 1.2 percent market share. The bank's branch structure is also the seventh most comprehensive with a branch share of 3.2 percent.

Changes in Branch Locations

BOW's record of opening and closing branches in the Kansas City Multi-State AA is not applicable.

CD Services

BOW provides a limited level of CD services in the Kansas City Multi-State MSA AA. For the review period, 3 BOW employees completed CD services with 3 different groups for a total of 17 hours. All of the hours worked involved providing CD services for LMI individuals or groups, and are part of the BOW CAA section of this PE.

ARIZONA

The Lending Test is rated: ***Outstanding***
The Investment Test is rated: ***Outstanding***
The Service Test is rated: ***Low Satisfactory***

BOW's Arizona CRA rating is **Outstanding**.

The BOW's Arizona AAs account for the following:

- Approximately 3.7 percent of the institution's branch network
- Approximately 7.7 percent of the total CTs within the combined AA
- Approximately 2.5 percent by number and 2.7 percent by dollar volume of small business loans originated in 2008
- Approximately 2.4 percent by number and 1.8 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 3.9 percent by number and 3.6 percent by dollar volume of total CD loans originated
- Approximately 5.0 percent by number and 2.4 percent by dollar volume of total qualified investments made
- Approximately 3.2 percent by number and 1.6 percent by dollar volume of total qualified donations made
- Approximately 1.4 percent by number of total CD service hours conducted

DESCRIPTION OF THE ARIZONA AA

Table AZ-1 details the counties that comprise the Arizona AAs combined.

Table AZ-1 – Arizona AAs

AA	MSA/CSA Numbers	AA Counties
Phoenix MSA	38060	Maricopa, Pinal
Flagstaff MSA	22380	Coconino
Tucson MSA	46060	Pima
Prescott MSA	39140	Yavapai
Arizona Non-MSA	N/A	Apache, Gila, Navajo

Source: Bank records

Table AZ-2 reflects the demographic of the Arizona AAs combined.

Table AZ-2 - Demographic Information for Full-scope Area: Arizona AAs

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	937	5.9	28.4	35.1	30.0	0.6
Population by Geography	4,266,449	4.7	30.5	36.7	28.0	0.1
Owner-Occupied Housing by Geography	1,071,671	1.8	23.5	39.9	34.8	0.0
Business by Geography	370,246	4.6	24.4	33.5	37.4	0.1
Farms by Geography	6,969	2.6	24.3	36.8	36.2	0.1
Family Distribution by Income Level	1,072,277	19.8	18.7	21.6	39.9	0.0
Distribution of LMI Families throughout AA Geographies	412,288	7.2	43.3	35.6	13.9	0.0
MFI HUD Adjusted MFI for 2008 Households Below Poverty Level		47,894 59,885 11%	Median Housing Value Unemployment Rate 2007 2008 2009			122,240 3.8% 5.5% 7.8%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, 2007-09 U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Arizona is one of the worst performing states in the nation. Further layoffs in local and state government are expected due to the persistent slump in

government revenue. Technology and metal manufacturers are cutting their payrolls, while defense contractors will make up some of the losses. The unemployment rate is rising, but has been mitigated by a declining labor force. Housing prices have dropped, which has improved affordability.

Community Contact Observations

Affordable housing was identified as a statewide need. Some contacts indicated a need for partnerships between small business development centers and financial institutions. One contact indicated an opportunity for banks to participate in small business workshops to network with clients and cross-sell products.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW's Lending Test performance is rated Outstanding. The rating reflects excellent responsiveness to the credit needs of the AAs it serves. Small business and HMDA lending were equally weighted based on the level of activity. Small farm loans were not reviewed due to nominal lending activity. Borrower profile is the strongest component followed by geographic distribution.

Level of Lending

Overall, the lending levels reflect excellent responsiveness to AA credit needs. Table AZ-3 details BOW's market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares generally increased during the period and BOW is a leader in CD loans. BOW's small farm lending is excluded due to its nominal activity.

Table AZ-3 – Arizona AA Market Share – FDIC Insured Lenders

Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
	16 of 252	0.8	15 of 242	0.7	0.7
	150 of 1,109	0.1	87 of 1,002	0.2	

* - Small business and small farm ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers reflects excellent penetration among businesses of different sizes and individuals of different income levels.

Small Business Loans

The distribution of borrowers reflects excellent penetration among businesses of different sizes. Table AZ-3 shows BOW's distribution of business loans by GAR in all Arizona AAs combined. In 2007, BOW originated a majority (48.1 percent) of loans to small businesses with GARs of $1.0 million or less. This performance significantly exceeds the aggregate performance of 38.3 percent. In 2008, lending to small businesses trended upwards to 58.7 percent. The performance shows and trends are consistent with CAA conclusions.

Table AZ-3 – Statewide Small Business Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	62.2	164	48.1	38.3	165	58.7
Over $1M	4.5	102	29.9		84	29.9
Not Considered*	33.3	75	22.0		32	11.4
Total	100.0	341	100.0		281	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table AZ-4 presents the rate of lending to businesses with GARs of $1.0 million or less by AAs within Arizona. As shown, the bank's performance within each AA is generally consistent with the bank's performance at the statewide level.

Table AZ-4 – Small Business Lending Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Phoenix MSA	21.7	43.6	38.2	55.7
Tucson MSA	56.6	45.6	38.1	54.7
Arizona Non-MSA	14.2	53.1	40.9	67.5
Flagstaff MSA	4.6	100.0	39.5	92.3
Prescott MSA	2.9	60.0	39.6	62.5

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects good penetration among retail customers of different income levels. Table AZ-5 shows BOW's distribution of HMDA loans by borrower income in all Arizona AAs combined. In 2007, the bank's lending to low-income borrowers was greater than aggregated with an upward trend in 2008. By contrast, the bank's 2007 lending to moderate-income borrowers was fairly comparable to aggregate with an upward trend in 2008.

Table AZ-5 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	**% of Families**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	19.8	28	7.6	2.9	24	9.4
Moderate	18.7	50	13.6	14.3	39	15.2
Middle	21.6	69	18.7	23.4	55	21.5
Upper	39.9	210	56.9	54.3	122	47.6

NA	0.0	12	3.2	5.1	16	6.3
Total	100.0	369	100.0	100.0	256	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables AZ-6 and AZ-7 show BOW's loan penetration rates for LMI borrowers in each AA in Arizona. Three of the 5 AAs originated nearly 90 percent of the HMDA lending at roughly similar levels (Phoenix MSA, Tucson MSA, and Arizona Non-MSA AAs), while the other two AAs are nominal. The bank's performance within each AA for low-income borrowers is consistent with the bank performance at the statewide level, except for the Phoenix MSA AA, which had a downward trend in 2008. For moderate-income areas, each AA was different for performance and trend from each other. Only the Tucson MSA AA was similar to statewide performance and trend. The Phoenix MSA AA and the Arizona Non-MSA AA exceeded aggregate and had upward trends, which is the opposite of the statewide conclusions. Despite the differences among the AAs, the combination of the AAs shows overall good performance for the state.

Table AZ-6 – AA Low-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Phoenix MSA	32.4	13.8	2.8	10.8
Tucson MSA	27.3	4.1	3.4	8.6
Arizona Non-MSA	29.7	2.1	1.2	6.6
Flagstaff MSA	8.6	0.0	2.2	0.0
Prescott MSA	2.0	36.4	6.2	80.0

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Table AZ-7 – AA Moderate-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Phoenix MSA	32.4	17.1	14.8	24.1
Tucson MSA	27.3	10.7	13.0	12.9
Arizona Non-MSA	29.7	11.6	6.1	11.8
Flagstaff MSA	8.6	10.5	12.2	4.6
Prescott MSA	2.0	27.3	20.7	0.0

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects good penetration throughout Arizona.

Small Business Loans

The geographic distribution of small business loans reflects good penetration throughout the Arizona AAs. Table AZ-8 shows the distribution of small business loans by the income category of CTs within the AA. In 2007, BOW's performance in low-income CTs is fairly comparable to aggregate a downward trend in 2008. By contrast, BOW's 2007 lending in moderate-income CTs exceeded aggregate and reflects a downward trend in 2008.

Table AZ-8 – Statewide Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	4.6	9	2.7	3.0	7	2.5
Moderate	24.4	83	24.3	18.4	53	18.8
Middle	33.5	142	41.6	33.1	134	47.7
Upper	37.4	107	31.4	42.1	87	31.0
NA	0.1	0	0.0	3.4	0	0.0
Total	100.0	341	100.0	100.0	281	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Tables AZ-9 and AZ-10 display BOW's small business loan penetration in LMI CTs. The bank took partial MSAs in Flagstaff and Prescott. In the low-income CTs, the bank's 2007 performance lagged both aggregate and demographic data in the Phoenix and Tucson MSAs AAs, while greatly exceeding both aggregate and demographic data in the Arizona Non-MSA AA. In 2008, the bank's low-income CT performance showed a general upward trend except for the Arizona Non-MSA AA. The bank's 2007 and 2008 performance in moderate-income CTs is comparable to the statewide conclusions, except that the bank slightly lagged aggregate and demographic data in the Arizona Non-MSA AA.

Table AZ-9 – Small Business Loan Low-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Phoenix MSA	0.8	3.2	4.9	4.9
Tucson MSA	0.8	2.4	1.3	4.1
Arizona Non-MSA	10.9	0.1	5.0	0.3
Flagstaff MSA	0.0**	6.2	0.0**	0.0
Prescott MSA*	0.0	0.0	0.0	0.0

** No Low-income CTs, ** Low-income CTs not included in bank AA*

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table AZ-10 – Small Business Loan Moderate-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Phoenix MSA	30.0	18.7	18.0	24.0
Tucson MSA	34.4	25.1	26.4	30.3
Arizona Non-MSA	0.0	1.4	0.0	2.2
Flagstaff MSA	0.0	8.2	0.0	41.6
Prescott MSA	0.0*	6.2	0.0*	0.0

** Moderate-income CTs not included in bank AA*

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the Arizona AA. Table AZ-11 shows BOW's geographic distribution for HMDA loans. Performance and trends are consistent with the CAA conclusions.

Table AZ-11 – HMDA Loan Geographic Distribution						
CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	1.8	4	1.1	1.4	0	0.0
Moderate	23.5	44	11.9	21.5	28	10.9
Middle	39.9	207	56.1	41.0	148	57.8
Upper	34.8	114	30.9	36.0	80	31.3
NA	0.0	0	0.0	0.1	0	0.0
Total	100.0	369	100.0	100.0	256	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables AZ-12 and AZ-13 show BOW's HMDA loan penetration rate in LMI CTs by AA in Arizona. Performance and trends are consistent with statewide and CAA conclusions in low-income CTs, except that in 2007 the bank's Tucson MSA AA lending exceeds aggregate data. BOW's performance in moderate-income CTs varies considerably from the statewide conclusions. The bank did not originate any HMDA loans in the moderate-income CTs of the Flagstaff MSA AA and the Arizona Non-MSA AA. However, in the Phoenix MSA AA the bank's moderate-income CT lending exceeded aggregate and is comparable to demographic data. The Tucson MSA AA moderate-income CT performance is similar to the statewide lending, except that there is an upward trend in 2008. The consolidated findings result in an overall adequate performance.

Table AZ-12 – HMDA Loan Low-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Phoenix MSA	1.6	0.0	1.4	0.0
Tucson MSA	2.3	3.3	2.0	0.0
Arizona Non-MSA	2.4	0.0	0.1	0.0
Flagstaff MSA*	0.0	0.0	0.0	0.0
Prescott MSA*	0.0	0.0	0.0	0.0

* No low-income CTs
Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table AZ-13 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Phoenix MSA	24.0	23.6	22.3	19.3
Tucson MSA	24.7	12.4	20.8	17.1
Arizona Non-MSA	6.2	0.0	0.5	0.0
Flagstaff MSA	35.9	0.0	3.3	0.0
Prescott MSA*	0.0	0.0	0.0	0.0

* No moderate-income CTs
Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

CD Loan

BOW is a leader in making CD loans in Arizona relative to its presence in the state. The bank originated 23 CD loans totaling $72.8 million in Arizona over the review period. This represents

about 3.6 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI tract revitalization. The remainder provides support for economic development.

INVESTMENT TEST

BOW's Investment Test rating is Outstanding. The bank has an excellent level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. BOW exhibits an excellent responsiveness to credit and community economic needs of the Arizona AAs as the investments. The institution holds 12 qualifying investments totaling $4.5 million (excludes grants and donations), which is a 310 percent increase over the $1.1 million reported at the previous evaluation. At the previous evaluation, qualified investments was rated a Low Satisfactory for Arizona. This performance is consistent with dedicated resources and lending levels of the state.

Table AZ-14 – CD Investments

Investment Type	Total $ (000s)	LMI Housing $ (000s)	LMI Tract Revitalization $ (000s)	Economic Development $ (000s)	LMI Services $ (000s)
Statewide Investments	833	647	--	186	--
Direct Investments	999	999	--	--	--
Multiple AAs	1,500	1,500	--	--	--
Single AAs	1,233	233	--	--	1,000
Grants & Donations	37	5	--	--	32
Total	4,602	3,384	--	186	1,032

Source: Bank records

Table AZ-14 depicts the bank's qualified investments and donations by investment type and category in Arizona. The qualified investments are diverse as the portfolio includes an investment in a CDFI, two investments in a SBIC, several targeted mortgage-backed securities, and three LIHTCs, and an equity fund investment in a Native American credit organization. Qualified investments and donations well distributed throughout the five AAs.

SERVICE TEST

BOW is rated Low Satisfactory in the Service Test. The strongest component is the delivery system, which is accessible to essentially all portions of the Arizona AAs. Services do not vary in a way that inconveniences portions of the AAs, particularly LMI geographies and individuals. Branch changes have not adversely impacted the accessibility of delivery systems, particularly in LMI geographies or LMI individuals. The bank provides a limited level of CD services.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences certain portions of the Arizona AA, particularly LMI geographies or individuals. Table AZ-15 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined, to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table AZ-15 – Branch Structure as of 12/31/2008						
Branch & Drive Up Facility Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches	0	2	17	5	0	24
% of Branches	0.0	8.4	70.8	20.8	0.0	100.0
Comparisons						
% of Branches - All Institutions	3.6	20.0	35.4	40.8	0.2	100.0
% of Households	3.6	29.4	38.5	28.5	0.0	100.0
% of Businesses	4.6	24.4	33.5	37.4	0.1	100.0

Source: Bank records and FFIEC Website

BOW does not have any branches in low-income CTs, and the branch distribution among moderate-income CTs is less than the percentages of competition, households, and businesses. Although the bank does not have a branch in a low-income CTs, it is important to note that these areas constitute a nominal portion of the overall AA. The bank's moderate-income CT branch distribution is below the percentages of competition, households, and businesses. However, in Table AZ-16, BOW's Phoenix MSA branches in the moderate-income CTs are greater than other lenders. Although BOW's Tucson MSA LMI branch penetration rates are worse than the other lenders, the bank has other branches that are in close to the LMI areas.

Table AZ-16- Branches in LMI CTs				
AA	**Low-Income %**		**Moderate-Income %**	
	BOW	**Aggregate**	**BOW**	**Aggregate**
Phoenix MSA	0.0	3.0	33.3	19.7
Tucson MSA	0.0	6.8	0.0	24.1
Arizona Non-MSA	0.0	0.0	0.0	3.6
Flagstaff MSA			0.0	0.0
Prescott MSA				

Source: Bank records and FFIEC Website

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Arizona AA. BOW operates a branch network with 2.1 percent market share. The bank's branch structure is the most comprehensive in the Arizona Non-MSA AA and the Tucson AZ MSA AA. Both of these AAs have 7 offices with a 20.0 percent and 3.3 percent share, respectively. BOW's largest market share is in the Prescott AZ MSA AA. This AA has two offices and a branch market share of 66.7 percent, followed by Flagstaff with 1 office and a 50 percent branch share. BOW also provides services to distressed, underserved, and rural CTs with three branches located therein.

Changes in Branch Locations

BOW's record of opening and closing branches in Arizona has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies. Over the review period, BOW opened two branches in middle-income CTs, and one limited service branch in an upper-income CT. No branches were closed, so the net result is a larger branch network with greater accessibility.

Table AZ-17 – Branch Openings			
Branch Name	**City**	**AA**	**CT Income Level**
Tucson Creekside	Tucson	Tucson MSA	Middle
Marana Marketplace	Tucson	Tucson MSA	Middle

Source: Bank records

Table AZ-18 – Limited Service Branch Openings			
Branch Name	**City**	**AA**	**CT Income Level**
Phoenix	Gilbert	Phoenix MSA	Upper

Source: Bank records

CD Services

BOW provides a limited level of CD services in Arizona. For the review period, 16 BOW employees completed CD services with 15 different groups for a total of 230 hours. Most of the hours worked involved providing CD services that are part of the CAA section of this PE.

PHOENIX MSA AA
FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the Phoenix MSA AA.

DESCRIPTION OF OPERATIONS

The Phoenix MSA AA accounts for the following:

- Approximately 0.8 percent of the institution's branch network
- Approximately 5.7 percent of the total CTs within the combined AA
- Approximately 0.5 percent by number and 0.7 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 0.8 percent by number and 0.7 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 3.1 percent by number and 2.9 percent by dollar volume of total CD loans originated
- Approximately 2.4 percent by dollar volume of total qualified investments made
- Approximately 0.5 percent by number of total CD service hours conducted

DESCRIPTION OF THE PHOENIX MSA AA

Table AZ-19 reflects the demographics of the AA.

Table AZ-19 - Demographic Information for Full-scope Area: Phoenix MSA AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	696	6.2	28.6	34.2	30.1	0.9
Population by Geography	3,251,876	4.9	30.6	36.2	28.2	0.1

Owner-Occupied Housing by Geography	812,085	1.7	24.0	39.2	35.1	0.0
Business by Geography	300,327	4.9	24.0	31.9	39.1	0.1
Farms by Geography	5,523	2.8	24.6	35.7	36.8	0.1
Family Distribution by Income Level	814,264	19.6	18.8	21.8	39.8	0.0
Distribution of LMI Families throughout AA Geographies	312,744	7.4	44.0	34.9	13.7	0.0
MFI HUD Adjusted MFI for 2008 Households Below Poverty Level		51,172 64,200 10%	Median Housing Value Unemployment Rate 2007 2008 March 2009		127,589 3.3% 4.9% 7.4%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, the housing downturn has intensified in the Phoenix MSA as construction payrolls have fallen. Financial service employment is near bottom and will gain momentum before the construction industry. The housing market is recovering as improvements in affordability draws homebuyers to the market.

PERFORMANCE TEST CONCLUSIONS

Data applicable to the AA indicates that the overall performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any.

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the Phoenix MSA AA are presented below. Other Lending Test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. Small business and HMDA loans were weighted equally based on the number of loans originated. Small farm loans performance was not evaluated due to the limited number of loans originated within this AA. Data supporting the ratings is presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

BOW's overall distribution of loans reflects excellent dispersion to borrowers of different income levels. The borrower distribution of small business and HMDA loans is consistent with statewide performance, except that the HMDA loans in moderate-income CTs exceeded the aggregate.

Geographic Distribution

BOW's overall distribution of loans reflects good penetration throughout the AA. There were no conspicuous gaps in the geographic distribution of loans. The geographic distribution of small business loans is consistent with statewide performance and trends, except the trend in low-income

CTs is upwards. The distribution of HMDA loans is consistent with statewide performance and trends, except that in moderate-income CTs the bank slightly exceeded the aggregate.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

OKLAHOMA

The Lending Test is rated:	***High Satisfactory***
The Investment Test is rated:	***Outstanding***
The Service Test is rated:	***Low Satisfactory***

BOW's Oklahoma CRA rating is **Satisfactory**.

The BOW's Oklahoma AAs account for the following:

- Approximately 2.7 percent of the institution's branch network
- Approximately 4.4 percent of the total CTs within the combined AA
- Approximately 0.7 percent by number and 0.6 percent by dollar volume of small business loans originated in 2008
- Approximately 4.1 percent by number and 2.0 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 1.5 percent by number and 1.5 percent by dollar volume of total CD loans originated
- Approximately 4.1 percent by number and 5.1 percent by dollar volume of total qualified investments made
- Approximately 1.3 percent by number and 1.1 percent by dollar volume of total qualified donations made
- Approximately 1.6 percent by number of total CD service hours conducted

DESCRIPTION OF THE OKLAHOMA AA

Table OK-1 details the counties that comprise the Oklahoma AAs

Table OK-1 – Oklahoma AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Oklahoma City MSA	36420	Cleveland, Oklahoma
Tulsa MSA	46140	Tulsa
Oklahoma Non-MSA	N/A	Carter, Garfield, Kay, Pontotoc, Seminole, Washington

Source: Bank records

Table OK-2 reflects the demographics of the Oklahoma AAs combined.

Table OK-2 - Demographic Information for Full-scope Area: Oklahoma AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	531	5.7	27.7	37.9	27.8	0.9
Population by Geography	1,760,500	3.2	25.1	40.0	31.6	0.1
Owner-Occupied Housing by Geography	443,274	1.6	19.4	42.1	36.9	0.0
Business by Geography	147,767	3.2	23.0	39.5	33.0	1.3
Farms by Geography	2,931	1.3	14.9	47.4	36.1	0.3
Family Distribution by Income Level	462,091	19.4	17.5	21.1	42.0	0.0
Distribution of LMI Families throughout AA Geographies	170,577	5.0	36.6	41.3	17.1	0.0
MFI HUD Adjusted Median Family Income for 2008 Households Below Poverty Level		41,671 50,983 13%	Median Housing Value Unemployment Rate 2007 2008 March 2009		79,975 4.1% 3.8% 6.1%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Oklahoma MSA's economy has struggled over the recent months, with weaknesses in manufacturing and mining. With falling commodity prices, statewide mining employment is down. The economy is now shedding jobs more quickly than at any other time since the devastating 1982-1987 energy bust.

Community Contact Observations

A contact indicated a need for retail development projects and affordable housing. The contact also indicated that developers are working to build affordable, single family houses geared toward LMI families.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

The Lending Test performance is rated High Satisfactory. The rating reflects good responsiveness to the credit needs of the AAs it serves. HMDA lending has greater weight than small business loans based on the level of activity. Small farm loans were not reviewed due to its nominal lending activity.

Level of Lending

Overall, the lending levels reflect good responsiveness to AA credit needs. Table OK-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares increased during the period.

Table OK-3 – Oklahoma AA Market Share – FDIC Insured Lenders

Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	18 of 114	0.5	20 of 112	0.8	1.0
HMDA	35 of 628	0.7	23 of 580	0.9	

* - Small business ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrower's in the Oklahoma reflects good penetration among businesses of different sizes and individuals of different income levels.

Small Business Loans

The distribution of borrowers reflects excellent penetration among businesses of different sizes. Table OK-4 shows BOW's distribution of business loans by GAR in all Oklahoma AAs combined. In 2007, BOW originated a majority (62.6 percent) of loans to small businesses with GARs of $1.0 million or less. This performance significantly exceeds the aggregate performance of 37.2 percent. In 2008, lending to small businesses trended upwards to 59.7 percent. The performance and trends are consistent with CAA conclusions.

Table OK-4 – Statewide Small Business Loan GAR Distribution

GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	59.0	87	62.6	37.2	46	59.7
Over $1M	5.1	36	25.9		26	33.8
Not Considered*	35.9	16	11.5		5	6.5
Total	100.0	139	100.0		77	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table OK-4 presents the rate of lending to businesses with GARs of $1.0 million or less by AAs within Oklahoma. As shown, the bank's performance within each AA is generally consistent with the bank performance at the statewide level.

Table OK-4 – Small Business Lending Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Oklahoma Non-MSA	27.3	68.8	42.6	81.0
Oklahoma City MSA	59.7	58.7	35.1	47.8
Tulsa MSA	13.0	73.3	37.8	70.0

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects adequate penetration among retail customers of different income levels. Table OK-5 shows BOW's distribution of HMDA loans by borrower income in all Oklahoma AAs combined. In 2007, the bank's lending to low-income borrowers was greater than aggregated with a downward trend in 2008. By contrast, the bank's 2007 lending to moderate-income borrowers was fairly comparable to aggregate with a downward trend in 2008. Bank performance and trends are not consistent with the CAA conclusions.

Table OK-5 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	**% of Families**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	19.4	75	10.1	6.9	19	4.2
Moderate	17.5	127	17.1	17.8	56	12.3
Middle	21.1	159	21.5	23.0	108	23.6
Upper	42.0	370	49.9	47.4	243	53.1
NA	0.0	10	1.4	4.9	31	6.8
Total	100.0	741	100.0	100.0	457	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables OK-6 and OK-7 show BOW's loan penetration rates for LMI borrowers in each AA in Oklahoma. The bank's performance within each AA for low-income borrowers is consistent with the bank performance at the statewide level. For moderate-income borrowers, the bank exceeded aggregate performance in the Oklahoma Non-MSA AA, but lagged aggregate in the remaining two AAs. In 2008, the bank had a downward trend in its overall lending to LMI borrowers.

Table OK-6 – AA Low-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Oklahoma Non-MSA	68.0	11.1	5.9	2.9
Oklahoma City MSA	24.3	8.5	7.4	7.2
Tulsa MSA	7.7	6.4	6.2	5.7

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Table OK-7 – AA Moderate-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**

Oklahoma Non-MSA	68.0	18.0	13.2	12.5
Oklahoma City MSA	24.3	16.6	19.4	12.6
Tulsa MSA	7.7	10.6	17.0	8.6

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects good penetration throughout Oklahoma.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the Oklahoma AAs. Table OK-8 shows the distribution of small business loans by the income category of CTs within the AA. The performance and trends are consistent with CAA conclusions within moderate-income CTs. Within low-income CTs, the bank slightly lags aggregate; however, the bank increased its lending from 1.5 percent in 2007 to 5.2 percent in 2008.

Table OK-8 – Statewide Small Business Loan Geographic Distribution

CT Income Level	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	3.2	2	1.5	2.7	4	5.2
Moderate	23.0	43	30.9	19.2	23	29.9
Middle	39.5	43	30.9	33.4	33	42.8
Upper	33.0	48	34.5	40.4	17	22.1
NA	1.3	3	2.2	4.3	0	0.0
Total	100.0	139	100.0	100.0	77	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Tables OK-9 and OK-10 display BOW's small business loan penetration in LMI CTs. The bank's performance in LMI areas is generally comparable to the statewide conclusions, except that the bank lagged aggregate data in the Tulsa MSA and Oklahoma Non-MSA AA low-income CTs.

Table OK-9 – Small Business Loan Low-Income CT Penetration Rates

AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Oklahoma Non-MSA	0.0	2.1	0.0	1.6
Oklahoma City MSA	2.2	4.0	8.7	5.0
Tulsa MSA	0.0	1.1	0.0	1.4

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table OK-10 – Small Business Loan Moderate-Income CT Penetration Rates

AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Oklahoma Non-MSA	43.8	18.5	14.3	21.5
Oklahoma City MSA	28.3	20.0	28.3	23.8
Tulsa MSA	20.0	18.5	70.0	22.8

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the Oklahoma AA. Table OK-11 shows BOW's geographic distribution for HMDA loans. Performance and trends are consistent with the CAA conclusions, except BOW had a positive trend in moderate-income areas in 2008.

Table OK-11 – HMDA Loan Geographic Distribution						
CT Income Level	**% Owner Occupied Housing Units**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	1.6	4	0.6	1.1	1	0.2
Moderate	19.4	107	14.4	15.2	80	17.5
Middle	42.1	378	51.0	38.0	202	44.2
Upper	36.9	252	34.0	45.6	174	38.1
NA	0.0	0	0.0	0.1	0	0.0
Total	100.0	741	100.0	100.0	457	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables OK-12 and OK-13 show BOW's mortgage loan penetration rate in LMI CTs by AA in Oklahoma. Performance and trends are consistent with statewide and CAA conclusions in low-income CTs, except that the Tulsa MSA AA exceeded both aggregate and demographic data.

Table OK-12 – HMDA Loan Low-Income CT Penetration Rates				
AA	**% Owner Occupied Housing Units**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Oklahoma Non-MSA	0.2	0.0	0.5	0.0
Oklahoma City MSA	2.2	1.1	1.4	0.0
Tulsa MSA	1.5	4.3	0.9	2.9

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table OK-13 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	**% Owner Occupied Housing Units**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Oklahoma Non-MSA	10.6	12.7	11.5	11.9
Oklahoma City MSA	23.1	16.1	17.8	30.6
Tulsa MSA	25.7	25.5	12.6	19.3

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

CD Loan

BOW has made a relatively high level of CD loans in Oklahoma relative to its presence in the state. The bank originated 9 CD loans totaling $31.1 million in Oklahoma over the review period. This represents about 1.5 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI tract revitalization. The remainder provides support for LMI affordable housing needs and economic development.

INVESTMENT TEST

BOW's Investment Test rating is Outstanding. The bank has an excellent level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. BOW's investments exhibit an excellent responsiveness to credit and community economic needs of the Oklahoma AAs. The institution holds 10 qualifying investments totaling $9.6 million (excludes grants and donations), which constitutes 5.1 percent of all qualified investments. This performance is well above dedicated resources and lending levels of the state.

Table OK-14 – CD Investments					
Investment Type	**Total $ (000s)**	**LMI Housing $ (000s)**	**LMI Tract Revitalization $ (000s)**	**Economic Development $ (000s)**	**LMI Services $ (000s)**
Statewide Investments	7,938	7,938	--	--	--
Direct Investments	--	--	--	--	--
Multiple AAs	125	125	--	--	--
Single AAs	1,547	1,547	--	--	--
Grants & Donations	22	1	1	--	20
Total	9,632	9,611	1	--	20

Source: Bank records

Table OK-14 depicts the bank's qualified investments and donations by investment type and category in Oklahoma. Of the 10 qualified investments, 6 totaling $5.3 million carried over from the previous evaluation period. All qualified investments were to LMI housing efforts and split proportionally between LIHTC and targeted mortgage-backed securities. Qualified investments and donations were well distributed throughout the three AAs through direct investments, grants, and statewide investments.

SERVICE TEST

BOW is rated Low Satisfactory in the Service Test. The accessibility of delivery systems is reasonably accessible to essentially all portions of the institution's Oklahoma AA. To the extent changes have been made, the bank's opening and closing of branches have generally not adversely affected the accessibility of its delivery systems. The bank provides an adequate level of CD services. Services do not vary in a way that inconveniences portions of the AA particularly LMI geographies or individuals.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences portions of the Oklahoma AA, particularly LMI geographies or individuals. Table OK-15 evaluates the branch structure by comparing the number of branches by CT income level in all AAs compared to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table-15 – Branch Structure as of 12/31/2008						
Branch & Drive Up Facility Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches	0	3	7	8	0	18
% of Branches	0.0	16.7	38.9	44.4	0.0	100.0
# of Drive Up Facilities	0	1	0	0	0	1
% of Drive Up Facilities	0.0	100.0	0.0	0.0	0.0	100.0
Total Branches & Drive Up Facilities	***0***	***4***	***7***	***8***	***0***	***19***
% of Total Branches & Drive Up Facilities	***0.0***	***21.1***	***36.8***	***42.1***	***0.0***	***100.0***
Comparisons						
% of Branches - All Institutions	2.6	21.5	37.6	36.4	1.9	100.0
% of Households	3.0	24.9	40.7	31.4	0.0	100.0
% of Businesses	3.2	23.0	39.5	33.0	1.3	100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among LMI CTs is weaker compared to the percentages of competition, households, and businesses. BOW's branch distribution among moderate-income CTs (21.1 percent) compares slightly unfavorably to the competition, households, and businesses; however, mitigating this is the fact that eight of BOW's branches throughout the state that are not within LMI geographies are in close proximity of LMI CTs. Another mitigating fact is that two of BOW's Oklahoma branches serve non-metropolitan middle-income designated distressed CTs for poverty.

Table-16- Branches in LMI CTs				
AA	**Low-Income %**		**Moderate-Income %**	
	BOW	**Aggregate**	**BOW**	**Aggregate**
Oklahoma Non-MSA	0.0	5.0	37.5	23.3
Oklahoma City MSA	0.0	2.6	12.5	22.4
Tulsa MSA	0.0	1.4	0.0	19.3

Source: Bank records and FFIEC Website

BOW's branch penetration in low-income CTs is nonexistent and weaker than the competition in all three AAs within the state. BOW's penetration of moderate-income CTs in the Tulsa MSA is also nonexistent and significantly less than the competition's penetration. BOW's penetration of moderate-income CTs in the Oklahoma City MSA (12.5 percent) is significantly less than the competition's penetration (22.4 percent). However, BOW's penetration of moderate-income CTs (37.5 percent) exceeds the competition in the Oklahoma Non-MSA AA (23.3 percent).

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the Oklahoma AA. BOW operates 18 branches in the state and accessibility differs slightly by AA. BOW has a 1.0 percent market share for Oklahoma. The bank's branch structure is the most comprehensive in the Oklahoma Non-MSA AA with eight offices, which is tied for the most in the non-MSA area of Oklahoma, and a branch share of 6.3 percent. Similarly, BOW has a branch share of 2.6 percent in the Oklahoma City MSA AA.

Changes in Branch Locations

BOW's record of opening and closing branches in Oklahoma has generally not adversely affected the accessibility of its delivery systems, particularly in LMI geographies or to LMI individuals. Over the review period, BOW opened one limited service branch in an upper-income CT, and relocated one branch from a moderate-income CT to an upper-income CT. This relocation is offset by the fact that the bank opened a new branch in the same city in a moderate-income CT. No branches were closed, so the net result is a larger branch network with slightly greater accessibility.

Table-17 – Branch Relocations			
Branch Name	**City**	**AA**	**CT Income Level**
Ponca City Main	Ponca City	Oklahoma Non-MSA	From Moderate to Upper

Source: Bank records

Table-18 – Branch Openings			
Branch Name	**City**	**AA**	**CT Income Level**
Ponca City Main	Ponca City	Oklahoma Non-MSA	Moderate

Source: Bank records

Table-19 – Limited Service Branch Openings			
Branch Name	**City**	**AA**	**CT Income Level**
Oklahoma	Oklahoma City	Oklahoma City MSA	Upper

Source: Bank records

CD Services

BOW provides an adequate level of CD services in Oklahoma. For the review period, 23 BOW employees completed CD services with 16 different groups for a total of 252 hours. Most of the hours worked involved providing CD service for LMI individuals or groups and are part of the CAA section of this PE.

OKLAHOMA NON-MSA AA
FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the Oklahoma Non-MSA AA.

The Oklahoma Non-MSA AA accounts for the following:

- Approximately 1.2 percent of the institution's branch network
- Approximately 0.7 percent of the total CTs within the combined AA
- Approximately 0.2 percent by number and 0.2 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 2.8 percent by number and 1.3 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 5.1 percent by dollar volume of total qualified investments made
- Approximately 0.8 percent by number of total CD service hours conducted

DESCRIPTION OF THE OKLAHOMA NON-MSA AA

Table OK-20 reflects the demographics of the AA.

Table OK-20 -Demographic Information for Full-scope Area: Oklahoma Non-MSA AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	80	1.3	18.8	57.5	22.4	0.0
Population by Geography	328,737	1.1	14.6	54.5	29.8	0.0
Owner-Occupied Housing by Geography	88,955	0.2	10.6	57.5	31.7	0.0
Business by Geography	29,199	1.6	21.5	53.5	23.4	0.0
Farms by Geography	1,009	0.0	11.5	66.4	22.1	0.0
Family Distribution by Income Level	87,870	17.9	16.5	21.0	44.6	0.0
Distribution of LMI Families throughout AA Geographies	30,202	0.8	19.7	59.4	20.1	0.0
MFI HUD Adjusted MFI for 2008 Households Below Poverty Level		35,517 44,000 17%	Median Housing Value Unemployment Rate 2007 2008 March 2009		59,558 3.6% 3.2% 5.7%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

PERFORMANCE TEST CONCLUSIONS

Data applicable to the AA indicates that the overall performance is generally similar to the overall statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any.

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the Oklahoma Non-MSA AA are presented below. Other Lending Test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. The greatest weight was given to the bank's HMDA lending performance followed by small business lending based upon the number of loans originated. Small farm loans performance were not evaluated due the bank's nominal loan activity within this AA. Data supporting the ratings are presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

BOW's overall distribution of loans reflects good dispersion to borrowers of different income levels. The borrower penetration of small business and HMDA loans is consistent with statewide performance.

Geographic Distribution

BOW's overall distribution of loans reflects good penetration throughout the AA. There were no conspicuous gaps in the geographic distribution of loans. The geographic distribution of small business and HMDA loans is consistent with statewide performance.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

SOUTH DAKOTA

The Lending Test is rated: ***Low Satisfactory***
The Investment Test is rated: ***High Satisfactory***
The Service Test is rated: ***Low Satisfactory***

BOW's South Dakota CRA rating is **Satisfactory**.

The BOW's South Dakota AAs account for the following:

- Approximately 1.4 percent of the institution's branch network
- Approximately 0.4 percent of the total CTs within the combined AA
- Approximately 0.9 percent by number and 0.6 percent by dollar volume of small business loans originated in 2008
- Approximately 0.5 percent by number and 0.4 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 15.4 percent by number and 13.9 percent by dollar volume of small farm loans originated in 2008
- Approximately 2.2 percent by number and 0.8 percent by dollar volume of total CD loans originated

- Approximately 2.1 percent by number and 0.9 percent by dollar volume of total qualified investments made
- Approximately 0.9 percent by number and 0.4 percent by dollar volume of total qualified donations made
- Approximately 0.4 percent by number of total CD service hours conducted

DESCRIPTION OF THE SOUTH DAKOTA AA

Table SD-1 details the counties that comprise the South Dakota AAs.

Table SD-1 – South Dakota AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Sioux Falls MSA	43620	Minnehaha
South Dakota Non-MSA	N/A	Beadle, Charles Mix, Clark, Clay, Douglas, Fall River

Source: Bank records

Table SD-2 reflects the demographics of the South Dakota AAs combined.

Table SD-2 -Demographic Information for Full-scope Area: South Dakota AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	51	0.0	13.7	76.5	9.8	0.0
Population by Geography	216,755	0.0	14.5	73.2	12.3	0.0
Owner-Occupied Housing by Geography	55,964	0.0	10.4	74.9	14.7	0.0
Business by Geography	19,845	0.0	17.4	75.6	7.0	0.0
Farms by Geography	2,400	0.0	8.5	89.4	2.1	0.0
Family Distribution by Income Level	55,135	16.9	19.6	26.8	36.7	0.0
Distribution of LMI Families throughout AA Geographies	20,108	0.0	19.6	73.9	6.5	0.0
MFI		41,597	Median Housing Value			79,731
HUD Adjusted MFI for 2008		54,025	Unemployment Rate 2007			2.9%
Households Below Poverty Level		10%	2008			3.0%
			March 2009			5.4%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, South Dakota MSA's economy has slowed on the heels of the national downturn with weaknesses in the manufacturing sector. The unemployment rate has risen over the past year, but the jobless rate remains well below the national average. Residential home sales have declined since the beginning of 2008, compared with persistent declines nationally for the past three years.

Community Contact Observations

A contact indicated a need for continued support of affordable housing in the area and economic development.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW's Lending Test performance is rated Low Satisfactory. The rating reflects good responsiveness to the credit needs of the AAs it serves. More weight is given to small farm lending performance, followed by small business lending and HMDA lending, based on lending activity.

Level of Lending

Overall, the lending levels reflect adequate responsiveness to AA credit needs. Table SD-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares decreased during the period due to increased competition.

Table SD-3 – South Dakota AA Market Share – FDIC Insured Lenders

Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	3 of 29	16.7	7 of 52	3.2	0.3
HMDA	5 of 131	4.1	24 of 174	0.9	
Small Farm	3 of 17	22.4	3 of 17	16.6	

* - Small business and small farm ranked by dollar volume; HMDA ranked by number. Source: FFIEC Website

Borrower's Profile

The distribution of borrowers reflects excellent penetration among businesses and farms of different sizes, and individuals of different income levels. While there are some differences, the borrower's profile is generally consistent with the CAA conclusions.

Small Business Loans

The distribution of borrowers reflects excellent penetration among business customers of different sizes. Table SD-4 shows BOW's distribution of small business loans by GAR in all South Dakota AAs combined. In 2007, BOW originated a majority (73.4 percent) of loans to businesses with GARs of $1.0 million or less. This performance significantly exceeded the aggregate performance by 25.4 percentage points. In 2008, the bank's penetration of small businesses remained approximately the same at 73.2 percent.

Table SD-4 – Statewide Small Business Loan GAR Distribution

GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	55.0	135	73.4	48.0	71	73.2
Over $1M	5.2	30	16.3		22	22.7
Not Considered*	39.8	19	10.3		4	4.1
Total	100.0	184	100.0		97	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table SD-5 presents rate of lending to businesses with GARs of $1.0 million or less by AAs within the South Dakota AAs. With 99.0 percent of lending within the Non-MSA, most of the consideration for the statewide conclusion was based on this AA. In 2007, BOW's penetration of small businesses significantly exceeded 2007 aggregate data (73.5 percent compared to 49.7 percent). In 2008, the bank's performance remained fairly consistent.

Table SD-5 – Small Business Lending Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
South Dakota Non-MSA	99.0	73.5	49.7	72.9
Sioux Falls MSA	1.0	66.7	47.5	100.0

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects adequate penetration among retail customers of different income levels. Table SD-6 shows BOW's distribution of HMDA loans by borrower income in all South Dakota AA's combined. The bank's 2007 penetration of LMI borrowers is slightly less than aggregate. In 2008, HMDA loan penetration trended upwards to 21.1 percent for moderate-income borrowers, but low-income lending declined to 7.0 percent.

Table SD-6 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	**% of Families**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	16.9	6	7.1	9.3	4	7.0
Moderate	19.6	14	16.7	22.7	12	21.1
Middle	26.8	24	28.6	26.8	8	14.0
Upper	36.7	33	39.3	34.7	24	42.1
NA	0.0	7	8.3	6.5	9	15.8
Total	100.0	84	100.0	100.0	57	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables SD-7 and SD-8 show BOW's lending penetration of LMI borrowers by AA. Most consideration was given to the Non-MSA AA. BOW's penetration of LMI borrowers is comparable to aggregate in 2007 and generally consistent with the statewide conclusion. Performance in the Sioux Falls MSA is weaker than the statewide performance; however, this is mitigated by the limited loan activity (four loans in 2007 and one loan in 2008).

Table SD-7 – AA Low-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
South Dakota Non-MSA	98.3	6.3	6.9	7.1
Sioux Falls MSA	1.7	25.0	9.7	0.0

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Table SD-8 – AA Moderate-Income Borrower Penetration Rates				
AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
South Dakota Non-MSA	98.3	17.5	17.2	21.4
Sioux Falls MSA	1.7	0.0	23.6	0.0

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Small Farm Loans

The distribution of borrowers reflects excellent penetration among farm customers of different sizes. Table SD-9 shows BOW's distribution of small business loans by GAR in all Nebraska AAs combined. In 2007, BOW originated a majority (87.9 percent) of loans to small businesses with GARs of $1.0 million or less. This performance exceeded the aggregate performance by 5.7 percentage points. In 2008, BOW continued to originate a majority (84.0 percent) of loans to small businesses.

Table SD-9 – Statewide Small Farm Loan GAR Distribution						
GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	98.6	328	87.9	78.6	226	84.0
Over $1M	0.6	16	4.3		32	11.9
Not Considered*	0.8	29	7.8		11	4.1
Total	100.0	373	100.0		269	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table SD-10 presents the rate of lending to farms with GARs of $1.0 million or less by AAs within South Dakota. As shown, the Non-MSA AA's performance is excellent as it exceeds aggregate data. This lending is consistent with overall conclusions. The bank did not originate any small farm loans in the Sioux Falls MSA AA.

Table SD-10 – Small Farm Lending Rates				
AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
South Dakota Non-MSA	100.0	87.9	78.6	84.0
Sioux Falls MSA*	0.0	N/A	87.7	N/A

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects an adequate penetration throughout South Dakota. There are no low-income CTs in the South Dakota AAs. The combined AAs include seven moderate-income CTs (two in the Non-MSA and five in the Sioux Falls MSA. The geographic distribution is not as strong as the CAA conclusions.

Small Business Loans

The geographic distribution of small business loans reflects marginally adequate penetration throughout South Dakota AAs. Table SD-11 shows that BOW's 2007 performance lags aggregate by 13.7 percentage points. In 2008, the bank's penetration increased slightly to 3.1 percent of moderate-income CTs, but significantly lags D&B data (17.4 percent). Also considered is the fact that there are only two moderate-income CTs in the Non-MSA AA.

Table SD-11 – Statewide Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Moderate	17.4	2	1.1	14.8	3	3.1
Middle	75.6	182	98.9	67.7	94	96.9
Upper	7.0	0	0.0	10.6	0	0.0
NA	0.0	0	0.0	6.9	0	0.0
Total	100.0	184	100.0	100.0	97	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table SD-12 shows BOW's small business loan penetration lags aggregate data in 2007, which is consistent with the overall conclusion. The bank's performance in the Sioux Fall MSA AA is weaker than the statewide performance; however, this is mitigated by the limited small business lending activity in the AA (three loans in 2007 and one loan in 2008).

Table SD-12 – Small Business Loan Moderate-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
South Dakota Non-MSA	1.1	3.9	3.1	7.1
Sioux Falls MSA	0.0	18.0	0.0	23.2

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

HMDA Loans

The geographic distribution of HMDA loans reflects marginally adequate penetration throughout the South Dakota AAs. Table SD-13 shows BOW's 2007 penetration of moderate-income CTs is below aggregate data in 2007. In 2007, BOW's penetration of moderate-income CTs shows no activity.

Table SD-13 – Statewide HMDA Loan Geographic Distribution						
CT Income Level	**% Owner Occupied Housing Units**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Moderate	10.4	3	3.6	8.9	0	0.0
Middle	74.9	79	94.0	68.9	57	100.0
Upper	14.7	2	2.4	22.2	0	0.0
NA	0.0	0	0.0	0.0	0	0.0
Total	100.0	84	100.0	100.0	57	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table SD-14 shows BOW's HMDA loan penetration lags aggregate data in 2007, which is consistent with the overall conclusion. The 2007 loan penetration in the Sioux Falls MSA is stronger than the statewide performance; however, this performance is mitigated by the limited loan activity (four loans in 2007 and only one loan in 2008).

Table SD-14 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	**% Owner Occupied Housing Units**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
South Dakota Non-MSA	7.8	2.5	3.8	0.0
Sioux Falls MSA	11.7	25.0	9.8	0.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Small Farm Loans

The geographic distribution of small farm loans reflects adequate penetration throughout the South Dakota AAs. Table SD-15 shows BOW's 2007 penetration of moderate-income CTs is below aggregate. In 2008, BOW's penetration of moderate-income CTs trended up despite an overall drop in lending activity.

Table SD-15 – Statewide Small Farm Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Moderate	8.5	9	2.4	4.2	10	3.7
Middle	89.4	364	97.6	95.5	259	96.3
Upper	2.1	0	0.0	0.0	0	0.0
NA	0.0	0	0.0	0.3	0	0.0
Total	100.0	373	100.0	100.0	269	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table SD-16 shows BOW's 2007 small farm penetration lags aggregate data, which is consistent with the overall conclusion. Also, BOW did not originate any small farm loans in the Sioux Falls MSA AA.

Table SD-16 – Small Farm Loan Moderate-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
South Dakota Non-MSA	2.4	4.2	3.7	9.6
Sioux Falls MSA	0.0	1.6	0.0	0.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

CD Loans

BOW has made a relatively high level of CD loans in South Dakota relative to its presence in the state. The bank originated 13 CD loans totaling $15.8 million in South Dakota over the review period. This represents about 0.8 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI tract revitalization and the remainder supports LMI affordable housing needs.

INVESTMENT TEST

BOW's Investment Test rating is High Satisfactory. The bank has a significant level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. BOW's investments exhibit a good responsiveness to credit and community economic needs of the AAs. The institution holds 5 qualifying investments totaling $1.8 million (excludes grants and donations), which is a significant increase over the prior evaluation amount. At the previous evaluation, qualified investments were rated a Low Satisfactory for South Dakota. This performance is consistent with dedicated resources and lending levels of the state.

Table SD-17 – CD Investments					
Investment Type	**Total $ (000s)**	**LMI Housing $ (000s)**	**LMI Tract Revitalization $ (000s)**	**Economic Development $ (000s)**	**LMI Services $ (000s)**
Statewide Investments	636	236	--	400	--
Multiple AAs	1,002	1,002	--	--	--
Single AAs	138	138	--	--	--
Grants & Donations	57	5	3	6	43
Total	1,833	1,381	3	406	43

Source: Bank records

Table SD-17 depicts the bank's qualified investments and donations by investment type and category in Nebraska. Of the 5 qualified investments, 3 totaling $473,758 carried over from the previous evaluation period. The qualified investments include a LIHTC for $1.0 million, 2 equity funds investments totaling $400,000, and 2 targeted mortgage-backed securities. Qualified investments and donations are well distributed throughout the three AAs.

SERVICE TEST

BOW is rated Low Satisfactory in the Service Test. The strongest component is the delivery system, which is accessible to essentially all portions of the AA. Services do not vary in a way that inconveniences portions of the AA, particularly LMI geographies and individuals. Branch changes have not adversely impacted the accessibility of delivery systems, particularly in LMI geographies or LMI individuals. The bank provides a limited level of CD services.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences certain portions of the South Dakota AA, particularly LMI geographies or individuals. Table SD-18 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined, to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table SD-18 – Branch Structure as of 12/31/2008						
Branch & Drive Up Facility Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches		0	9	0		9

% of Branches		0.0	100.0	0.0		100.0
# of Drive Up Facilities		0	1	0		1
% of Drive Up Facilities		0.0	100.0	0.0		100.0
Total Branches & Drive Up Facilities		***0***	***10***	***0***		***10***
% of Total Branches & Drive Up Facilities		***0.0***	***100.0***	***0.0***		***100.0***
Comparisons						
% of Branches - All Institutions		20.7	69.0	10.3		100.0
% of Households		15.8	72.6	11.6		100.0
% of Businesses		17.4	75.6	7.0		100.0

Source: Bank records and FFIEC Website

The AA does not have any low-income CTs, so the evaluation focused on moderate-income areas. Also, BOW does not have a branch in a moderate-income CT, so its branch distribution is significantly less than the percentages of competition, households, and businesses. The bank's branches are concentrated in middle-income CTs, and most of these CTs are designated as distressed, underserved, and rural areas.

Table SD-19- Branches in LMI CTs

AA	Low-Income %		Moderate-Income %	
	BOW	Aggregate	BOW	Aggregate
South Dakota Non-MSA	0.0	0.0	0.0	7.1
Sioux Falls MSA	0.0	0.0	0.0	0.0

Source: Bank records and FFIEC Website

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the AAs. BOW operates a branch network with a 4.9 percent market share. The bank's branch structure is the most comprehensive in the South Dakota Non-MSA AA with eight offices and a 14.3 percent share. However, BOW's largest market share is in the Sioux Falls SD MSA AA with 1 office and a branch share of 16.7 percent, which is the same for all competitors. BOW's branch network in the South Dakota Non-MSA AA facilitates access.

Changes in Branch Locations

BOW's record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies. Over the review period, BOW opened one branch located in a middle-income CT in the Non-MSA AA and opened a limited service branch in a middle-income CT in the Sioux Falls MSA AA. No branches were closed, so the net result is a larger branch network with greater accessibility.

Table SD-20 – Branch Openings

Branch Name	City	AA	CT Income Level
Hot Springs Drive-up	Hot Springs	South Dakota Non-MSA	Middle

Source: Bank records

Table SD-21 – Limited Service Branch Openings			
Branch Name	**City**	**AA**	**CT Income Level**
Sioux Falls	Sioux Falls	Sioux Falls MSA	Middle

Source: Bank records

CD Services

BOW provides a limited level of CD services in South Dakota. For the review period, 3 BOW employees completed CD services with 3 different groups for a total of 57 hours. Most of the hours worked involved providing assistance for economic development and are part of the BOW CAA section of this PE. An example of a significant qualified CD service applicable to South Dakota is the HUD / Rural Community Assistance Corporation Homeless Symposium, which is described elsewhere within this evaluation.

SOUTH DAKOTA NON-MSA FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the South Dakota Non-MSA AA.

The South Dakota Non-MSA AA accounts for the following:

- Approximately 1.4 percent of the institution's branch network
- Approximately 0.2 percent of the total CTs within the combined AA
- Approximately 0.9 percent by number and 0.6 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 0.5 percent by number and 0.4 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 15.4 percent by number and 13.9 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 2.2 percent by number and 0.8 percent by dollar volume of total CD loans originated
- Approximately 0.9 percent by dollar volume of total qualified investments made
- Approximately 0.4 percent by number of total CD service hours conducted

DESCRIPTION OF THE SOUTH DAKOTA NON-MSA AA

Table SD-22 reflects the demographics of the AA.

Table SD-22 - Demographic Information for Full-scope Area: South Dakota Non-MSA AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	22	0.0	9.1	90.9	0.0	0.0
Population by Geography	68,474	0.0	9.5	90.5	0.0	0.0
Owner-Occupied Housing by Geography	18,452	0.0	7.8	92.2	0.0	0.0
Business by Geography	7,216	0.0	7.1	92.9	0.0	0.0

Farms by Geography	1,736	0.0	9.6	90.4	0.0	0.0
Family Distribution by Income Level	17,240	20.7	20.3	23.0	36.0	0.0
Distribution of LMI Families throughout AA Geographies	7,068	0.0	12.6	87.4	0.0	0.0

MFI	39,438	Median Housing Value	52,593
HUD Adjusted MFI for 2008	51,600	Unemployment Rate 2007	2.9%
Households Below Poverty Level	16%	2008	3.0%
		March 2009	5.0%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the South Dakota-MSA AA are presented below. Other Lending Test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. The greatest weight was given to the bank's small farm lending performance, followed by small business and HMDA lending performance. Data supporting the ratings are presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

BOW's distribution of loans reflects excellent penetration to businesses and farms of different revenue sizes and borrowers of different income levels. This conclusion is consistent with the statewide performance.

Geographic Distribution

The geographic distribution of loans reflects adequate penetration throughout the South Dakota Non-MSA AA. This conclusion is consistent with the statewide performance.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

NEVADA

The Lending Test is rated: ***High Satisfactory***
The Investment Test is rated: ***Outstanding***
The Service Test is rated: ***Low Satisfactory***

BOW's Nevada CRA rating is **Satisfactory**.

The Nevada AAs account for the following:

- Approximately 1.4 percent of the institution's branch network
- Approximately 3.5 percent of the total CTs within the combined AA
- Approximately 2.3 percent by number and 3.4 percent by dollar volume of small business loans originated in 2008
- Approximately 1.0 percent by number and 1.4 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 1.9 percent by number and 1.9 percent by dollar volume of total CD loans originated
- Approximately 2.5 percent by number and 2.1 percent by dollar volume of total qualified investments made
- Approximately 1.7 percent by number and 1.2 percent by dollar volume of total qualified donations made
- Approximately 0.6 percent by number of total CD service hours conducted

DESCRIPTION OF THE NEVADA AA

Table NV-1 details the counties that comprise the Nevada AAs.

Table NV-1 – Nevada AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Las Vegas MSA	29820	Clark
Carson City MSA	16180	Carson City
Reno-Sparks MSA	39900	Washoe

Table NV-2 reflects the demographics of the Nevada AAs combined.

Table NV-2- Demographic Information for Full-scope Area: Nevada AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	422	2.1	23.0	42.2	31.7	1.0
Population by Geography	1,767,708	2.3	27.7	42.0	28.0	0.0
Owner-Occupied Housing by Geography	393,887	0.5	16.1	45.1	38.3	0.0
Business by Geography	186,324	3.9	24.7	38.9	32.2	0.3
Farms by Geography	2,523	2.2	18.8	42.9	36.1	0.0
Family Distribution by Income Level	440,356	18.8	18.8	23.4	39.0	0.0

Distribution of LMI Families throughout AA Geographies	165,277	3.5	39.6	41.1	15.8	0.0

MFI	51,069	Median Housing Value	134,387
HUD Adjusted Median Family Income for 2008	64,792	Unemployment Rate 2007	4.7%
Households Below Poverty Level	9%	2008	6.7%
		March 2009	10.5%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, the Nevada MSA's economy continues to struggle, with job losses common across most of the economy and conditions in tourism-related industries still deteriorating. The economy is being impacted by a large state budget shortfall and a collapsed housing market. The unemployment rate indicates that the economy is in the worst shape in more than a quarter century. Steep house price declines amid rising foreclosures are forcing homebuilders to idle crews.

Community Contact Observations

A contact indicated more bank involvement is needed to participate in small business initiatives, financial assistance for training, and volunteers for financial education for clients.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW's Lending Test performance is rated High Satisfactory. The rating reflects good responsiveness to the credit needs of the AAs it serves. The bank's performance for small business loans receive greater weight than HMDA loans based on the volume of originated loans. Small farm loans were not reviewed based upon the bank's nominal lending.

Level of Lending

Overall, the lending levels reflect excellent responsiveness to AA credit needs. Table NV-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares increased during the period. BOW is a top lender to small business, which is weighted more than HMDA loans. The bank is also a leader in CD loans.

Table NV-3 – Nevada AA Market Share – FDIC Insured Lenders

Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	7 of 152	2.5	5 of 167	3.3	0.2
HMDA	166 of 798	0.1	109 of 673	0.1	

*Small business ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers reflects good penetration among businesses of different sizes and individuals of different income levels.

Small Business Loans

The distribution of borrowers reflects adequate penetration among small businesses of different sizes. Table NV-4 shows BOW's distribution of small business loans by GAR in all Nevada AAs combined. BOW's performance is comparable to aggregate in 2007 and less than demographic data. The state is in a recession, which is reflected in the downward trend in 2008.

Table NV-4 – Statewide Small Business Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	61.9	247	44.0	44.6	100	38.5
Over $1M	4.1	290	51.7		134	51.5
Not Considered*	34.0	24	4.3		26	10.0
Total	100.0	561	100.0		260	100.0

* No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table NV-5 presents the rate of lending to businesses with GARs of $1.0 million or less by AAs within Nevada. Two AAs are consistent with the statewide performance, while the Carson City MSA AA exceeded aggregate and trended up in 2008. The AA with the lowest lending activity is the Caron City MSA AA. However, the AA with the most lending was in the Reno-Sparks MSA, which showed a significant drop in its 2008 lending due to the area's declining economic conditions.

Table NV-5 – Small Business Lending Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Las Vegas MSA	39.2	43.8	44.6	43.1
Reno-Sparks MSA	52.7	42.2	44.5	29.9
Carson City MSA	8.1	56.4	45.0	71.4

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The distribution of borrowers reflects excellent penetration among retail customers of different income levels. Table NV-6 shows BOW's distribution of HMDA loans by borrower income in all Nevada AAs combined. In 2007, the performance to LMI borrowers exceeded aggregated. In 2008, the performance to low-income borrowers showed an upward trend. Bank performance and trends are generally consistent with the CAA conclusions.

Table NV-6 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	**% of Families**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**

Low	18.8	6	6.5	2.3	9	8.2
Moderate	18.8	17	18.5	11.5	10	9.1
Middle	23.4	13	14.1	24.2	20	18.2
Upper	39.0	49	53.3	56.8	62	56.3
NA	0.0	7	7.6	5.2	9	8.2
Total	100.0	92	100.0	100.0	110	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables NV-7 and NV-8 show BOW's loan penetration rates for LMI borrowers in each AA in Nevada. The bank's performance within each AA for LMI borrowers is generally consistent with the statewide conclusions.

Table NV-7 – AA Low-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Las Vegas MSA	52.7	5.4	2.1	6.9
Reno-Sparks MSA	31.8	7.7	2.9	11.4
Carson City MSA	15.5	10.0	3.2	5.9

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Table NV-8 – AA Moderate-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Las Vegas MSA	52.7	14.3	10.8	8.6
Reno-Sparks MSA	31.8	23.1	14.4	11.4
Carson City MSA	15.5	30.0	16.4	5.9

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects good penetration.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout Nevada. Table NV-9 shows the distribution of small business loans by the income category of CTs within the AA. Bank performance and trends are consistent with CAA conclusions.

Table NV-9 – Statewide Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	3.9	13	2.3	1.7	6	2.3
Moderate	24.7	172	30.7	15.3	85	32.7
Middle	38.9	211	37.6	36.1	85	32.7
Upper	32.2	165	29.4	44.6	84	32.3
NA	0.3	0	0.0	2.3	0	0.0
Total	100.0	561	100.0	100.0	260	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Tables NV-10 and NV-11 display BOW's small business loan penetration in LMI CTs. The bank's performance in low-income AAs is generally consistent with the statewide. However, in 2008 the moderate-income CTs for the Las Vegas MSA AA had a significant downward trend.

Table NV-10 – Small Business Loan Low-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Las Vegas MSA	2.6	1.6	2.9	4.5
Reno-Sparks MSA	2.3	2.4	2.2	3.4
Carson City MSA *	0.0	0.0	0.0	0.0

* No low-income CTs
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table NV-11 – Small Business Loan Moderate-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Las Vegas MSA	21.1	12.0	12.8	20.6
Reno-Sparks MSA	48.2	29.0	51.8	44.1
Carson City MSA	7.7	10.1	4.8	15.2

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the Nevada AA. Table NV-12 shows BOW's geographic distribution for HMDA loans. The performance and trends in the low-income CTs are worse while the moderate-income CTs for 2008 are better than the CAA conclusions.

Table NV-12 – HMDA Loan Geographic Distribution						
CT Income Level	**% Owner Occupied Housing Units**	**2007**			**2008**	
		BOW #	**BOW%**	**Aggregate %**	**BOW #**	**BOW %**
Low	0.5	0	0.0	0.4	0	0.0
Moderate	16.1	6	6.5	11.0	13	11.8
Middle	45.1	34	37.0	44.7	34	30.9
Upper	38.3	52	56.5	43.4	63	57.3
NA	0.0	0	0.0	0.5	0	0.0
Total	100.0	92	100.0	100.0	110	100.0

* No low-income CT
Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables NV-13 and NV-14 show BOW's HMDA loan penetration rate in LMI CTs by AA in Nevada. The lack of lending in the low-income CTs is influenced by the limited number of available housing units and the low aggregate performance by other lenders. In 2008, the moderate-income CTs showed variances in two of the three AAs, which showed an upward trend for penetration rates.

Table NV-13 – HMDA Loan Low-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Las Vegas MSA	0.4	0.0	0.4	0.0
Reno-Sparks MSA	1.0	0.0	0.6	0.0
Carson City MSA*	0.0	0.0	0.0	0.0

* No low-income CTs
Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table NV-14 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Las Vegas MSA	16.3	5.4	10.5	13.8
Reno-Sparks MSA	16.6	7.7	13.7	14.3
Carson City MSA	6.7	10.0	12.9	0.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

CD Loans

BOW is a leader in making CD loans in Nevada relative to its presence in the state. The bank originated 11 CD loans totaling $38.8 million during the review period. This represents about 1.9 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI tract revitalization. The remainder provides support for LMI affordable housing needs, economic development, and services to LMI individuals.

INVESTMENT TEST

BOW's Investment Test rating is Outstanding. The bank has an excellent level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. BOW's investments exhibit an excellent responsiveness to credit and community economic needs of the Nevada AAs. The institution holds 6 qualifying investments totaling $3.9 million (excludes grants and donations), which is a 26 percent decline from the previous evaluation figure of $5.3 million. At the previous evaluation, qualified investments were rated an Outstanding for Nevada. This performance is slightly higher than dedicated resources and lending levels within the state.

Table NV-15 – CD Investments					
Investment Type	Total $ (000s)	LMI Housing $ (000s)	LMI Tract Revitalization $ (000s)	Economic Development $ (000s)	LMI Services $ (000s)
Statewide Investments	--	--	--	--	--
Direct Investments	500	500	--	--	--
Multiple AAs	3,279	3,054	--	--	225
Single AAs	156	156	--	--	--
Grants & Donations	105	10	--	4	91
Total	4,040	3,720	--	4	316

Source: Bank records

Table NV-15 depicts the bank's qualified investments and donations by investment type and category in Nevada. Of the 6 qualified investments, 4 totaling $2.9 million carried over from the previous evaluation period. Although the qualified investments were concentrated in LMI housing efforts, the types of investments include 3 LIHTCs totaling $1.6 million, 2 targeted mortgage-backed securities totaling $1.9 million, and 1 investment to a CDFI equity fund targeting LMI housing and services. Qualified investments and donations are well distributed throughout the three AAs.

SERVICE TEST

BOW is rated Low Satisfactory in the Service Test. Delivery systems are accessible to essentially all portions of the Nevada AA. Services do not vary in a way that inconveniences certain portions of the AA, particularly LMI geographies and individuals. Branch changes have generally not adversely impacted the accessibility of delivery systems, particularly in LMI geographies or LMI individuals. The bank provides a limited level of CD services.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences certain portions of the Nevada AA, particularly LMI geographies or individuals. Table NV-16 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined, to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table NV-16 – Branch Structure as of 12/31/2008

Branch Distribution	Income Level of CT					
	Low	Moderate	Middle	Upper	N/A	Total
# of Branches	0	2	4	3	0	9
% of Branches	0.0	22.2	44.5	33.3	0.0	100.0
Comparisons						
% of Branches - All Institutions	2.0	20.4	42.9	34.7	0.0	100.0
% of Households	2.4	27.7	42.3	27.6	0.0	100.0
% of Businesses	3.9	24.7	38.9	32.2	0.3	100.0

Source: Bank records and FFIEC Website

BOW's has two-thirds of its branches in moderate-income areas, and its branch distribution among moderate-income CTs is greater than the percentages of competition, households, and businesses. Although the bank does not have a branch in a low-income CT, they constitute a very nominal portion of the bank's AAs. In addition, BOW has other branches in close proximity of the low-income areas. Overall, BOW compares favorably to the competition, households, and businesses.

Table NV-17- Branches in LMI CTs

AA	Low-Income %		Moderate-Income %	
	BOW	Aggregate	BOW	Aggregate
Las Vegas MSA	0.0	1.6	16.7	15.3
Reno-Sparks MSA	0.0	4.3	50.0	43.6
Carson City MSA			0.0	9.5

Source: Bank records and FFIEC Website

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Nevada AA. BOW operates a branch network with 1.8 percent market share. The bank's branch structure is the most comprehensive in the heavily banked Las Vegas NV MSA AA with six offices and a 1.5 percent market share. Also, BOW's largest market share is in the Carson City NV MSA AA with one office and a 4.6 percent market share.

Changes in Branch Locations

BOW's record of opening and closing branches in the State of Nevada has generally not adversely affected the accessibility of its delivery systems, particularly in LMI geographies. Over the review period, Table NV-17 shows that BOW closed one branch located in a moderate-income CT in the Las Vegas AA. However, the AA is well-served by other BOW branches and the impact on LMI areas is minimal.

Table NV-17 – Branch Closings			
Branch Name	**City**	**AA**	**CT Income Level**
East Flamingo	Las Vegas	Las Vegas MSA	Moderate

Source: Bank records and FFIEC Website

CD Services

BOW provides a limited level of CD services in Nevada. For the review period, 7 BOW employees completed CD services with 6 different groups for a total of 90 hours. Most of the hours worked involved providing CD services and are part of the CAA section of the PE.

LAS VEGAS MSA AA
FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the Las Vegas MSA AA.

The Las Vegas MSA AA accounts for the following:

- Approximately 0.9 percent of the institution's branch network
- Approximately 2.8 percent of the total CTs within the combined AA
- Approximately 0.9 percent by number and 1.5 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 0.5 percent by number and 0.7 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 1.4 percent by number and 1.6 percent by dollar volume of total CD loans originated
- Approximately 2.1 percent by dollar volume of total qualified investments made
- Approximately 0.2 percent by number of total CD service hours conducted

DESCRIPTION OF THE LAS VEGAS MSA AA

Table NV-18 reflects the demographics of the AA.

Table NV-18-Demographic Information for Full-scope Area: Las Vegas MSA AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	345	2.0	22.6	42.6	31.6	1.2
Population by Geography	1,375,765	2.1	27.8	41.7	28.4	0.0
Owner-Occupied Housing by Geography	302,842	0.4	16.3	44.6	38.7	0.0
Business by Geography	134,364	4.5	20.6	37.7	36.8	0.4
Farms by Geography	1,776	2.5	16.5	42.2	38.8	0.0
Family Distribution by Income Level	342,405	18.7	18.7	23.5	39.1	0.0
Distribution of LMI Families throughout AA Geographies	128,150	3.0	40.2	40.6	16.2	0.0
MFI HUD Adjusted MFI for 2008 Households Below Poverty Level		50,504 63,900 10%	Median Housing Value Unemployment Rate 2007 2008 March 2009		127,982 4.7% 6.6% 10.4%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Las Vegas MSA's economy continues to struggle, with significant weaknesses in the leisure/hospitality and construction sectors. Conditions in tourism-related industries are abysmal and still deteriorating. The unemployment rate indicates that the economy is in the worst shape in more than a quarter century with job losses common across most of the economy.

PERFORMANCE TEST CONCLUSIONS

Data applicable to the AA indicates that the overall performance is similar to statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any.

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the Las Vegas MSA AA is presented below. Other Lending Test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. The greatest weight was given to the bank's small business lending performance and then HMDA lending. Small farm lending was not evaluated due to the small number of loans originated within this AA. Data supporting the ratings is presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

BOW's overall distribution of loans reflects good dispersion to businesses of different revenue sizes and borrowers of different income levels. Bank performance and trends are consistent with statewide and CAA conclusions.

Geographic Distribution

BOW's overall distribution of loans reflects good penetration throughout the AA. Geographic distribution of small business loans is excellent and the geographic distribution of HMDA loans is adequate given the bank's significant 2008 upward trend in moderate-income CTs.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

WASHINGTON

The Lending Test is rated:	***High Satisfactory***
The Investment Test is rated:	***Outstanding***
The Service Test is rated:	***High Satisfactory***

BOW's Washington CRA rating is **Satisfactory**.

The Washington AAs account for the following:

- Approximately 1.2 percent of the institution's branch network
- Approximately 0.6 percent of the total CTs within the combined AA
- Approximately 1.3 percent by number and 0.9 percent by dollar volume of small business loans originated in 2008
- Approximately 0.6 percent by number and 0.5 percent by dollar volume of total HMDA loans originated in 2008

- Approximately 1.8 percent by number and 2.6 percent by dollar volume of small farm loans originated in 2008
- Approximately 2.6 percent by number and 0.8 percent by dollar volume of total CD loans originated
- Approximately 5.0 percent by number and 4.0 percent by dollar volume of total qualified investments made
- Approximately 1.5 percent by number and 0.6 percent by dollar volume of total qualified donations made
- Approximately 3.0 percent by number of total CD service hours conducted

DESCRIPTION OF THE WASHINGTON AA

Table WA-1 details the counties that comprise the Washington AAs.

Table WA-1 – Washington AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Kennewick-Pasco-Richland MSA	28420	Benton, Franklin
Yakima MSA	49420	Yakima
Washington Non-MSA	99999	Kittitas

Source: Bank records

Table WA-2 details the demographics of the Washington AAs combined.

Table WA -2 – Demographic Information for Full-scope Area: Washington AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	79	5.1	22.8	50.6	21.5	0.0
Population by Geography	447,765	4.8	23.6	46.5	25.1	0.0
Owner-Occupied Housing by Geography	101,591	2.0	17.0	47.9	33.1	0.0
Business by Geography	29,080	6.5	21.6	45.4	26.5	0.0
Farms by Geography	2,743	1.1	14.9	64.4	19.6	0.0
Family Distribution by Income Level	112,554	20.2	18.4	21.1	40.3	0.0
Distribution of LMI Families throughout AA Geographies	43,418	7.3	31.5	46.4	14.8	0.0
MFI HUD Adjusted MFI for 2008 Households Below Poverty Level		43,263 53,197 14%	Median Housing Value Unemployment Rate 2007 2008 March 2009		108,825 4.5% 5.3% 9.6%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Washington MSA's economy has struggled with weaknesses in the software publishing, aerospace manufacturing, construction, professional/business services, retail, and non-aerospace manufacturing sectors. The unemployment rate has risen quickly and has surpassed the national average. The residential real estate market continues to decline, but the pace of contraction will moderate.

Community Contact Observations

A contact indicated a need for banks to support small business lending programs to fund start-up businesses. A contact also expressed a need for financial literacy programs.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW's Lending Test performance is rated High Satisfactory. The rating reflects good responsiveness to the credit needs of the AAs it serves. The greatest consideration is given to small business then HMDA loans. The least weight is given to small farms.

Level of Lending

Overall, the lending levels reflect good responsiveness to AA credit needs. Table WA-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares increased during the period.

Table WA-3 – Washington AA Market Share – FDIC Insured Lenders

Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	11 of 62	2.2	7 of 66	5.1	2.6
HMDA	65 of 415	0.2	51 of 348	0.4	
Small Farm	5 of 27	8.5	5 of 27	8.9	

* - Small business and small farm ranked by dollar volume; HMDA ranked by number, Source: FFIEC Website

Borrower's Profile

The distribution of borrowers reflects excellent penetration among businesses of different sizes, and individuals of different income levels.

Small Business Loans

The distribution of borrowers reflects excellent penetration among businesses of different sizes. Table WA-4 shows BOW's distribution of small business loans by GAR in all Washington AAs combined. The performance and trends are consistent with CAA conclusions and trends.

Table WA-4 – Statewide Small Business Loan GAR Distribution

GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	66.8	155	62.5	40.1	93	62.4
Over $1M	4.7	82	33.1		45	30.2
Not Considered*	28.5	11	4.4		11	7.4
Total	100.0	248	100.0		149	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table WA-5 presents the rate of lending to businesses with GARs of $1.0 million or less by AAs within Washington. The bank's performance within each AA is generally consistent with the bank's performance at the statewide level.

Table WA-5 – Small Business Lending Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Kennewick-Richland-Pasco MSA	69.8	67.1	40.1	65.4
Yakima MSA	12.8	58.6	38.8	63.2
Washington Non-MSA	17.4	52.3	45.5	50.0

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects excellent penetration among retail customers of different income levels. Table WA-6 shows BOW's distribution of HMDA loans by borrower income in all Washington AAs. Bank performance and trends are consistent with CAA conclusions.

Table WA-6 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	**% of Families**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	20.2	9	11.0	5.4	5	7.4
Moderate	18.4	15	18.3	16.9	12	17.6
Middle	21.1	19	23.2	24.5	13	19.1
Upper	40.3	36	43.9	50.5	33	48.5
NA	0.0	3	3.6	2.7	5	7.4
Total	100.0	82	100.0	100.0	68	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables WA-7 and WA-8 show BOW's loan penetration rates for LMI borrowers in each AA in Washington. In the low-income area, two of the three AAs are consistent with the statewide performance, while the Washington Non-MSA didn't show any lending activity in 2008. In the moderate-income areas, the Washington Non-MSA was well above aggregate in 2007 with an upward trend in 2008, while the two other AAs where below aggregate with a mixed 2008 trend.

Table WA-7 – AA Low-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Kennewick-Richland-Pasco MSA	64.7	9.6	7.5	9.1
Yakima MSA	20.6	11.1	4.1	7.1
Washington Non-MSA	14.7	16.7	1.2	0.0

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Table WA-8 – AA Moderate-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Kennewick-Richland-Pasco MSA	64.7	19.2	20.1	15.9
Yakima MSA	20.6	11.1	16.1	14.3

Washington Non-MSA	14.7	25.0	6.1	30.0

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Small Farms

The distribution of borrowers reflects good penetration among farm customers of different sizes. Table WA-9 shows BOW's distribution of small farm loans by GAR in all Washington AAs combined. The performance and trends are slightly better than the CAA conclusions.

Table WA-9 – Statewide Small Farm Loan GAR Distribution

GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	89.9	34	73.9	69.1	21	67.7
Over $1M	7.2	11	23.9		10	32.3
Not Considered*	2.9	1	2.2		0	0.0
Total	100.0	46	100.0		31	100.0

(*) No response for D&B survey data, not considered for BOW data

Table WA-10 presents the rate of lending to small farms by AAs within Washington. In 2007, BOW performance is above aggregate in all AAs; however, the Yakima MSA AA, which has a majority of BOW's lending to small farms, is the only AA with a declining 2008 trend.

Table WA-10 – Small Farm Lending Rates

AA	% Loan Distribution	2007		2008
		BOW %	Aggregate %	BOW %
Kennewick-Richland-Pasco MSA	16.1	66.7	64.9	100.0
Yakima MSA	71.0	71.9	70.0	54.5
Washington Non-MSA	12.9	100.0	77.6	100.0

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects good penetration.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the Washington AAs. Table WA-11 shows the distribution of small business loans by the income category of CTs within the AA. The performance and trends are consistent with CAA conclusions and trends.

Table WA-11 – Statewide Small Business Loan Geographic Distribution

CT Income Level	D&B %	2007			2008	
		BOW #	BOW%	Aggregate %	BOW #	BOW %
Low	6.5	16	6.5	4.0	11	7.4
Moderate	21.6	53	21.4	17.0	39	26.2
Middle	45.4	123	49.6	44.4	62	41.6
Upper	26.5	56	22.5	31.2	37	24.8

NA	0.0	0	0.0	3.4	0	0.0
Total	100.0	248	100.0	100.0	149	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Tables WA-12 and WA-13 display BOW's small business loan penetration in LMI CTs. For low-income areas, the bank's performance is consistent with statewide conclusions except that there is a downward trend in the Yakima MSA AA. For the moderate-income areas, BOW's performance and trends is similar to the statewide except in the Yakima MSA AA, which was lower than aggregate in 2007 but on an upward trend in 2008.

Table WA-12 – Small Business Loan Low-Income CT Penetration Rates

AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Kennewick-Richland-Pasco MSA	4.1	2.3	9.6	4.3
Yakima MSA	17.2	6.9	5.3	10.3
Washington Non-MSA *	0.0	0.0	0.0	0.0

* No low-income CTs

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table WA-13 – Small Business Loan Moderate-Income CT Penetration Rates

AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Kennewick-Richland-Pasco MSA	26.7	17.4	27.9	22.9
Yakima MSA	13.8	18.8	31.6	23.4
Washington Non-MSA	13.6	8.6	15.4	8.8

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects good penetration throughout the Washington AA. Table WA-14 shows BOW's geographic distribution for HMDA loans. In 2007, BOW exceeded aggregate performance in both LMI CTs. In 2008, BOW shows a downward trend for low-income CTs and upward for moderate-income CTs.

Table WA-14 – Statewide HMDA Loan Geographic Distribution

CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW%	Aggregate %	BOW #	BOW %
Low	2.0	5	6.1	1.6	1	1.5
Moderate	17.0	11	13.4	12.8	10	14.7
Middle	47.9	39	47.6	47.8	30	44.1
Upper	33.1	27	32.9	37.8	27	39.7
NA	0.0	0	0.0	0.0	0	0.0
Total	100.0	82	100.0	100.0	68	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Tables WA-15 and WA-16 show BOW's HMDA loan penetration rate in LMI CTs by AA in Washington. Performance and trends are consistent with statewide for LMI areas except no loans were originated in the Washington Non-MSA AA's moderate-income CTs in 2007 or 2008.

Table WA-15 – HMDA Loan Low-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Kennewick-Richland-Pasco MSA	3.0	3.8	2.3	2.3
Yakima MSA	1.4	16.7	1.3	0.0
Washington Non-MSA *	0.0	0.0	0.0	0.0

*No low-income CTs
Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table WA-16 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Kennewick-Richland-Pasco MSA	13.1	15.4	10.1	13.6
Yakima MSA	22.0	16.7	16.7	28.6
Washington Non-MSA	9.2	0.0	10.4	0.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Small Farms

The geographic distribution of small business loans reflects adequate penetration throughout the Washington AA. Table WA-17 shows the distribution of small business loans by the income category of CTs within Washington. Although BOW did not make a loan in low-income CTs, there are few opportunities to lend as shown by the low level of aggregate lending and nominal level of farms. Activity in moderate-income areas is more reflective of performance, and BOW exceeded both the aggregate and demographic data in 2007.

Table WA-17 – Statewide Small Farm Loan Geographic Distribution						
CT Income Level	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	1.1	0	0.0	0.4	0	0.0
Moderate	14.9	7	15.2	12.1	5	16.1
Middle	64.4	32	69.6	68.6	25	80.7
Upper	19.6	7	15.2	16.3	1	3.2
NA	0.0	0	0.0	2.6	0	0.0
Total	100.0	46	100.0	100.0	31	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Tables WA-18 and WA-19 display BOW's small farm loan penetration in LMI CTs. By AA, the performance and trends are consistent with statewide conclusions in low-income areas. In moderate-income CTs, the Yakima MSA AA is consistent with statewide performance and trends. In 2007, the Kennewick-Richland-Pasco MSA AA and the Washington Non-MSA AA had performance that was well below both aggregate and demographic data, with no loans originated in 2008. The performance and trend in the Yakima MSA AA were very strong.

Table WA-18 – Small Farm Loan Low-Income CT Penetration Rates				
AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Kennewick-Richland-Pasco MSA	0.0	0.0	0.0	4.3
Yakima MSA	0.0	0.7	0.0	1.3

Washington Non-MSA*	0.0	0.0	0.0	0.0

* No low-income CTs
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table WA-19 – Small Farm Loan Moderate-Income CT Penetration Rates				
AA	2007		2008	
	BOW %	Aggregate %	BOW %	D&B %
Kennewick-Richland-Pasco MSA	11.1	22.0	0.0	22.9
Yakima MSA	18.8	8.1	22.7	12.2
Washington Non-MSA	0.0	2.6	0.0	3.9

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

CD Loan

BOW has made a relatively high level of CD loans in Washington relative to its presence in the state. The bank originated 15 CD loans totaling $15.8 million in Washington over the review period. This represents about 0.8 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI tract revitalization. The remainder provides support for LMI affordable housing needs and services to LMI individuals.

INVESTMENT TEST

BOW's Investment Test rating is Outstanding. The bank has an excellent level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. BOW exhibits an excellent responsiveness to credit and community economic needs of the Washington AAs as the investments. The institution holds 12 qualifying investments totaling $7.5 million (excludes grants and donations), which is a 20 percent increase over the previous evaluation figure. At the previous evaluation, qualified investments were rated an Outstanding for Washington. This performance is consistent with dedicated resources and lending levels of the state.

Table WA-20 – CD Investments					
Investment Type	Total $ (000)	LMI Housing $ (000)	LMI Tract Revitalization $ (000)	Economic Development $ (000)	LMI Services $ (000)
Statewide Investments	3,497	3,234	--	--	263
Direct Investments	--	--	--	--	--
Multiple AAs	3,069	3,069	--	--	--
Single AAs	1,000	1,000	--	--	--
Grants & Donations	52	--	2	6	44
Total	7,618	7,303	2	6	307

Source: Bank records

Table WA-20 depicts the bank's qualified investments and donations by investment type and category in Washington. The qualified investments are diverse as the portfolio includes 9 LIHTCs for $7.0 million, 3 targeted mortgage-backed securities for $238,078, and 1 state agency housing bond for $262,948. Although concentrated in LMI housing efforts, the investments reach a wide spectrum of organizations and are well distributed throughout the three AAs.

SERVICE TEST

BOW is rated High Satisfactory in the Service Test. The strongest component is retail services, which are tailored to the convenience and needs of the AA, particularly LMI geographies and individuals. Delivery systems are accessible to essentially all portions of BOW's AA. Branch changes have not adversely impacted the accessibility of delivery systems, particularly in LMI geographies or LMI individuals. The bank provides a relatively high level of CD services.

Reasonableness of Retail Services

Services are tailored to the convenience and needs of the AAs, particularly LMI geographies and individuals of the Washington. Table WA-21 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined, to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table WA-21– Branch Structure as of 12/31/2008

Branch Distribution	Income Level of CT					
	Low	Moderate	Middle	Upper	N/A	Total
# of Branches	2	3	3	0		8
% of Branches	25.0	37.5	37.5	0.0		100.0
Comparisons						
% of Branches - All Institutions	11.2	23.2	44.8	20.8		100.0
% of Households	4.4	21.1	47.4	27.1		100.0
% of Businesses	6.5	21.6	45.4	26.5		100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among LMI CTs is greater than the competition, households, and businesses. The bank has over half of its branches in LMI areas. In addition, BOW has middle-income branches in close proximity of LMI areas, including an office in the Yakima MSA AA. Also, BOW has one of the larger branch networks serving the state. Overall, BOW compares very favorably to the competition, households, and businesses.

Table WA-22- Branches in LMI CTs

AA	Low-Income %		Moderate-Income %	
	BOW	Aggregate	BOW	Aggregate
Kennewick-Richland-Pasco MSA	20.0	1.3	40.0	10.5
Yakima MSA	50.0	0.0	50.0	60.0
Washington Non-MSA	0.0	22.4	0.0	20.7

Source: Bank records and FFIEC Website

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Washington AAs. BOW operates a large branch network with a 6.7 percent market share. The bank's branch structure is the most comprehensive in the Kennewick-Richland-Pasco WA MSA AA with five offices (post branch closure) and a 9.8 percent market share. Branches are centrally located within each AA, which also facilitates access.

Changes in Branch Locations

BOW's record of opening and closing branches in Washington has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies. Over the review period, BOW closed one branch located in a middle-income CT in the Kennewick MSA AA. This AA is well-served by other BOW branches, so the impact is minimal on LMI areas.

Table-23 – Branch Closings			
Branch Name	**City**	**AA**	**CT Income Level**
Clearwater	Kennewick	Kennewick MSA	Middle

Source: Bank records

CD Services

BOW provides a relatively high level CD services in Washington. For the review period, 17 BOW employees completed CD services with 14 different groups for a total of 478 hours. Most of the hours worked involved providing assistance for economic development and are part of the BOW CAA section of this PE.

KENNEWICK-RICHLAND-PASCO MSA FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the Kennewick-Richland-Pasco MSA AA.

The Kennewick-Richland-Pasco MSA AA accounts for the following:

- Approximately 0.9 percent of the institution's branch network
- Approximately 0.3 percent of the total CTs within the combined AA
- Approximately 0.9 percent by number and 0.6 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 0.4 percent by number and 0.3 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 0.3 percent by number and 0.3 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 0.3 percent by number and 0.2 percent by dollar volume of total CD loans originated
- Approximately 4.0 percent by dollar volume of total qualified investments made
- Approximately 0.6 percent by number of total CD service hours conducted

DESCRIPTION OF THE KENNEWICK-RICHLAND-PASCO MSA AA

Table WA-24 details the demographics of the AA.

Table WA-24 - Demographic Information for Full-scope Area: Kennewick-Richland-Pasco MSA AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	37	5.4	18.9	56.8	18.9	0.0
Population by Geography	191,822	6.9	18.6	51.9	22.6	0.0
Owner-Occupied Housing by Geography	46,105	3.0	13.1	55.1	28.8	0.0
Business by Geography	12,934	4.4	22.9	47.5	25.2	0.0
Farms by Geography	1,031	1.1	21.6	64.2	13.1	0.0
Family Distribution by Income Level	49,802	20.2	18.4	21.8	39.6	0.0
Distribution of LMI Families throughout AA Geographies	19,236	10.7	24.8	53.1	11.4	0.0
MFI		51,319	Median Housing Value			106,639
HUD Adjusted MFI for 2008		61,200	Unemployment Rate 2007			5.2%
Households Below Poverty Level		11%	2008			5.4%
			March 2009			8.6%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, the Kennewick-Richmond-Pasco MSA's economy has slowed on the heels of the national downturn, with weaknesses in the professional/business services industry. The unemployment rate has nearly doubled over the past year, but the jobless rate remains well below the national average. The high concentration of scientific research in the area will provide some insulation against larger declines throughout this contraction.

PERFORMANCE TEST CONCLUSIONS

Data applicable to the AA indicates that the overall performance is generally similar to the overall statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any.

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the AA are presented below. Other Lending Test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions The greatest weight was given to the bank's small business lending, followed by HMDA lending, and small farm lending. Data supporting the ratings is presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

BOW's overall distribution of loans reflects excellent dispersion to businesses and farms of different revenue sizes and borrowers of different income levels. The performance in this AA is slightly better than the statewide performance.

Geographic Distribution

BOW's overall distribution of loans reflects good penetration throughout the AA. The performance in this AA is similar to the statewide performance.

INVESTMENT TEST

BOW's Investment Test performance for this AA has been fully described in the Investment Test section of the Statewide and CAA Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for this AA has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

FARGO MULTI-STATE MSA

The Lending Test is rated:	***High Satisfactory***
The Investment Test is rated:	***Outstanding***
The Service Test is rated:	***Low Satisfactory***

BOW's Fargo Multi-State CRA rating is **Satisfactory**.

The Fargo Multi-State MSA AA accounts for the following:

- Approximately 0.8 percent of the institution's branch network
- Approximately 0.3 percent of the total CTs within the combined AA
- Approximately 0.9 percent by number and 0.9 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 1.0 percent by number and 1.1 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 0.2 percent by number and 0.2 percent by dollar volume of total CD loans originated
- Approximately 0.8 percent by number and 0.3 percent by dollar volume of total qualified investments made
- Approximately 0.8 percent by number and 0.8 percent by dollar volume of total qualified donations made

- Approximately 1.1 percent by number of total CD service hours conducted

DESCRIPTION OF THE FARGO MULTI-STATE AA

Table FA-1 details the counties that comprise the Fargo Multi-State MSA AA.

Table FA-1 – Fargo ND MN Multi-State AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Fargo ND MN Multi-State MSA	22020	Cass, Clay

Source: Bank Records

Table FA-2 reflects the demographics of the AA.

Table FA-2 - Demographic Information for Full-scope Area: Fargo Multi-State MSA AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	40	0.0	15.0	72.5	12.5	0.0
Population by Geography	174,367	0.0	16.2	67.7	16.1	0.0
Owner-Occupied Housing by Geography	41,269	0.0	8.3	72.9	18.8	0.0
Business by Geography	18,207	0.0	26.7	58.4	14.9	0.0
Farms by Geography	963	0.0	5.8	84.4	9.8	0.0
Family Distribution by Income Level	42,527	17.7	18.7	26.5	37.1	0.0
Distribution of LMI Families throughout AA Geographies	15,492	0.0	17.6	72.4	10.0	0.0
MFI		50,758	Median Housing Value			89,182
HUD Adjusted MFI for 2008		65,600	Unemployment Rate 2007			2.8%
Households Below Poverty Level		12%	2008			2.9%
			March 2009			5.1%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

Refer to the economic analyses for the states of North Dakota and Minnesota for the Fargo Multi-State MSA AA.

Community Contact Observations

Refer to the community contacts for the states of North Dakota and Minnesota.

PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW's Lending Test is rated High Satisfactory. The rating reflects excellent responsiveness to the credit needs of the AA served. BOW's geographic distribution is the strongest component with excellent performance. BOW's performance for borrower profile is good. Small business and HMDA lending were equally weighted. Small farm activity was not considered due to nominal activity.

Level of Lending

Overall, the lending levels reflect good responsiveness to AA credit needs. Table FA-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares were stable during the period.

Table FA-3 – Fargo Multi-State MSA AA Market Share – FDIC Insured Lenders					
Loan Type	**2006**		**2007**		**Deposit Market Share %**
	Rank *	**Market Share %**	**Rank ***	**Market Share %**	
Small Business	5 of 34	1.5	6 of 42	1.4	2.3
HMDA	19 of 240	1.2	17 of 214	1.2	

* - Small business ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers reflects good penetration in the Fargo Multi-State MSA AA.

Small Business Loans

The distribution of borrowers reflects excellent penetration among business customers of different sizes. Table FA-4 shows BOW's distribution of small business loans by GARs in the AA. For 2007, BOW's performance surpassed aggregate and demographic data. In 2008, BOW was able to maintain the excellent level of lending to small businesses with GARs $1.0 million or less.

Table FA-4 – Multi-State Small Business Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	50.6	72	61.0	50.4	59	61.5
Over $1M	5.3	38	32.2		31	32.3
Not Considered*	44.1	8	6.8		6	6.2
Total	100.0	118	100.0		96	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The distribution of borrowers reflects adequate penetration to customers of different income levels. Table FA-5 shows BOW's distribution of HMDA loans by borrower income in the AA. In 2007, BOW's performance to low-income borrowers was comparable to aggregate but trended downward in 2008. For the bank's moderate-income borrowers, BOW's level of lending was lower than the aggregate but trended higher in 2008.

Table FA-5 – Multi-State HMDA Loan Borrower Profile						
Borrower Income Level	% of Families	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	17.7	9	7.8	7.9	5	4.4
Moderate	18.7	21	18.1	22.5	24	20.9
Middle	26.5	31	26.7	28.5	26	22.6
Upper	37.1	32	27.6	36.3	31	26.9
NA	0.0	23	19.8	4.8	29	25.2
Total	100.0	116	100.0	100.0	115	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Geographic Distribution

BOW's geographic distribution of loans reflects excellent penetration throughout the AA. The AA does not have any low-income CTs, so the rating is based on the bank's performance in moderate-income CTs.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the Fargo Multi-State MSA AA. Table FA-6 shows the distribution of small business loans by the income category of CTs within the AA. The bank's level of lending to moderate-income CTs is nearly double the aggregate and demographic data. BOW's performance in 2008 is comparable to 2007.

Table FA-6 – Multi-State Small Business Loan Geographic Distribution						
CT Income Level	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Moderate	26.7	63	53.4	26.9	51	53.1
Middle	58.4	35	29.7	52.1	28	29.2
Upper	14.9	20	16.9	17.4	17	17.7
NA	0.0	0	0.0	3.6	0	0.0
Total	100.0	118	100.0	100.0	96	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects excellent penetration throughout the Fargo Multi-State MSA AA. Table FA-7 shows the distribution of HMDA loans by the income category of CTs within the AA. In 2007, BOW's performance in moderate-income CTs is above aggregate and demographic data. In 2008, the bank's performance shows a fairly consistent trend.

Table FA-7 – Multi-State HMDA Loan Geographic Distribution						
CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Moderate	8.3	13	11.2	7.7	12	10.4
Middle	72.9	77	66.4	65.4	69	60.0

Upper	18.8	26	22.4	26.9	34	29.6
NA	0.0	0	0.0	0.0	0	0.0
Total	100.0	116	100.0	100.0	115	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

CD Loans

BOW has made an adequate level of CD loans in the Fargo Multi-State MSA AA relative to its presence in the AA. The bank originated 1 CD loan totaling $4.9 million in the Fargo Multi-State MSA AA over the review period. This represents about 0.2 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. All of the loan dollars respond to LMI affordable housing needs.

INVESTMENT TEST

BOW's Fargo Multi-State MSA AA Investment Test rating is High Satisfactory. BOW has an excellent level of qualified community investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. The institution exhibits an excellent responsiveness to credit and community economic development needs. BOW holds 2 qualified investments totaling $500,036 that specifically benefits this multi-state AA. However, this AA is also covered by 1 Minnesota statewide and 4 North Dakota regional and statewide investments totaling $107,000 and $1.3 million, respectively. In addition, a $674,428 targeted mortgage backed security impacts this AA in addition to the Minneapolis-St. Paul-St. Cloud CSA in Minnesota. These qualified investments consist of two LIHTCs, four targeted mortgage-backed securities, an equity investment in a North Dakota SBIC, and an investment in a North Dakota LMI equity fund.

SERVICE TEST

BOW is rated Low Satisfactory in the Service Test. The strongest component is the reasonableness of retail services, which is tailored to the convenience and needs of the Fargo Multi-State MSA, particularly LMI geographies and individuals. Delivery systems are accessible to essentially all portions of the Fargo Multi-State MSA. To the extent changes have been made, the bank's opening and closing of branches have generally not adversely affected the accessibility of its delivery systems. The bank provides an adequate level of CD services.

Reasonableness of Retail Services

Services are tailored to the convenience and needs of the Fargo Multi-State AA, particularly LMI geographies and individuals. Table FA-8 evaluates the branch structure by comparing the number of branches by CT income level in the multi-state MSA AA, to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table FA-8 – Branch Structure as of 12/31/2008						
Branch Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches		2	3	0		5

% of Branches		40.0	60.0	0.0		100.0
Comparisons						
% of Branches - All Institutions		28.8	60.6	10.6		100.0
% of Households		17.7	67.7	14.6		100.0
% of Businesses		26.7	58.4	14.9		100.0

Source: Bank records and FFIEC Website

There are no low-income CTs within the Fargo Multi-State MSA. BOW's branch distribution among moderate-income CTs is much higher by percentage when compared to the percentages of competition, households, and businesses.

Table FA-9 Branches in LMI CTs				
AA	**Low-Income %**		**Moderate-Income %**	
	BOW	**Aggregate**	**BOW**	**Aggregate**
Fargo ND MN Multi-State MSA			40.0	28.8

Source: Bank records and FFIEC Website

Table FA-9 shows that BOW's branch penetration in moderate-income CTs in the Fargo Multi-State MSA AA is much stronger at 40.0 percent when compared to aggregate at 28.8 percent. There are no low-income CTs within the AA.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Fargo Multi-State AA. BOW operates five branches in the multi-state MSA. BOW has a 2.3 percent market share for the Fargo Multi-State MSA. The bank's branch structure is the 7th most comprehensive in the Fargo Multi-State MSA with five offices, and a branch share of 4.6 percent.

Changes in Branch Locations

To the extent changes have been made, BOW's record of opening and closing of branches in the Fargo Multi-State MSA has generally not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals. Over the review period, BOW opened one branch in a middle-income CT. Since the branch is in a middle-income CT, there is minimal impact on LMI geographies. No branches were closed, so the net result is a larger branch network with slightly greater accessibility.

Table FA-10 – Branch Openings			
Branch Name	**City**	**AA**	**CT Income Level**
Moorhead	Moorhead	Fargo Multi-State MSA	Middle

Source: Bank records and FFIEC Website

CD Services

BOW provides an adequate level of CD services in the Fargo Multi-State AA. For the review period, 11 BOW employees completed CD services with 7 different groups for a total of 178 hours. All of the hours worked involved providing CD services for LMI individuals or groups and are part of the BOW CAA section of this PE.

NORTH DAKOTA

The Lending Test is rated: ***High Satisfactory***
The Investment Test is rated: ***High Satisfactory***
The Service Test is rated: ***High Satisfactory***

BOW's North Dakota CRA rating is **Satisfactory**.

The North Dakota AA accounts for the following:

- Approximately 0.8 percent of the institution's branch network
- Approximately 0.2 percent of the total CTs within the combined AA
- Approximately 0.4 percent by number and 0.1 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 0.5 percent by number and 0.2 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 6.2 percent by number and 5.7 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 0.7 percent by number and 0.3 percent by dollar volume of total CD loans originated
- Approximately 2.1 percent by number and 0.7 percent by dollar volume of total qualified investments made
- Approximately 1.1 percent by number and 0.3 percent by dollar volume of total qualified donations made
- Approximately 0.6 percent by number of total CD service hours conducted

DESCRIPTION OF THE NORTH DAKOTA AA

Table ND-1 details the counties that comprise the North Dakota AA.

Table ND-1 – North Dakota AA		
AA	**MSA/CSA Numbers**	**AA Counties**
North Dakota Non-MSA	N/A	Golden Valley, Griggs, Richland, Stark

Source: Bank records

Table ND-2 reflects the demographics of the North Dakota AA.

Table ND-2 - Demographic Information for Full-scope Area: North Dakota Non-MSA AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	19	0.0	10.5	68.4	21.1	0.0
Population by Geography	45,312	0.0	0.2	80.5	19.3	0.0
Owner-Occupied Housing by Geography	12,577	0.0	0.2	78.0	21.8	0.0
Business by Geography	5,286	0.0	0.2	80.1	19.7	0.0
Farms by Geography	674	0.0	0.6	68.0	31.4	0.0
Family Distribution by Income Level	11,597	15.3	16.6	25.8	42.3	0.0

Distribution of LMI Families throughout AA Geographies	3,703	0.0	0.3	86.3	13.4	0.0

MFI	39,651	Median Housing Value	64,492
HUD Adjusted MFI for 2008	52,800	Unemployment Rate 2007	2.8%
Households Below Poverty Level	14%	2008	2.9%
		March 2009	4.8%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, North Dakota AA's economy has slowed on the heels of the national downturn, with weaknesses in the manufacturing and export industries. Employment recovered from its brief dip early last year, but has since fallen flat. Residential home sales have emerged largely unscathed from national correction, due to underlying demand combined with a lean supply of housing on the market.

Community Contact Observations

Contacts indicated a need for working capital for start-up and existing companies. One contact indicated an opportunity for banks to assist rural counties with farm credit needs. Another contact mentioned the need for affordable housing projects for LMI individuals.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW is rated High Satisfactory in the Lending Test. The rating reflects an excellent responsiveness to the credit needs of the AAs it serves. Borrower's profile represents the strongest component, while BOW's geographic distribution performance is good. Small farm lending is given the most weight, followed by HMDA lending, and small business lending due to lending volume.

Level of Lending

Overall, the lending levels reflect an excellent responsiveness to AA credit needs. Table ND-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares increased during the review period except in small business lending.

Table ND-3 – North Dakota AA Market Share – FDIC Insured Lenders

Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	2 of 32	15.1	5 of 33	8.0	15.1
HMDA	6 of 98	3.6	6 of 86	5.0	
Small Farm	2 of 18	22.4	2 of 18	27.3	

* - Small business and small farm ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers in the North Dakota Non-MSA AA reflects an excellent penetration among businesses and farms of different sizes, and individuals of different income levels.

Small Business Loans

The distribution of borrowers reflects excellent penetration among small business customers of different sizes. Table ND-4 shows BOW's distribution of small business loans by GARs in the North Dakota Non-MSA AA. In 2007, BOW originated a majority of loans to businesses with GARs of $1.0 million or less. This performance significantly exceeds the aggregate performance by 16.0 percentage points. In 2008, the bank's performance shows a significant upward trend.

Table ND-4 – Statewide Small Business Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	46.7	48	66.6	50.6	34	85.0
Over $1M	4.0	12	16.7		5	12.5
Not Considered*	49.3	12	16.7		1	2.5
Total	100.0	72	100.0		40	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The distribution of borrowers reflects excellent penetration among retail customers of different income levels. Table ND-5 shows BOW's distribution of HMDA loans by borrower income in the North Dakota Non-MSA. In 2007, BOW's lending to low-income borrowers exceeds aggregate performance and shows an upward trend in 2008. For the bank's lending to moderate-income borrowers, the performance is comparable to aggregate data with a significant upward trend in 2008.

Table ND-5 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	**% of Families**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	15.3	7	10.3	6.6	6	11.3
Moderate	16.6	11	16.2	17.5	11	20.8
Middle	25.8	24	35.3	28.4	11	20.8
Upper	42.3	24	35.3	43.7	23	43.4
NA	0.0	2	2.9	3.8	2	3.7
Total	100.0	68	100.0	100.0	53	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Small Farm Loans

The distribution of borrowers in the North Dakota Non-MSA AA reflects excellent penetration among farm customers of different sizes. Table ND-6 shows BOW's distribution of small farm

loans by GARs in this AA. In 2007, BOW originated a majority of loans to farms with GARs of $1.0 million or less, while also exceeding the aggregate performance. In 2008, the bank's performance trended upwards by 3.0 percent.

Table ND-6 – Statewide Small Farm Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	98.5	137	85.1	81.3	96	88.1
Over $1M	0.9	6	3.7		4	3.7
Not Considered*	0.6	18	11.2		9	8.2
Total	100.0	161	100.0		109	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Geographic Distribution

BOW's geographic distribution of loans reflects good penetration throughout the North Dakota Non-MSA AA. The AA does not contain any low-income CTs, so the rating is based on the bank's performance in moderate-income CTs. There are only two moderate-income CTs in this AA. Aggregate data shows nominal lending in moderate-income CTs in each loan product. Furthermore, demographic data indicates limited lending opportunities within the moderate-income CTs.

Small Business Loans

The geographic distribution of small business loans reflects adequate penetration throughout the North Dakota Non-MSA AA. Table ND-7 shows that BOW did not originate any loans in moderate-income CTs. Given the performance context the penetration is adequate.

Table ND-7– Statewide Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW%**	**Aggregate %**	**BOW #**	**BOW %**
Moderate	0.2	0	0.0	0.2	0	0.0
Middle	80.1	56	77.8	68.5	32	80.0
Upper	19.7	16	22.2	23.2	8	20.0
NA	0.0	0	0.0	8.1	0	0.0
Total	100.0	72	100.0	100.0	40	0.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects good penetration throughout the North Dakota Non-MSA AA. Table ND-8 shows that in 2007 BOW did not make any loans in its moderate-income CTs. In 2008, the bank's performance in its moderate-income CTs showed an upward trend. Given the performance context the penetration is good.

Table ND-8 – HMDA Loan Geographic Distribution						
CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW%	Aggregate %	BOW #	BOW %
Moderate	0.2	0	0.0	0.2	1	1.9
Middle	78.0	55	80.9	76.6	50	94.3
Upper	21.8	13	19.1	23.2	2	3.8
NA	0.0	0	0.0	0.0	0	0.0
Total	100.0	68	100.0	100.0	53	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Small Farm Loans

The geographic distribution of small farm loans reflects excellent penetration throughout the North Dakota Non-MSA AA. In 2007, BOW's lending to farms located in moderate-income CTs exceeded D&B data by 2.6 percent and aggregate performance by 3.1 percent. Table ND-9 shows that BOW's 2008 lending in moderate-income CTs trended downward to 0.9 percent. Given the performance context the penetration is excellent.

Table ND-9 – Statewide Small Farm Loan Geographic Distribution						
CT Income Level	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Moderate	0.5	5	3.1	0.0	1	0.9
Middle	68.0	111	68.9	53.7	84	77.1
Upper	31.5	45	28.0	45.0	24	22.0
NA	0.0	0	0.0	1.3	0	0.0
Total	100.0	161	100.0	100.0	109	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

CD Loans

BOW has made a relatively high level of CD loans in North Dakota Non-MSA AA relative to its presence in this AA. The bank originated 4 CD loans totaling $6.1 million in the North Dakota Non-MSA AA over the review period. This represents about 0.3 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI tract revitalization. The remainder provides support for services to LMI individuals.

INVESTMENT TEST

BOW's Investment Test rating is High Satisfactory. The bank has a significant level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. BOW's investments exhibit a good responsiveness to credit and community economic needs of the AA. The institution holds 5 qualifying investments totaling $1.4 million (excludes grants and donations), which accounts for 0.7 percent of all qualified investments. At the previous evaluation, qualified investments were rated a Low Satisfactory for the North Dakota. The performance is slightly above dedicated resources and lending levels of the state.

Table ND-10 – CD Investments					
Investment Type	**Total $ (000)**	**LMI Housing $ (000)**	**LMI Tract Revitalization $ (000)**	**Economic Development $ (000)**	**LMI Services $ (000)**
Statewide Investments	1,331	1,204	--	127	--
Direct Investments	--	--	--	--	--
Single AAs	69	--	69	--	--
Grants & Donations	44	5	3	5	31
Total	1,444	1,209	72	132	31

Source: Bank records

Table ND-10 depicts the bank's qualified investments and donations by investment type and category in North Dakota. Of the 5 qualified investments, 4 totaling $1.1 million or 82 percent, carried over from the previous evaluation period. The qualified investments are diverse and consist of one targeted mortgage-backed security, one LIHTC, one equity investment in a SBIC, and one investment in a qualified zone Academy Bond.

SERVICE TEST

BOW is rated High Satisfactory in the Service Test. The strongest component is delivery systems, which are readily accessible to all portions of BOW's AA. Services do not vary in a way that inconveniences certain portions of the AA, particularly LMI geographies or individuals. The bank provides an adequate level of CD services. Since the bank has not opened, closed, or relocated any branches, this factor was not considered.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences certain portions of the North Dakota AA, particularly LMI geographies or individuals. Table ND-11 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table ND-11 – Branch Structure as of 12/31/2008						
Branch Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches		0	5	0		5
% of Branches		0.0	100.0	0.0		100.0
Comparisons						
% of Branches - All Institutions		0.0	91.7	8.3		100.0
% of Households		0.2	81.7	18.1		100.0
% of Businesses		0.2	80.1	19.7		100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among LMI CTs is similar to the percentages of competition, households, and businesses. There are no low-income CTs in the AA, and moderate-income CTs contain only 0.2 percent of households and businesses. There are no branches of any bank in

moderate-income CTs. Since BOW has the largest network of branches serving the AA, it compares favorably to the competition, households, and businesses.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the North Dakota AA. BOW operates the largest branch network in the state with 5 branches and a 12.2 percent market share.

Changes in Branch Locations

During the review period, the bank did not open, close, or relocate any branches, so this factor was not considered in the service test rating.

CD Services

BOW provided an adequate level CD services in North Dakota. For the review period, 6 BOW employees completed CD services with 6 different groups for a total of 93 hours. Most of the hours worked involved providing CDs to LMI individuals or groups and are part of the BOW CAA section of this PE.

UTAH

The Lending Test is rated:	***Outstanding***
The Investment Test is rated:	***Outstanding***
The Service Test is rated:	***High Satisfactory***

BOW's Utah CRA rating is **Outstanding**.

The Utah AAs account for the following approximately:

- Approximately 1.1 percent of the institution's branch network
- Approximately 2.0 percent of the total CTs within the combined AA
- Approximately 1.0 percent by number and 1.4 percent by dollar volume of small business loans originated in 2008
- Approximately 0.7 percent by number and 1.0 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 1.7 percent by number and 0.8 percent by dollar volume of total CD loans originated
- Approximately 1.7 percent by number and 1.4 percent by dollar volume of total qualified investments made
- Approximately 0.7 percent by number and 0.6 percent by dollar volume of total qualified donations made
- Approximately 1.4 percent by number of total CD service hours conducted

Table UT-1 details the counties that comprise the Utah AAs.

Table UT-1 – Utah AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Salt Lake City-Ogden CSA	482	Salt Lake, Davis
Utah Non-MSA	N/A	Wasatch

Source: Bank records

Table UT-2 reflects the demographics of the Utah AAs combined.

Table UT-2 - Demographic Information for Full-scope Area: Utah AAs						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	244	2.1	20.1	48.0	29.8	0.0
Population by Geography	1,152,559	0.7	20.8	49.8	28.7	0.0
Owner-Occupied Housing by Geography	262,748	0.1	15.2	52.5	32.2	0.0
Business by Geography	123,921	6.4	21.0	43.0	29.6	0.0
Farms by Geography	1,910	3.4	15.6	45.8	35.2	0.0
Family Distribution by Income Level	279,290	16.0	19.7	25.0	39.3	0.0
Distribution of LMI Families throughout AA Geographies	99,577	1.3	32.6	51.5	14.6	0.0
MFI HUD Adjusted Median Family Income for 2008 Households Below Poverty Level		51,910 62,146 7%	Median Housing Value Unemployment Rate 2007 2008 2009		164,160 2.7% 3.4% 5.4%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Utah's economy has struggled, with job losses in retail, construction, financial activities, business/professional services, and leisure/hospitality services. The unemployment rate has increased over the past year and would be even higher but for a contacting labor force. The residential real estate market continues to decline and the residential permits fell by one-half from 2007-2008. Non-residential construction will decline this year and next because of excess supply.

Community Contact Observations

A contact indicated a need for affordable housing for LMI families and homebuyer programs for when moderate-income families move from the rental market to home ownership. The contact also indicated a need for banks to support small business lending programs to fund startup technology businesses.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW is rated Outstanding in the Lending Test. The rating reflects excellent responsiveness to the credit needs of the AAs it serves. Small business lending performance is given the most

weight, followed by HMDA lending due to lending volume. Small farm loans were not reviewed due to nominal lending activity.

Level of Lending

Overall, the lending levels reflect good responsiveness to AA credit needs. Table UT-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares increased during the period.

Table UT-3 – Utah AA Market Share – FDIC Insured Lenders					
Loan Type	**2006**		**2007**		**Deposit Market Share %**
	Rank *	**Market Share %**	**Rank ***	**Market Share %**	
Small Business	8 of 94	1.6	7 of 91	2.0	0.1
HMDA	127 of 500	0.1	80 of 447	0.1	

* - Small business ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers reflects excellent penetration among businesses of different sizes, and individuals of different income levels.

Small Business Loans

The distribution of borrowers reflects excellent penetration among small business customers of different revenue sizes. Table UT-4 shows BOW's distribution of small business loans by GARs in the Utah AAs combined. In 2007, BOW originated 59.9 percent of small business loans to businesses with GARs of $1.0 million or less. This performance significantly exceeds the aggregate performance by 25.4 percentage points. In 2008, lending to businesses with GARs of $1.0 million or less trended down to 44.0 percent. This performance is reflective of an overall drop in the bank's 2008 lending.

Table UT-4 – Statewide Small Business Loan GAR Distribution						
GAR	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
$1M or Less	61.8	100	59.9	34.5	51	44.0
Over $1M	4.3	48	28.7		50	43.1
Not Considered*	33.9	19	11.4		15	12.9
Total	100.0	167	100.0		116	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table UT-5 – Small Business Lending Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Salt Lake City – Ogden CSA	89.7	57.7	34.5	41.3
Utah Non-MSA	10.3	90.9	34.6	66.7

Source: CRA data collection (2007-2008) and 2007 CRA aggregate data

HMDA Loans

The distribution of borrowers reflects good penetration among retail customers of different income levels. Table UT-6 shows BOW's distribution of HMDA loans by borrower income in the Utah AAs. In 2007, BOW's lending to LMI borrowers slightly lagged aggregate performance. In 2008, BOW's lending to LMI borrowers showed an upward trend.

Table UT-6 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	**% of Families**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	16.0	3	3.3	3.4	3	3.7
Moderate	19.7	13	14.3	17.9	16	19.8
Middle	25.0	20	22.0	28.9	17	21.0
Upper	39.3	45	49.4	47.0	36	44.4
NA	0.0	10	11.0	2.8	9	11.1
Total	100.0	91	100.0	100.0	81	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table UT-7 shows that BOW's low-income borrower penetration rates in the Salt Lake City-Ogden CSA increased in 2008. In 2007, BOW did not lend to low-income borrowers in the Utah Non-MSA. However, the 2007 aggregate performance in the area also shows there was a generally low level of lending to low-income borrowers. In 2008, BOW did not show any performance in its Utah Non-MSA AA, which is reflective of the bank's limited loan volume in the AA.

Table UT-7 – AA Low-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Salt Lake City – Ogden CSA	96.3	3.5	3.5	3.9
Utah Non-MSA	3.7	0.0	0.3	0.0

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

As shown in Table UT-8, BOW's HMDA loan penetration in moderate-income CTs increased by over 5 percent in the Salt Lake City-Ogden CSA, and remained the same in the Utah Non-MSA.

Table UT-8 – AA Moderate-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Salt Lake City – Ogden CSA	96.3	15.1	18.2	20.5
Utah Non-MSA	3.7	0.0	3.4	0.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects good penetration throughout AA. The Utah Non-MSA AA does not have any LMI CTs, so this AA was not evaluated under this criterion.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the Utah AAs. Table UT-9 shows the distribution of small business loans by the income category of CTs within the AA. In 2007, BOW's lending in low-income CTs slightly exceeded aggregate performance; however, the bank's 2008 performance showed a significant upward trend increasing by 7.2 percent over the 2007 level. In 2007, small business lending in moderate-income CTs significantly exceeds aggregate performance and D&B data. In 2008, BOW's small business lending in moderate-income CTs reflected a slight downward trend.

Table UT-9 – Statewide Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW%**	**Aggregate %**	**BOW #**	**BOW %**
Low	6.4	8	4.8	4.2	14	12.0
Moderate	21.0	39	23.4	18.0	25	21.5
Middle	43.0	73	43.7	43.0	40	34.5
Upper	29.6	47	28.1	32.7	37	32.0
NA	0.0	0	0.0	2.1	0	0.0
Total	100.0	167	100.0	100.0	116	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table UT-10 shows BOW's small business loan penetration in low-income CTs. The bank's performance in the Salt Lake City-Ogden CSA was strong for 2007 and 2008.

Table UT-10 – Small Business Loan Low-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Salt Lake City – Ogden CSA	5.1	4.3	13.5	6.5
Utah Non-MSA*				

*No low-income CT
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table UT-11 shows BOW's small business loan penetration in moderate-income CTS. The bank's performance in the Salt Lake City-Ogden CSA was strong in 2007 and fairly consistent in 2008.

Table UT-11 – Small Business Loan Moderate-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Salt Lake City – Ogden CSA	25.0	18.5	24.0	21.5
Utah Non-MSA*				

*No moderate-income CT
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the Utah AAs. Table UT-12 shows that BOW did not lend in low-income CTs in 2007 and 2008. The performance is reflective of the very limited number of owner occupied housing units and the

very low level of aggregate lending data. In 2007, BOW's lending within moderate-income CTs lagged aggregate performance by 2.2 percent. In 2008, lending in moderate-income CTs trended upwards by 4.8 percent. Given the performance context the penetration is adequate.

Table UT-12– Statewide HMDA Loan Geographic Distribution						
CT Income Level	**% Owner Occupied Housing Units**	**2007**			**2008**	
		BOW #	**BOW%**	**Aggregate %**	**BOW #**	**BOW %**
Low	0.1	0	0.0	0.3	0	0.0
Moderate	15.2	8	8.8	11.0	11	13.6
Middle	52.5	40	44.0	52.4	40	49.4
Upper	32.2	43	47.2	36.3	30	37.0
NA	0.0	0	0.0	0.0	0	0.0
Total	100.0	91	100.0	100.0	81	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table UT-13 shows that BOW had no lending in the low-income CTs of the Salt Lake City-Ogden CSA AA. This performance reflects the limited number of housing units and low level of aggregate lending in the AA.

Table UT-13 – HMDA Loan Low-Income CT Penetration Rates				
AA	**% Owner Occupied Housing Units**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Salt Lake City – Ogden CSA	0.2	0.0	0.3	0.0
Utah Non-MSA*				

*No low-income CT

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table UT-14 shows BOW's HMDA loan penetration in the Salt Lake City-Ogden CSA moderate-income CTs. In 2007, the performance lagged aggregate, while in 2008 the performance showed a significant upward trend.

Table UT-14 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	**% Owner Occupied Housing Units**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Salt Lake City – Ogden CSA	15.4	9.3	14.5	14.1
Utah Non-MSA*				

**No moderate-income CT*

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

CD Loans

BOW is a leader in making CD loans in Utah relative to its presence in the state. The bank originated 10 CD loans totaling $16.7 million in Utah over the review period. This represents about 0.8 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to economic development. The remainder provides support for LMI tract revitalization, services to LMI individuals, and LMI affordable housing needs.

INVESTMENT TEST

BOW's Investment Test rating is Outstanding. The bank has an excellent level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. BOW's investments exhibit an excellent responsiveness to credit and community economic needs of the Utah AAs. The institution holds 4 qualifying investments totaling $2.6 million (excludes grants and donations), which is a 103 percent increase over the previous evaluation figure. At the previous evaluation, qualified investments was rated a Low Satisfactory for the State of Utah. This performance is above dedicated resources and lending levels of the state.

Table UT-15– CD Investments					
Investment Type	**Total $ (000)**	**LMI Housing $ (000)**	**LMI Tract Revitalization $ (000)**	**Economic Development $ (000)**	**LMI Services $ (000)**
Statewide Investments	440	440	--	--	--
Direct Investments	2,199	2,199	--	--	--
Grants & Donations	85	10	--	28	47
Total	2,724	2,649	--	28	47

Source: Bank records

Table UT-15 depicts the bank's qualified investments and donations by investment type and category in Utah. Of the 4 qualified investments, only 1 for $548,921 carried over from the previous evaluation period. Also, qualified investments include 3 LIHTCs totaling $2.0 million. Qualified investments and donations are concentrated in the Salt Lake City-Ogden MSA AA, which is where the majority of the bank's resources are dedicated.

SERVICE TEST

BOW is rated High Satisfactory in the Service Test. Delivery system are accessible to essentially all portions of the Utah AA. To the extent changes have been made, the bank's opening and closing of branches have not adversely affected the accessibility of its delivery systems. Services do not vary in a way that inconveniences certain portions of the AA, particularly LMI geographies or individuals. The bank provides an adequate level of CD services.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences certain portions of the Utah AA, particularly LMI geographies or individuals. Table UT-16 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined, to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table UT-16 – Branch Structure as of 12/31/2008						
Branch Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches	1	1	3	2		7
% of Branches	14.3	14.3	42.8	28.6		100.0

Comparisons						
% of Branches - All Institutions	9.3	26.0	48.1	16.6		100.0
% of Households	0.6	24.1	49.6	25.7		100.0
% of Businesses	6.4	21.0	43.0	29.6		100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among LMI CTs is good compared to the percentages of competition, households, and businesses. BOW's branch distribution among low-income CTs (14.3 percent) compares favorably to the competition, households, and businesses. However, in the moderate-income CTs BOW compares less favorably. Table UT-17 shows that BOW's branches in LMI CTs that service the Salt Lake City-Ogden CSA AA significantly exceeded aggregate lenders. In addition, the bulk of BOW's branch network and resources service this AA where Utah's population is concentrated.

Table UT-17- Branches in LMI CTs				
AA	Low-Income %		Moderate-Income %	
	BOW	Aggregate	BOW	Aggregate
Salt Lake City – Ogden CSA	20.0	1.8	40.0	29.1
Utah Non-MSA			0.0	8.3

Source: Bank records and FFIEC Website

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Utah AA. BOW operates seven branches in the state and accessibility differs slightly by AA. BOW has a 1.6 percent market share for Utah. The bank's branch structure is the most comprehensive in the Salt Lake City-Ogden CSA AA with six offices and a branch share of 1.4 percent.

Changes in Branch Locations

BOW's record of opening and closing branches in Utah has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies. Over the review period, BOW only opened one branch in an upper-income CT. There was minimal impact on LMI geographies since no branches were closed, so the net result is a larger branch network with slightly greater accessibility.

Table UT-18 – Branch Openings			
Branch Name	City	AA	CT Income Level
Copper Hills	Riverton	Salt Lake City-Ogden CSA	Upper

Source: Bank records and FFIEC Website

CD Services

BOW provides an adequate level of CD services in Utah. For the review period, 12 BOW employees completed CD services with 8 different groups for a total of 230 hours. Most of the hours worked involved providing CD services to LMI individuals or groups and are part of the BOW CAA section of this PE.

SALT LAKE CITY-OGDEN CSA AA
FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the Salt Lake City-Ogden CSA AA.

The Salt Lake City-Ogden CSA AA accounts for the following:

- Approximately 0.8 percent of the institution's branch network
- Approximately 2.0 percent of the total CTs within the combined AA
- Approximately 0.9 percent by number and 1.3 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 0.7 percent by number and 0.9 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 0.1 percent by number and 0.2 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 1.4 percent by number and 0.8 percent by dollar volume of total CD loans originated
- Approximately 1.4 percent by dollar volume of total qualified investments made
- Approximately 0.6 percent by dollar volume of total qualified donations made
- Approximately 1.1 percent by number of total CD service hours conducted

DESCRIPTION OF THE SALT LAKE CITY-OGDEN CSA AA

Table UT-19 reflects the demographics of the AA.

Table UT-19 -Demographic Information for Full-scope Area: Salt Lake City-Ogden CSA AA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	242	2.1	20.3	47.9	29.7	0.0
Population by Geography	1,137,381	0.7	21.1	49.9	28.3	0.0
Owner-Occupied Housing by Geography	258,935	0.2	15.4	52.6	31.8	0.0
Business by Geography	121,482	6.5	21.5	42.8	29.2	0.0
Farms by Geography	1,834	3.5	16.2	46.2	34.1	0.0
Family Distribution by Income Level	275,387	16.2	19.7	25.0	39.1	0.0
Distribution of LMI Families throughout AA Geographies	98,736	1.3	32.9	51.5	14.3	0.0
MFI		54,452	Median Housing Value			163,481
HUD Adjusted MFI for 2008		65,206	Unemployment Rate 2007			2.6%
Households Below Poverty Level		7%	2008			3.3%
			March 2009			5.1%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, the Salt Lake City's economy has struggled with weaknesses in homebuilding, manufacturing, financial activities, and consumer oriented

industries. Although the unemployment rate has increased it is far below the national average. The residential real estate market anticipates declines through late 2010.

The Ogden MSA's economy has struggled, with job losses in the vehicle parts, aerospace manufacturing, and goods producing industries. The unemployment rate has increased over the past year and like the Salt Lake City MSA, it is far below the national rate. The residential real estate market peaked in early 2008 and is expected to decline through late 2010.

PERFORMANCE TEST CONCLUSIONS

Data applicable to the AA indicates that the overall performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any.

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the AA is presented below. Other Lending Test criteria are fully described in the Lending Test section of the CAA and Statewide Performance Test Conclusions. The greatest weight was given to the bank's small business lending performance, followed by HMDA lending due to the number of loans originated. Small farm lending performance was not evaluated due to the nominal number of loans originated within this AA. Data supporting the ratings is presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

BOW's overall distribution of loans reflects excellent dispersion to businesses of different revenue sizes and borrowers of different income levels. The borrower distribution of small business loans is excellent, while the distribution of HMDA loans is good.

Geographic Distribution

BOW's overall distribution of loans reflects good penetration throughout the AA. There were no conspicuous gaps in the geographic distribution of loans. Geographic distribution of small business loans is excellent, while the distribution of HMDA loans is adequate.

INVESTMENT TEST

BOW's Investment Test performance for all AAs has been fully described in the Investment Test section of the Statewide Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for all AAs has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

IDAHO

The Lending Test is rated: ***Low Satisfactory***
The Investment Test is rated: ***Outstanding***
The Service Test is rated: ***Low Satisfactory***

BOW's Idaho CRA rating is **Satisfactory**.

The Idaho AAs account for the following:

- Approximately 1.1 percent of the institution's branch network
- Approximately 0.6 percent of the total CTs within the combined AA
- Approximately 0.9 percent by number and 1.2 percent by dollar volume of small business loans originated in 2008
- Approximately 0.4 percent by number and 0.5 percent by dollar volume of total HMDA loans originated in 2008
- Approximately 0.5 percent by number and 0.1 percent by dollar volume of total CD loans originated
- Approximately 2.5 percent by number and 1.0 percent by dollar volume of total qualified investments made
- Approximately 0.4 percent by number and 0.2 percent by dollar volume of total qualified donations made
- Approximately 0.3 percent by number of total CD service hours conducted

DESCRIPTION OF THE IDAHO AAs

Table ID-1 details the counties that comprise the Idaho AAs.

Table ID-1 – Idaho AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Boise MSA	14260	Ada, Canyon
Idaho Non-MSA	99999	Blaine, Washington

Source: Bank records

Table ID-2 reflects the demographics for the AAs combined.

ID-2- Demographic Information for Full-scope Area: Idaho AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs/BNAs)	79	2.5	20.3	46.8	30.4	0.0
Population by Geography	461,313	1.5	18.9	45.0	34.6	0.0
Owner-Occupied Housing by Geography	121,266	0.8	15.0	46.2	38.0	0.0
Business by Geography	59,586	0.9	22.1	38.6	38.4	0.0
Farms by Geography	2,406	0.5	14.8	56.4	28.3	0.0
Family Distribution by Income Level	119,974	16.9	18.7	23.4	41.0	0.0
Distribution of LMI Families throughout AA Geographies	42,677	2.6	26.9	49.3	21.2	0.0
MFI HUD Adjusted MFI for 2008 Households Below Poverty Level		42,891 53,714 9%	Median Housing Value Unemployment Rate 2007 2008 March 2009		131,263 3.0% 4.9% 7.9%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Idaho is in recession. Declines in the tech manufacturing industry are affecting other industries such as tourism and development in the state. As a big tech exporter, the global recession is a burden on Idaho since fourth quarter exports showed significant weakening in the global demand for computer products.

Community Contact Observations

A contact indicated a need for affordable housing for LMI households. Another contact indicated a need for financial education for first-time homebuyers.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW is rated Low Satisfactory in the Lending Test. The rating reflects good responsiveness to the credit needs of the AAs it serves. Borrower's profile represents the strongest component with excellent performance both in the penetration among small business customers of different sizes, and among retail customers of different income levels. BOW's performance in the geographic distribution criterion is adequate. Small business lending performance is given the most weight, followed by HMDA lending due to loan volume. Small farm lending was not reviewed due to the bank's nominal activity.

Level of Lending

Overall, the lending levels reflect good responsiveness to AA credit needs. Table ID-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. As reflected by the market rankings, market shares increased for the products reviewed.

Table ID-3– Idaho AA Market Share – FDIC Insured Lenders					
Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	11of 64	1.0	10 of 75	1.5	0.5
HMDA	100 of 440	0.1	57 of 380	0.3	

* - Small business ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers in Idaho AA reflects excellent penetration among businesses of different sizes, and individuals of different income levels.

Small Business Loans

The distribution of borrowers reflects excellent penetration among small business customers of different sizes. Table ID-4 shows BOW's distribution of small business loans by GARs in the Idaho AAs. In 2007, BOW originated a majority of loans to businesses with GARs of $1.0 million or less. This performance significantly exceeds the aggregate performance by 14.7 percent. In 2008, the bank's performance trended upwards to 68.0 percent.

Table ID-4 – Statewide Small Business Loan GAR Distribution						
GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	63.2	61	58.7	44.0	70	68.0
Over $1M	3.6	29	27.9		25	24.3
Not Considered*	33.2	14	13.4		8	7.7
Total	100.0	104	100.0		103	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The distribution of borrowers reflects excellent penetration among retail customers of different income levels. Table ID-5 shows BOW's distribution of HMDA loans by borrower income in Idaho AAs. In 2007, BOW's lending to low-income borrowers exceeded aggregate performance, while in 2008 the bank's performance reflected a significant upward trend to 12.2 percent. In 2007, BOW's lending to moderate-income borrowers slightly exceeds aggregate performance, while in 2008 the bank's performance reflected a downward trend by 3.3 percentage points.

Table ID-5 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	% of Families	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	16.9	4	6.0	4.8	5	12.2
Moderate	18.7	12	17.9	17.5	6	14.6
Middle	23.4	12	17.9	27.3	9	22.0
Upper	41.0	37	55.2	46.7	18	43.9

NA	0.0	2	3.0	3.7	3	7.3
Total	100.0	67	100.0	100.0	41	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table ID-6 shows that BOW's 2008 HMDA loan penetration rates to low-income borrowers in the Boise MSA AA's increased by 9.7 percentage points. Also in 2008, the penetration rate in the Idaho Non-MSA trended downward by 9.1 percentage points.

Table ID-6 – AA Low-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Boise MSA	73.2	3.6	4.9	13.3
Idaho Non-MSA	26.8	18.2	1.2	9.1

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Table ID-7 shows that BOW's 2008 HMDA loan penetration to moderate-income borrowers decreased by 4.6 percentage points in the Boise MSA, and remained the same in the Idaho Non-MSA.

Table ID-7 – AA Moderate-Income Borrower Penetration Rates				
AA	**% Loan Distribution**	**2007**		**2008**
		BOW %	**Aggregate %**	**BOW %**
Boise MSA	73.2	17.9	17.9	13.3
Idaho Non-MSA	26.8	18.2	7.9	18.2

Source: HMDA data (2007-2008) and 2007 HMDA aggregate data

Geographic Distribution

BOW's geographic distribution of loans reflects adequate penetration throughout the Idaho AAs. The Idaho Non-MSA does not contain any LMI CTs, so this AA was not evaluated under this criterion.

Small Business Loans

The geographic distribution of small business loans reflects adequate penetration throughout the Idaho AAs. Table ID-8 shows the distribution of small business loans by the income category of CTs within the AAs. In 2007, BOW did not originate any loans in low-income CTs; however, in 2008 BOW's lending trended upward. In 2007, BOW's lending in moderate-income CTs significantly exceeded aggregate performance, but in 2008 the bank's performance trended downward by 9.5 percent.

Table ID-8 – Statewide Small Business Loan Geographic Distribution						
CT Income Level	**D&B %**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	0.9	0	0.0	0.7	1	1.0
Moderate	22.1	24	23.1	17.5	14	13.6
Middle	38.6	44	42.3	37.3	32	31.0

Upper	38.4	36	34.6	40.5	56	54.4
NA	0.0	0	0.0	4.0	0	0.0
Total	100.0	104	100.0	100.0	103	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table ID-9 shows BOW's small business loan penetration in low-income CTs. In 2007, BOW did not show any lending in the low-income CTs of the Boise MSA AA, but in 2008 the lending showed an upward trend.

Table ID-9 – Small Business Loan Low-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Boise MSA	0.0	0.8	1.1	1.0
Idaho Non-MSA*	0.0	0.0	0.0	0.0

*No low-income CTs

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

Table ID-10 shows BOW's small business loan penetration in moderate-income CTs. In 2007, the bank's lending in the Boise MSA AA significantly exceeded aggregate performance, but in 2008 the lending trended downward.

Table ID-10 – Small Business Loan Moderate-Income CT Penetration Rates				
AA	**2007**		**2008**	
	BOW %	**Aggregate %**	**BOW %**	**D&B %**
Boise MSA	27.3	19.1	15.6	24.3
Idaho Non-MSA	0.0	0.0	0.0	0.0

*No moderate-income CTs

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects adequate penetration throughout the Idaho AAs. Table ID-11 shows that BOW did not lend in its low-income CTs. In 2007, BOW's lending in its moderate-income CTs significantly exceeded aggregate performance, but in 2008 the performance showed a downward trend.

Table ID-11– HMDA Loan Geographic Distribution						
CT Income Level	**% Owner Occupied Housing Units**	**2007**			**2008**	
		BOW #	**BOW %**	**Aggregate %**	**BOW #**	**BOW %**
Low	0.8	0	0.0	0.5	0	0.0
Moderate	15.0	15	22.4	14.6	4	9.8
Middle	46.2	30	44.8	47.7	22	53.7
Upper	38.0	22	32.8	37.2	15	36.5
NA	0.0	0	0.0	0.0	0	0.0
Total	100.0	67	100.0	100.0	41	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table ID-12 shows that BOW's HMDA loans did not penetrate the low-income CTs of the Boise MSA.

Table ID-12- HMDA Loan Low-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Boise MSA	0.8	0.0	0.5	0.0
Idaho Non-MSA	0.0	0.0	0.0	0.0

*No low-income CTs
Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Table ID-13 shows BOW's HMDA loan penetration in moderate-income CTs in the Boise MSA. In 2007 the bank's performance significantly exceeded aggregate performance, but in 2008 the performance trended downward.

Table ID-13 – HMDA Loan Moderate-Income CT Penetration Rates				
AA	% Owner Occupied Housing Units	2007		2008
		BOW %	Aggregate %	BOW %
Boise MSA	16.1	26.8	15.2	13.3
Idaho Non-MSA	0.0	0.0	0.0	0.0

*No moderate-income CTs
Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

CD Loans

BOW has made an adequate level of CD loans in Idaho relative to its presence in the state. The bank originated 3 CD loans totaling $2.4 million in Idaho over the review period. This represents about 0.1 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. Most of the loan dollars respond to LMI tract revitalization. The remainder provides support for services LMI affordable housing needs.

INVESTMENT TEST

BOW's Investment Test rating is Outstanding. The bank has an excellent level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. BOW's investments exhibit an excellent responsiveness to credit and community economic needs of the Idaho AAs. The institution holds 6 qualifying investments totaling $1.9 million (excludes grants and donations), which is an impressive 145 percent increase over the previous evaluation figure of $764,000. At the previous evaluation, qualified investments were rated a High Satisfactory for Idaho. This performance is consistent with dedicated resources and lending levels of the state.

Table ID-14 – CD Investments					
Investment Type	Total $ (000)	LMI Housing $ (000)	LMI Tract Revitalization $ (000)	Economic Development $ (000)	LMI Services $ (000)
Statewide Investments	--	--	--	--	--
Direct Investments	823	823	--	--	--
Multiple AAs	1,050	1,025	--	--	25
Grants & Donations	13	--	--	--	13
Total	1,886	1,848	--	--	38

Source: Bank records

Table ID-14 depicts the bank's qualified investments and donations by investment type and category in Idaho. Of the 6 qualified investments, 2 totaling $724,720 carried over from the previous evaluation period. The qualified investments include four LIHTCs, one targeted mortgage-backed security, and one investment in a CDFI equity fund. Qualified investments and donations are well distributed between the two AAs and consistent with dedicated resources.

SERVICE TEST

BOW is rated Low Satisfactory in the Service Test. The strongest component is the changes in branch locations, which has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and individuals. Delivery systems are reasonably accessible to essentially all portions of the Idaho AA. The bank provides a limited level of CD services. Services do not vary in way that inconveniences portions of the Idaho AA, particularly LMI geographies or individuals.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences portions of the Idaho AA, particularly LMI geographies or individuals. Table ID-15 evaluates the branch structure by comparing the number of branches by CT income level in all AAs compared to the branch distribution of all financial institutions, and to the percentage of households and businesses.

Table ID-15 – Branch Structure as of 12/31/2008

Branch Distribution	Income Level of CT					
	Low	Moderate	Middle	Upper	N/A	Total
# of Branches	0	2	2	3	0	7
% of Branches	0.0	28.6	28.6	42.8	0.0	100.0
Comparisons						
% of Branches - All Institutions	0.0	38.9	24.5	36.6	0.0	100.0
% of Households	1.2	19.9	44.6	34.3	0.0	100.0
% of Businesses	0.9	22.1	38.6	38.4	0.0	100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among LMI CTs is weak when compared to the percentages of competition, households, and businesses. BOW's branch distribution among moderate-income CTs (28.6 percent) compares unfavorably to the competition, but exceeds both the percentage of households and businesses. A mitigating fact considered is that one of the bank's moderate-income branches is in close proximity to a low-income CT. Also, one of the middle-income branches is in close proximity of a cluster of moderate-income CTs with no branches.

Table ID-16- Branches in LMI CTs

AA	Low-Income %		Moderate-Income %	
	BOW	Aggregate	BOW	Aggregate
Boise MSA	0.0	0.0	40.0	42.9
Idaho Non-MSA				

Source: Bank records and FFIEC Website

BOW's branch penetration in LMI CTs in Idaho is slightly weaker than competitors; however, three of the bank's branches in the Boise MSA AA cater to the LMI CTs of the MSA, either by proximity or actual location.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the Idaho AA. BOW operates seven branches in the state and accessibility differs slightly by AA. BOW has a 0.5 percent market share for Idaho. The bank's branch structure is the most comprehensive in the Boise MSA AA with a branch share of 1.5 percent. Similarly, BOW has a branch share of 9.1 percent in the Non-MSA AA.

Changes in Branch Locations

BOW's record of opening and closing branches in Idaho has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies or to LMI individuals. Over the review period, BOW opened four branches. One branch was opened in a moderate-income CT. The other three were opened in upper-income CTs. No branches were closed, so the net result is a larger branch network with slightly greater accessibility.

Table ID-17 – Branch Openings

Branch Name	City	AA	CT Income Level
Boise 9th Street	Boise	Boise MSA	Moderate
Eagle	Eagle	Boise MSA	Upper
Meridian	Meridian	Boise MSA	Upper
Ketchum	Ketchum	Idaho Non-MSA	Upper

Source: Bank records and FFIEC Website

CD Services

BOW provides a limited level of CD services in Idaho. For the review period, 2 BOW employees completed CD services with 2 different groups for a total of 54 hours. All of the hours worked involved providing affordable housing for LMI individuals or groups.

BOISE MSA
FULL-SCOPE EVALUATION

Examiners conducted a full-scope, off-site review of the Boise MSA.

The Boise MSA AA accounts for the following:

- Approximately 0.8 percent of the institution's branch network
- Approximately 0.6 percent of the total CTs within the combined AA
- Approximately 0.8 percent by number and 1.0 percent by dollar volume of small business loans originated in the state for 2008

- Approximately 0.3 percent by number and 0.3 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 0.1 percent by number and 0.1 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 0.3 percent by number and 0.1 percent by dollar volume of total CD loans originated
- Approximately 1.0 percent by dollar volume of total qualified investments made
- Approximately 0.3 percent by number of total CD service hours conducted

DESCRIPTION OF THE BOISE MSA AA

Table ID-18 reflects the demographics for this AA.

Table ID-18 - Demographic Information for Full-scope Area: Boise MSA AA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	72	2.8	22.2	47.2	27.8	0.0
Population by Geography	432,345	1.6	20.2	45.7	32.5	0.0
Owner-Occupied Housing by Geography	113,143	0.8	16.1	47.1	36.0	0.0
Business by Geography	54,215	1.0	24.3	40.6	34.1	0.0
Farms by Geography	2,048	0.6	17.4	57.6	24.4	0.0
Family Distribution by Income Level	112,389	17.2	18.8	23.7	40.3	0.0
Distribution of LMI Families throughout AA Geographies	40,488	2.8	28.3	49.2	19.7	0.0
MFI		48,340	Median Housing Value			116,269
HUD Adjusted MFI for 2008		60,900	Unemployment Rate 2007			2.9%
Households Below Poverty Level		9%	2008			5.1%
			March 2009			8.6%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, jobs are being cut in the Boise MSA and the housing market has continued to experience steep declines. More than half of the unemployed workers in Idaho are based in this metro area. Population growth and tech resurgence will help to repair the housing market. Stimulus funding will help accommodate population growth in the metro area as it focuses on road and transportation improvements.

PERFORMANCE TEST CONCLUSIONS

Data applicable to the MSA indicates that the overall performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any.

LENDING TEST

A more in-depth borrower's profile and geographic distribution review of loans originated in the Boise MSA are presented below. Other Lending Test criteria are fully described in the Lending

Test section of the CAA and Statewide Performance Test Conclusions. The greatest weight was given to the bank's small business lending performance, followed by residential lending due to the number of loans originated. Small farm lending performance was not evaluated due to the limited number of loans originated within this AA. Data supporting the ratings is presented in the Statewide Performance Test Conclusions section.

Borrower's Profile

BOW's overall distribution of loans reflects excellent dispersion to businesses of different revenue sizes and borrowers of different income levels. The borrower distributions of small business and HMDA loans are both excellent.

Geographic Distribution

BOW's overall distribution of loans reflects adequate penetration throughout the MSA. There were no conspicuous gaps in the geographic distribution of loans. Geographic distributions of small business and HMDA loans are both adequate.

INVESTMENT TEST

BOW's Investment Test performance for all AAs has been fully described in the Investment Test section of the Statewide Performance Test Conclusions.

SERVICE TEST

BOW's Service Test performance for all AAs has been fully described in the Service Test section of the Statewide Performance Test Conclusions.

Limited-Scope AA Evaluations

Data applicable to the limited-scope AAs indicates that performance is generally similar to the statewide performance. Please refer to the Statewide Performance Test Conclusions for performance differences, if any. Demographic data regarding limited-scope AAs is located in Appendix G.

WISCONSIN

The Lending Test is rated:	***High Satisfactory***
The Investment Test is rated:	***Low Satisfactory***
The Service Test is rated:	***Low Satisfactory***

BOW's Wisconsin CRA rating is **Satisfactory**.

The Wisconsin Non-MSA AA accounts for the following:

- Approximately 0.5 percent of the institution's branch network

- Approximately 0.1 percent of the total CTs within the combined AA
- Approximately 0.4 percent by number and 0.4 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 0.6 percent by number and 0.4 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 1.7 percent by number and 0.5 percent by dollar volume of total CD loans originated
- Approximately 1.2 percent by number and 0.3 percent by dollar volume of total qualified investments made
- Approximately 0.4 percent by number and 0.2 percent by dollar volume of total qualified donations made
- Approximately 0.3 percent by number of total CD service hours conducted

DESCRIPTION OF THE WISCONSIN NON-MSA AA

Table WI-1 details the counties that comprise the Wisconsin Non-MSA AA.

Table WI-1 – Wisconsin Non-MSA AA		
AA	**MSA/CSA Numbers**	**AA Counties**
Wisconsin Non-MSA	N/A	Sawyer, Washburn

Source: Bank records

Table WI-2 reflects the demographics of the Wisconsin Non-MSA AA.

Table WI-2 - Demographic Information						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (CTs)	11	0.0	18.2	81.8	0.0	0.0
Population by Geography	32,232	0.0	13.9	86.1	0.0	0.0
Owner-Occupied Housing by Geography	10,453	0.0	12.5	87.5	0.0	0.0
Business by Geography	3,992	0.0	16.7	83.3	0.0	0.0
Farms by Geography	162	0.0	14.8	85.2	0.0	0.0
Family Distribution by Income Level	9,140	24.1	22.5	25.1	28.3	0.0
Distribution of LMI Families throughout AA Geographies	4,256	0.0	16.5	83.5	0.0	0.0
MFI		46,680	Median Housing Value			92,373
HUD Adjusted MFI for 2008		56,200	Unemployment Rate 2007			6.5%
Households Below Poverty Level		12%	2008			6.6%
			March 2009			12.7%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

According to Moody's Economy.com, Wisconsin MSA's economy has struggled on the heels of the national downturn, with weaknesses in the manufacturing, manufacturing support, and transportation/utilities sectors. The unemployment rate has risen to its highest since the 1980s.

Community Contact Observations

A contact indicated a need for farm loan to purchase land, machinery, and general operating costs.

STATEWIDE PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW is rated High Satisfactory in the Lending Test. The rating reflects good responsiveness to the credit needs of the AAs it serves. Borrower's profile represents the strongest component with excellent performance both in the penetration among small business customers of different sizes, and among retail customers of different income levels. BOW's performance in the geographic distribution component is poor. HMDA lending performance is given slightly more weight than small business lending performance in the AA due to total lending activity. Small farm activity was not considered due to its nominal activity.

Level of Lending

Overall, the lending levels reflect good responsiveness to AA credit needs. Table WI-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. HMDA lending is weighted slightly more heavily than small business lending. As reflected by the market rankings, market shares increased during the period.

Table WI-3 – Wisconsin Non-MSA AA Market Share – FDIC Insured Lenders

Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
Small Business	2 of 27	14.8	2 of 29	18.0	11.4
HMDA	6 of 222	3.4	8 of 185	3.8	

* - Small business and small farm ranked by dollar volume; HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers reflects excellent penetration among businesses of different sizes, and individuals of different income levels.

Small Business Loans

The distribution of borrowers reflects excellent penetration among small business customers of different sizes. Table WI-4 shows that BOW originated a majority of loans to businesses with GARs of $1.0 million or less. In 2007, BOW's performance significantly exceeded the aggregate performance. In 2008, the bank's performance showed a fairly consistent trend.

Table WI-4 – Statewide Small Business Loan GAR Distribution						
GAR	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
$1M or Less	57.6	48	60.0	47.1	25	59.5
Over $1M	2.9	12	15.0		7	16.7
Not Considered*	39.5	20	25.0		10	23.8
Total	100.0	80	100.0		42	100.0

(*) No response for D&B survey data, not considered for BOW data
Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The distribution of borrowers reflects excellent penetration among retail customers of different income levels. Table WI-5 shows BOW's distribution of HMDA loans by borrower income in the Wisconsin Non-MSA. While lending to LMI borrowers lags demographic data, the level of lending in 2007 is considered excellent when compared to aggregate performance. In 2008, HMDA loans to low-income borrowers trended upwards, while lending to moderate-income borrowers trended downwards.

Table WI-5 – Statewide HMDA Loan Borrower Profile						
Borrower Income Level	% of Families	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	24.1	7	9.8	8.9	9	12.7
Moderate	22.5	15	20.8	15.3	12	16.9
Middle	25.1	24	33.3	21.6	18	25.4
Upper	28.3	24	33.3	50.8	31	43.7
NA	0.0	2	2.8	3.4	1	1.3
Total	100.0	72	100.0	100.0	71	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Geographic Distribution

BOW's geographic distribution of loans reflects poor penetration throughout the Wisconsin Non-MSA AA. The AA does not contain any low-income CTs, so the weighting is based on the bank's performance in the moderate-income CTs.

Small Business Loans

The geographic distribution of small business loans reflects poor penetration throughout the Wisconsin Non-MSA AA. Table WI-6 shows that BOW's 2007 lending in moderate-income CTs lags both demographic data and aggregate performance. In 2008, lending in moderate-income CT trended upwards, but the actual number of loans originated in moderate-income CTs only increased by one loan. In 2007, BOW was ranked number two in market share in small business lending within the AA. With this level of market share, penetration is poor relative to the volume of small business lending.

Table WI-6 – Statewide Small Business Loan Geographic Distribution						
CT Income Level	D&B %	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Moderate	16.7	2	2.5	11.5	3	7.1
Middle	83.3	78	97.5	83.8	39	92.9
NA	0.0	0	0.0	4.7	0	0.0
Total	100.0	80	100.0	100.0	42	100.0

Source: CRA data collection (2007-2008), 2007 CRA aggregate data, and 2008 D&B data

HMDA Loans

The geographic distribution of HMDA loans reflects poor penetration throughout the Wisconsin Non-MSA AA. Table WI-7 shows that in 2007, BOW only originated one HMDA loan in the moderate-income CTs, which significantly lags both demographic data and aggregate performance. In 2008, BOW's lending in moderate-income CTs trended downwards when no loans were originated in these CTs. In 2007, BOW is ranked fifth in market share of HMDA lending within the AA. BOW's geographic distribution of loans reflects poor penetration in the Wisconsin Non-MSA AA relative to the volume of HMDA loans originated.

Table WI-7 – HMDA Loan Geographic Distribution						
CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW%	Aggregate %	BOW #	BOW %
Moderate	12.5	1	1.4	13.1	0	0.0
Middle	87.5	71	98.6	86.9	71	100.0
Total	100.0	72	100.0	100.0	71	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

CD Loans

BOW is a leader in making CD loans in the Wisconsin Non-MSA AA relative to its presence in the AA. The bank originated 10 CD loans totaling $10.1 million in the Wisconsin Non-MSA AA over the review period. This represents about 0.5 percent of the total dollar volume of the bank's CD lending activity within the bank's AAs. All of the loan dollars respond to LMI tract revitalization.

INVESTMENT TEST

BOW's Investment Test rating is Low Satisfactory. The bank has an adequate level of qualified CD investments and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors. BOW exhibits a marginally adequate responsiveness to credit and community economic needs of the AA. The institution holds 3 qualifying investments totaling $621,000 (excludes grants and donations), which is a 45 percent decline from the previous evaluation figure. At the previous evaluation, qualified investments were rated a High Satisfactory for the State of Wisconsin. This performance is below dedicated resources in the state but above lending levels within the state.

Table WI-8 – CD Investments					
Investment Type	**Total $ (000)**	**LMI Housing $ (000)**	**LMI Tract Revitalization $ (000)**	**Economic Development $ (000)**	**LMI Services $ (000)**
Statewide Investments	184	184	--	--	--
Direct Investments	--	--	--	--	--
Multiple AAs	--	--	--	--	--
Single AAs	437	437	--	--	--
Grants & Donations	32	12	--	--	20
Total	653	633	--	--	20

Source: Bank records

Table WI-8 depicts the bank's qualified investments and donations by investment type and category in Wisconsin. All three qualified investments carried over from the previous evaluation period. The qualified investments include two targeted mortgage-backed securities and one LIHTC.

SERVICE TEST

BOW is rated High Satisfactory in the Service Test. Services do not vary in a way that inconveniences portions of the Wisconsin AA. Delivery systems are accessible to essentially all portions of the institution's Wisconsin AA. BOW's changes in branch locations have not adversely affected the accessibility of its delivery systems, particularly in LMI geographies or LMI individuals. The bank provides a limited level of CD services.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences portions of the AA, particularly LMI geographies or individuals. Table WI-9 evaluates the branch structure by comparing the number of branches by CT income level in all AAs combined, to the branch distribution of all financial institutions and to the percentage of households and businesses.

Table WI-9 – Branch Structure as of 12/31/2008						
Branch Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches		0	3			3
% of Branches		0.0	100.0			100.0
Comparisons						
% of Branches - All Institutions		21.0	79.0			100.0
% of Households		13.2	86.8			100.0
% of Businesses		16.7	83.3			100.0

Source: Bank records and FFIEC Website

BOW's branch distribution among moderate-income CTs is weaker when compared to the percentages of competition, households, and businesses. Table WI-10 shows that BOW does not have any presence in moderate-income geographies. However, mitigating factors consist of one of the bank's branches serving a designated non-metropolitan middle-income underserved CT,

and the other two branches serving designated non-metropolitan middle-income distressed CTs for population loss.

Table WI-10- Branches in LMI CTs				
AA	Low-Income %		Moderate-Income %	
	BOW	Aggregate	BOW	Aggregate
Wisconsin Non-MSA			0.0	21.1

Source: Bank records and FFIEC Website

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the AA. BOW operates three branches in Non-MSA areas of the state. BOW has an 11.4 percent market share for the Wisconsin Non-MSA area. The bank's branch structure is tied for the most comprehensive in the Wisconsin Non-MSA AA with a branch share of 17.4 percent.

Changes in Branch Locations

BOW's record of opening and closing branches in Wisconsin has not adversely affected the accessibility of its delivery systems, particularly in moderate-income geographies. Over the review period, BOW relocated one branch to a non-metropolitan middle-income designated distressed CT for population loss. No branches were closed, so the net result is an equal branch network with the same accessibility.

Table WI-11 – Branch Relocations			
Branch Name	City	AA	CT Income Level
Spooner	Spooner	Wisconsin Non-MSA	Middle

Source: Bank records and FFIEC Website

CD Services

BOW provides a limited level of CD services in Wisconsin. For the review period, 2 BOW employees completed CDs with 2 different groups for a total of 45 hours. Most of the hours (86.7 percent) involved providing affordable housing for LMI individuals or groups. The remaining hours (13.3 percent) were spent providing CD services for LMI individuals or groups and are part of the BOW CAA section of this PE.

SIOUX CITY MULTI-STATE MSA

The Lending Test is rated: ***Low Satisfactory***
The Investment Test is rated: ***High Satisfactory***
The Service Test is rated: ***Low Satisfactory***

BOW's Sioux City Multi-State CRA rating is **Satisfactory**.

The Sioux City Multi-State MSA AA accounts for the following:

- Approximately 0.3 percent of the institution's branch network
- Approximately 0.3 percent of the total CTs within the combined AA
- Approximately 0.1 percent by number and 0.1 percent by dollar volume of small business loans originated in the state for 2008
- Approximately 0.2 percent by number and 0.2 percent by dollar volume of total HMDA loans originated in the state for 2008
- Approximately 0.1 percent by number and 0.1 percent by dollar volume of small farm loans originated in the state for 2008
- Approximately 0.1 percent by number and 0.0 percent by dollar volume of total qualified donations made
- Approximately 0.0 percent by number of total CD service hours conducted

DESCRIPTION OF THE SIOUX CITY MULTI-STATE AA

Table SC-1 details the counties that comprise the Sioux City Multi-State MSA AA.

Table SC-1 – Sioux City Multi-State AAs		
AA	**MSA/CSA Numbers**	**AA Counties**
Sioux City Multi-State MSA	43580	Dakota

Source: Bank records

Table SC-2 reflects the demographics of the AA.

Table SC-2 Demographic Information						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (CTs)	31	3.2	22.6	51.6	19.4	3.2
Population by Geography	124,130	0.1	21.0	55.5	23.4	0.0
Owner-Occupied Housing by Geography	31,645	0.0	14.2	58.3	27.5	0.0
Business by Geography	8,885	2.6	28.7	45.8	22.9	0.0
Farms by Geography	692	0.5	4.6	80.9	14.0	0.0
Family Distribution by Income Level	31,882	18.2	19.1	24.3	38.4	0.0
Distribution of LMI Families throughout AA Geographies	11,904	0.0	29.5	56.1	14.4	0.0
MFI HUD Adjusted MFI for 2008 Households Below Poverty Level		46,397 55,600 10%	Median Housing Value Unemployment Rate 2007 2008 March 2009			75,332 4.0% 4.1% 3.9%

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, U.S. Bureau Labor of Statistics, and 2008 HUD updated MFI

Refer to the economic analyses for the states of Iowa and Nebraska for the Sioux City Multi-State MSA AA.

Community Contact Observations

A contact indicated a need for affordable housing. Another contact indicated a need for banks to support commercial lending.

PERFORMANCE TEST CONCLUSIONS

LENDING TEST

BOW is rated Low Satisfactory in the Lending Test. The scope of the evaluation did not include small business or small farm loans due to their nominal activity and limited lending opportunities in the AA.

Level of Lending

Overall, the lending levels reflect good responsiveness to AA credit needs. Table SC-3 details BOW's loan market ranking and market share during 2006 and 2007 by loan type, along with the deposit market share. Neither small business nor small farm loans were evaluated due to the nominal numbers. As reflected by the market rankings, market shares increased during the period.

Table SC-3 – Sioux City Multi-State MSA AA Market Share – FDIC Insured Lenders

Loan Type	2006		2007		Deposit Market Share %
	Rank *	Market Share %	Rank *	Market Share %	
HMDA	48 of 185	0.5	39 of 161	0.6	0.8

*HMDA ranked by number
Source: FFIEC Website

Borrower's Profile

The distribution of borrowers reflects adequate penetration to customers of different income levels in the Sioux City Multi-State MSA AA. Table SC-4 shows BOW's distribution of home HMDA loans by borrower income in the AA. BOW's lending to low-income borrowers was significantly below aggregate lending in 2007; however, the performance trended up in 2008. Lending to moderate-income borrowers is comparable to aggregate lending in 2007; however, it trended significantly downwards in 2008.

Table SC-4 – Multi-State HMDA Loan Borrower Profile

Borrower Income Level	% of Families	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	18.2	1	3.7	13.1	2	11.8
Moderate	19.1	6	22.2	22.6	1	5.9
Middle	24.3	12	44.5	26.1	4	23.5
Upper	38.4	7	25.9	33.2	8	47.1
NA	0.0	1	3.7	5.0	2	11.7
Total	100.0	27	100.0	100.0	17	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

Geographic Distribution

The geographic distribution reflects excellent penetration throughout the Sioux City Multi-State MSA AA. Table SC-5 shows the distribution of HMDA loans by the income category of CTs within the AA. There is almost no lending opportunity in the single low-income CT in the AA, and this is reflected in the performance of BOW, aggregate lenders, and demographic data. BOW's performance in moderate-income CTs exceeds both aggregate and demographic data. In 2008, the bank's performance was fairly consistent and continued to exceed demographic data.

Table SC-5– Multi-State HMDA Loan Geographic Distribution						
CT Income Level	% Owner Occupied Housing Units	2007			2008	
		BOW #	BOW %	Aggregate %	BOW #	BOW %
Low	0.0	0	0.0	0.0	0	0.0
Moderate	14.2	5	18.5	11.4	3	17.7
Middle	58.3	19	70.4	57.0	9	52.9
Upper	27.5	3	11.1	31.5	5	29.4
NA	0.0	0	0.0	0.1	0	0.0
Total	100.0	27	100.0	100.0	17	100.0

Source: HMDA data (2007-2008), 2007 HMDA aggregate data, and 2000 U.S. Census data

CD Loans

BOW made an adequate level of CD loans in the Sioux City Multi-State MSA AA relative to its presence in the AA. The bank did not originate any CD loans that directly benefited this AA; however, the bank originated 2 loans totaling $20.0 million to an organization that serves a larger regional area that includes the Sioux City Multi-State MSA AA.

INVESTMENT TEST

BOW's Investment Test rating is High Satisfactory. BOW has a significant level of qualified community investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. The institution exhibits a good responsiveness to credit and community economic development needs. This AA is covered by substantial statewide investments in the two states that constitute this multi-state area. Statewide investments for Iowa and Nebraska total $3.5 million and $5.4 million, respectively. These qualified investments consists of equity, mortgage-backed, and LIHTC type investments.

SERVICE TEST

In the Sioux City Multi-State MSA AA, BOW is rated Low Satisfactory in the Service Test. The strongest component is the reasonableness of retail services, which do not vary in a way that inconveniences certain portions of the Sioux City Multi-State MSA, particularly LMI geographies or individuals. The opening and closing of branches within the MSA are not applicable due to the fact that the bank did not open or close any branches within the Sioux City Multi-State MSA during the review period. The bank provides few if any CDs within the Sioux City Multi-State MSA. Delivery systems are reasonably accessible to essentially all portions of the institution's Sioux City Multi-State AA.

Reasonableness of Retail Services

Services do not vary in a way that inconveniences certain portions of the Sioux City Multi-State AA, particularly LMI geographies or individuals. Table SC-6 evaluates the branch structure by comparing the number of branches by CT income level in the Sioux City Multi-State MSA compared to the branch distribution of all financial institutions, and to the percentage of households and businesses.

Table SC-6 – Branch Structure as of 12/31/2008						
Branch Distribution	**Income Level of CT**					
	Low	**Moderate**	**Middle**	**Upper**	**N/A**	**Total**
# of Branches	0	1	1	0	0	2
% of Branches	0.0	50.0	50.0	0.0	0.0	100.0
Comparisons						
% of Branches - All Institutions	1.7	22.0	49.2	27.1	0.0	100.0
% of Households	0.0	20.0	56.1	23.9	0.0	100.0
% of Businesses	2.6	28.7	45.8	22.9	0.00	100.0

Source: Bank records and FFIEC Website

BOW only has two branches within the Sioux City Multi-State MSA. One branch is located within a moderate-income CT, giving BOW a penetration rate of 50.0 percent in moderate-income CTs. This compares very favorably to the competition, households, and businesses. BOW does not have any branches located within the low-income CTs of the Sioux City Multi-State MSA.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the Sioux City Multi-State MSA AA. BOW operates two branches in the MSA. BOW has a 0.8 market share for the Sioux City Multi-State MSA. The bank has a branch share of 1.7 percent in the MSA.

Changes in Branch Locations

BOW's record of opening and closing branches in the Sioux City Multi-State AA is not applicable as BOW did not open or close any branches in the AA during the review period.

CD Services

BOW provides few, if any, CD services in the Sioux City Multi-State MSA. For the review period, no BOW employee completed any CD service.

APPENDIX A

SCOPE OF EXAMINATION

BANK OF THE WEST SCOPE OF EXAMINATION: Full-scope, Large Bank CRA Evaluation Procedures
TIME PERIOD REVIEWED: Lending Test: January 1, 2006 through December 31, 2008 (Only 2007 and 2008 shown in Evaluation) CD Loans: January 1, 2006 through December 31, 2008 Investment Test: January 1, 2006 through December 31, 2008 Services Test: January 1 2006 through December 31, 2008
PRODUCTS REVIEWED: Small Business Loans, Small Farm Loans, HMDA Loans, and CD Loans

LIST OF AFFILIATES AND PRODUCTS REVIEWED		
AFFILIATE(S):	AFFILIATE RELATIONSHIP:	PRODUCTS REVIEWED:
First Hawaiian Bank	Affiliate Bank owned by BWE	None

LIST OF AAs AND TYPE OF EXAMINATION			
ASSESSMENT AREA:	TYPE OF EXAMINATION:	BRANCHES VISITED:	OTHER INFORMATION:
CALIFORNIA			
San Jose-San Francisco-Oakland CSA	Full-scope On-site	1	NA
Los Angeles-Long Beach-Riverside CSA	Full-scope On-site	1	NA
Bakersfield MSA	Limited-scope Off-site	0	NA
Chico MSA	Limited-scope Off-site	0	NA
Fresno MSA	Limited-scope Off-site	0	NA
Hanford-Corcoran MSA	Limited-scope Off-site	0	NA
Modesto MSA	Limited-scope Off-site	0	NA
Sacramento-Arden-Arcade-Roseville MSA	Limited-scope Off-site	0	NA
Salinas MSA	Limited-scope Off-site	0	NA
San Diego MSA	Limited-scope Off-site	0	NA
Santa Barbara MSA	Limited-scope Off-site	0	NA
Stockton MSA	Limited-scope Off-site	0	NA
Visalia-Porterville MSA	Limited-scope Off-site	0	NA
California Non-MSA	Limited-scope Off-site	0	NA
COLORADO			
Denver-Aurora-Boulder CSA	Full-scope Off-site	0	NA
Fort Collins MSA	Limited-scope Off-site	0	NA
Grand Junction MSA	Limited-scope Off-site	0	NA
Pueblo MSA	Limited-scope Off-site	0	NA

KANSAS			
Wichita MSA	Full-scope Off-site	0	NA
Lawrence MSA	Limited-scope Off-site	0	NA
Kansas Non-MSA	Limited-scope Off-site	0	NA
MINNESOTA			
Minnesota Non-MSA	Full-scope Off-site	0	NA
La Crosse MSA	Limited-scope Off-site	0	NA
Minneapolis-St. Paul-St. Cloud CSA	Limited-scope Off-site	0	NA
IOWA			
Des Moines MSA	Full-scope Off-site	0	NA
Ames-Boone CSA	Limited-scope Off-site	0	NA
Cedar Rapids MSA	Limited-scope Off-site	0	NA
Davenport MSA	Limited-scope Off-site	0	NA
Iowa City MSA	Limited-scope Off-site	0	NA
Iowa Non-MSA	Limited-scope Off-site	0	NA
OREGON			
Portland MSA	Full-scope Off-site	0	NA
Salem MSA	Limited-scope Off-site	0	NA
Oregon Non-MSA	Limited-scope Off-site	0	NA
WYOMING			
Wyoming Non-MSA	Full-scope Off-site	0	NA
Casper MSA	Limited-scope Off-site	0	NA
Cheyenne MSA	Limited-scope Off-site	0	NA
NEW MEXICO			
Albuquerque MSA	Full-scope Off-site	0	NA
Las Cruces MSA	Limited-scope Off-site	0	NA
NEBRASKA			
Nebraska Non-MSA	Full-scope Off-site	0	NA
Lincoln MSA	Limited-scope Off-site	0	NA
ARIZONA			
Phoenix MSA	Full-scope Off-site	0	NA
Flagstaff MSA	Limited-scope Off-site	0	NA
Prescott MSA	Limited-scope Off-site	0	NA
Tucson MSA	Limited-scope Off-site	0	NA
Arizona Non-MSA	Limited-scope Off-site	0	NA
OKLAHOMA			
Oklahoma Non-MSA	Full-scope Off-site	0	NA
Oklahoma MSA	Limited-scope Off-site	0	NA
Tulsa MSA	Limited-scope Off-site	0	NA
SOUTH DAKOTA			

South Dakota Non-MSA	Full-scope Off-site	0	NA
Sioux Falls MSA	Limited-scope Off-site	0	NA
NEVADA			
Las Vegas MSA	Full-scope Off-site	0	NA
Carson City MSA	Limited-scope Off-site	0	NA
Reno-Sparks MSA	Limited-scope Off-site	0	NA
WASHINGTON			
Kennewick-Richland-Pasco MSA	Full-scope Off-site	0	NA
Yakima MSA	Limited-scope Off-site	0	NA
Washington Non-MSA	Limited-scope Off-site	0	NA
NORTH DAKOTA			
North Dakota Non-MSA	Full-scope Off-site	0	NA
UTAH			
Salt Lake City-Ogden CSA	Full-scope Off-site	0	NA
Utah Non-MSA	Limited-scope Off-site	0	NA
IDAHO			
Boise MSA	Full-scope Off-site	0	NA
Idaho Non-MSA			
WISCONSIN			
Wisconsin Non-MSA	Full-scope Off-site	0	NA
MULTI-STATE MSA			
Omaha Multi-State	Full-scope Off-site	0	NA
Kansas City Multi-State	Full-scope Off-site	0	NA
Fargo Multi-State	Full-scope On-site	1	NA
Sioux City Multi-State	Full-scope Off-site	0	NA

APPENDIX B

SUMMARY OF STATE AND MULTISTATE MSA RATINGS				
STATE OR MULTISTATE MSA NAME:	**LENDING TEST RATING:**	**INVESTMENT TEST RATING:**	**SERVICE TEST RATING:**	**OVERALL STATE OR MULTISTATE RATING:**
California	Outstanding	Outstanding	High Satisfactory	Outstanding
Colorado	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Kansas	Low Satisfactory	Outstanding	High Satisfactory	Satisfactory
Minnesota	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
Omaha Multi-State	Outstanding	High Satisfactory	High Satisfactory	Outstanding
Iowa	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Oregon	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
Wyoming	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
New Mexico	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
Nebraska	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
Kansas City Multi-State	High Satisfactory	Outstanding	Needs to Improve	Satisfactory
Arizona	Outstanding	Outstanding	Low Satisfactory	Outstanding
Oklahoma	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory
South Dakota	Low Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
Nevada	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory
Washington	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Fargo Multi-State	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory
North Dakota	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Utah	Outstanding	Outstanding	High Satisfactory	Outstanding
Idaho	Low Satisfactory	Outstanding	Low Satisfactory	Satisfactory
Wisconsin	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
Sioux City Multi-State	Low Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory

APPENDIX C - GENERAL DEFINITIONS

GEOGRAPHY TERMS

Block: Small areas bounded on all sides by visible features such as streets, roads, streams or rail road tracks, and invisible features like city or town boundaries or property lines. Blocks are subdivisions of CTs and are assigned a unique three-digit number.

Block Group: Clusters of blocks within a CT, having a four-digit number and a three-digit suffix. The four-digit number corresponds to the same number given to the CT in which it is located.

CT: Small subdivisions of metropolitan and other densely populated counties. CT boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. They usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. CTs are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Metropolitan Statistical Area (MSA): One or more metropolitan areas that have economic and social ties. Metropolitan Statistical Areas have at least on urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core measured by commuting ties. Metropolitan Statistical Areas are measured in terms of whole counties or equivalent entities. A Metropolitan Statistical Area containing a single core with a population of 2.5 million or more may be subdivided to form smaller groupings of counties referred to as **Metropolitan Divisions (MD)**.

Micropolitan Statistical Area: Micropolitan Statistical Areas are a new set of statistical areas designated in 2003. Micropolitan Statistical Areas have at least on urbanized area of at least 10,000 but less than 50,000 population, plus adjacent territory that has a high degree of social and economic integration with the core measured by commuting ties. Micropolitan Statistical Areas are measured in terms of whole counties or equivalent entities.

Non-Metropolitan Area: All areas outside of metropolitan areas. The definition of non-metropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies; for example, there is generally both urban and rural territory within both metropolitan and non-metropolitan areas.

HOUSING TERMS

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family which is further classified into “male householder” (a family with a male

householder and no wife present) or “female householder” (a family with a female householder and no husband present).

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

INCOME TERMS

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide non-metropolitan median family income, it a person or geography is located outside an MSA.

Family Income: Includes the income of all members of a family that are age 15 and older.

Household Income: Includes the income of the householder and all other persons that are age 15 and older in the household, whether related to the householder or not. Because many households consist of only one person, median household income is usually less than median family income.

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Upper-Income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent in the case of a geography.

HUD Adjusted Income Data: The U.S. Department of Housing and Urban Development (HUD) issues annual estimates which update median family income from the metropolitan and

non-metropolitan areas. HUD starts with the most recent U.S. Census data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

OTHER TERMS

Home Mortgage Disclosure Loan Application Register (HMDA LAR): The HMDA LARs record all applications received for residential purchase, refinance, home improvement and temporary-to-permanent construction loans.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: A loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

APPENDIX D - INVESTMENT DEFINITIONS

CD Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in CD projects. The equity investments are subject to limits specified by the bank's regulator. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community as well as to the financial and marketing needs of the bank. A CDC may purchase, own, rehabilitate, construct, manage and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit LMI groups, and the investment dollars should not represent an undue risk on the banking organization. Any real estate ownership should generally be temporary, with ownership reverting to members or organizations in the community.

CD Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or non-profit) with CD as their primary mission. They procure loans and investments that conventional financial institutions are unable to invest in, and they link financing to other developmental activities. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. CDFIs share a common mission and can be chartered as a credit union or bank. CDFIs can also be unregulated non-profit institutions that gather private capital from a range of social investors for CD lending or investing. Some basic types of CDFIs include CD banks, CD loan funds, CD credit unions, microenterprise funds, and CD venture capital funds. A certified CDFI must meet eligibility requirements, which include: having a primary mission of promoting community development; serving an investment area or target population; providing development services; maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means; and not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Low Income Housing Tax Credits: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended, which is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department, through the Internal Revenue Service, distributes low-income housing tax credits to housing credit agencies. The housing agencies allocate tax credits on a competitive basis. Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits or sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains in place throughout the compliance period, usually 30 years.

Qualified Investments: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose CD to support the following endeavors: 1) affordable housing; 2) community services targeting LMI individuals; 3) activities that promote economic development by financing small farms and small businesses; and 4) activities that revitalize or stabilize LMI geographies.

APPENDIX E - STANDARD PE LANGUAGE

LENDING TEST

Scope of Test

The lending test evaluates the institution's record of helping to meet the credit needs of its AA(s) by considering an institution's home mortgage, small business, small farm, and CD lending. The institution's lending performance is evaluated pursuant to the following criteria: 1) the volume of lending activity; 2) the proportion of lending within the AA(s); 3) the dispersion of loans and the number and amount of loans in low-, moderate-, middle- and upper-income geographies in the AA(s); 4) the distribution of loans among borrowers of low-, moderate-, middle- and upper-income levels and businesses (including farms) of different sizes; 5) the distribution of small business and small farm loans by loan amount at origination; 6) the volume of CD lending; and 7) the use of innovative or flexible lending practices. Performance under the lending test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

CD Lending:

Performance Criteria

The institution's CD lending activities are evaluated pursuant to the following criteria: 1) the extent to which CD lending opportunities have been made available to the institution; 2) the responsiveness of the institution's CD lending; and 3) the extent of leadership the institution has demonstrated in CD lending.

Innovative and Flexible Lending Practices:

Performance Criteria

The institution's innovative and flexible lending practices are evaluated pursuant to the following criteria: 1) the degree to which the loans serve LMI creditworthy borrowers in new ways or serve groups of creditworthy borrowers not previously served by the institution; and 2) the success of each product serving LMI borrowers, including the number and dollar volume of loans originated during the review period.

INVESTMENT TEST

Scope of Test

The investment test evaluates the institution's record of helping to meet the credit needs of its AA(s) through its use of qualified investments that benefit the AA(s) or a broader statewide or regional area that includes the institution's AA(s). Activities considered under the lending or service test may not be considered under the investment test. The institution's investment performance is evaluated pursuant to the following criteria: 1) the dollar amount of qualified

investments; 2) the innovativeness or complexity of qualified investments; 3) the responsiveness of qualified investments to credit and CD needs; and 4) the degree to which the qualified investments are not routinely provided by private investors.

SERVICE TEST

Scope of Test

The service test evaluates the institution's record of helping to meet the credit needs of its AA(s) by analyzing both the availability and effectiveness of the institution's systems for delivering retail banking services and the extent and innovativeness of its CD services. The institution's retail banking services are evaluated pursuant to the following criteria: 1) the distribution of the institution's branches among geographies of different income levels; 2) the record of opening and closing branches, particularly branches located in LMI geographies or that primarily serve low- or moderate-income individuals; 3) the availability and effectiveness of alternate systems for delivering retail banking services; and 4) the range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

In addition, the institution's CD services are evaluated pursuant to the following criteria: 1) the extent of CD services offered and used; 2) the innovativeness of CD services, including whether they serve LMI customers in new ways or serve groups of customers not previously served; 3) the degree to which they serve LMI areas or individuals; and 4) their responsiveness to available opportunities for CD services.

APPENDIX F – INNOVATIVE OR FLEXIBLE LOAN PRODUCTS

Small Business Loan Programs

BusinessLink Line of Credit is a revolving operating line of credit for $26,000 to $500,000. The line may be secured or unsecured based on the borrower's financial strength. No monthly principal payments are due. This product features a streamlined application and approval process, and waiver of financials for requests of up to $50,000.

BusinessLink Equity Line is a revolving line of credit for $26,000 to $500,000 for short-term needs secured by the owner's primary residence. This product features a streamlined application and approval process, and waiver of financials for requests of up to $100,000 based upon the borrower's credit profile. A no closing costs option is available for loans up to $249,000 and no annual review or renewal is required.

BusinessLink Reserve Line is an unsecured revolving line of credit for $5,000 to $25,000 that provides overdraft protection for business checking accounts. This product features a streamlined application and approval process, and waiver of financials for requests of up to $50,000. Monthly interest is paid on the balance owed plus any outstanding fees.

BusinessLink Equity Loan is a fixed rate, long term business loan for $50,000 to $500,000 secured by the owner's primary residence. This product features a streamlined application and approval process, and waiver of financials for requests of up to $100,000 based upon the borrower's credit profile. A no closing costs option is available up to $249,000 and no annual review or renewal is required.

BusinessLink Term Loan is a loan for $10,000 to $500,000 repayable over five to seven years and secured by new or used equipment/vehicles, cash, general assets or real estate. This product features a streamlined application and approval process, and waiver of financials for requests of up to $50,000. Up to 100 percent financing is available based on the borrower's financial strength and no annual review is required.

BusinessLink Flex Line to Term is a non-revolving line of credit for $26,000 to $500,000 for capital expense needs. This product features a streamlined application and approval process, and waiver of financials for requests of up to $50,000. A draw down period of up to 12 months is available with automatic conversion to monthly payment of principal and interest for a subsequent six-year period. The line is secured by new or used equipment/vehicles, cash, general assets or real estate.

BusinessLink Commercial Real Estate Loan (Mini-Perm) is a first mortgage from $50,000 to $1.0 million on owner-occupied commercial real estate. The rate is fixed at five year intervals and three repayment options offer flexibility of terms.

SBA 7(a) Loans can be used by small businesses for an array of opportunities with terms ranging from 7 to 25 years depending on the type of project.

SBA 504 Loans provide second mortgage financing to small businesses who are the primary users of their buildings. Rates are fixed over the 20-year term, assumable life of the loan.

Ex-Im Working Capital Guarantee Program enables U.S. exporters to obtain loans that facilitate the export of goods or services. These working capital loans, backed by Ex-Im Bank's guarantee, provide U.S. exporters with the liquidity to accept new business, grow international sales, and compete more effectively in the international marketplace. Ex-Im Bank is an independent federal government agency whose mission is to create jobs in the U.S. by helping to finance exports of U.S. goods and services. Ninety percent of Ex-Im Bank transactions are to small- and medium-sized businesses.

Ex-Im Medium Term Export Credit Insurance Program insures up to 85 percent of the net U.S. contract value for U.S. exporters, covering the risk of buyer nonpayment, including commercial risks (e.g., bankruptcy) and certain political risks (e.g., war or the inconvertibility of currency). This product can replace cash-in-advance, letters of credit, and other documentary sales. By limiting nonpayment risk, U.S. exporters can sell to more international buyers and compete vigorously in international markets.

Consumer Loan Programs

Custom Equipped Handicap Van Loans provide financing for vehicle retrofit for use by the disabled. BOW is a Preferred Lender for the Braun Corporation, who is a primary manufacturer of vehicle retrofit for the disabled. This business is sourced under the bank's recreational vehicle product line through a network of nationwide dealers that have been approved by Braun Corporation. BOW is one of relatively few lenders that offer this financing. These loans are considered to be of higher risk due to the low resale value of the highly specialized, retrofitted vehicles should a borrower default. Greater underwriting flexibility is given with regard to credit history, as medical problems of the disabled borrowers may negatively impact their credit history.

Disaster Relief Reduced Interest Loans offer reduced interest rates on new recreational vehicle (RV), boat, and automobile loans to consumers in hurricane-affected areas. To address the special needs of hurricane victims, many of whom are displaced without personal or financial records, BOW created temporary documentation exception policies and provided reduced rates to consumers in hurricane-affected areas.

Disaster Relief Loan Extensions provide relief to hurricane-affected borrowers on existing consumer RV, boat, and automobile loans. BOW offered special payment extensions to their consumer loan customers that were victims of Katrina and other hurricanes to ease their credit burden, and allow them to concentrate on other financial obligations resulting from the hurricanes.

Home Mortgage Programs

First-Time HomeBuyer Program is available to borrowers who have not owned a home within the past three years offering a low down payment mortgage with reduced points. When income or geographic requirements are met, lower closing costs and fee waivers apply.

Fannie Mae 97% Program is designed to help LMI borrowers who are able to handle monthly mortgage payments but have difficulty accumulating sufficient cash needed for a down payment. The required down payment is only 3 percent of the home value. Closing costs can be obtained from a gift, grant, secured loan from a government agency or non-profit organization and seller's contributions. Secondary financing is permitted up to 100 percent combined loan-to-value, if it is part of a Fannie Mae Community Seconds transaction or a home equity line of credit where credit score minimum is met.

Flex 97% Product is a fixed rate product designed for borrowers who have excellent credit but do not have savings for a down payment. The 3 percent down payment may be from a gift, grant, and loan from a relative, employer, or non-profit organization. Secondary financing is permitted up to 100 percent combined loan-to-value, if it is part of a Fannie Mae Community Seconds transaction.

APPENDIX G - LIMITED-SCOPE AA DEMOGRAPHICS

Each AA contains whole geographies, does not reflect illegal discrimination, and does not arbitrarily exclude any low or moderate-income areas.

California - Limited-Scope AAs

Los Angeles

The Los Angeles AA consists of all geographies within Los Angeles, Orange, Ventura, and San Bernardino Counties. The AA comprises four contiguous Southern California MSAs or MDs. The population of the AA was 14,828,258 according to the 2000 U.S. Census. Table LA-1 details the number and percentage of CTs, households, housing units, and businesses by CT income level. Table LA-2 details MSAs or MDs.

Table LA-1 Los Angeles CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	221	7.3	5.7	5.8	6.2
Moderate-Income	846	27.9	26.1	26.3	23.1
Middle-Income	937	30.9	33.0	33.1	30.7
Upper-Income	1,006	33.2	35.2	34.8	39.4
NA	20	0.7	0.0	0.0	0.6
Totals	3,030	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Table LA-2 Los Angeles Details

MSA or MD Title	MSA or MD #	2005 MFI	Counties
Los Angeles-Long Beach-Glendale MD	31084	$54,450	Los Angeles
Santa Ana-Anaheim-Irvine MD	42044	$75,700	Orange
Oxnard-Thousand Oaks-Ventura MSA	37100	$76,750	Ventura
Riverside-San Bernardino-Ontario MSA	40140	$55,650	San Bernardino

Source: Office of Management and Budget (OMB) and 2005 HUD Adjusted MFI

The Los Angeles-Long Beach-Glendale MD 31084 and Santa Ana-Anaheim-Irvine MD 42044 comprise the Los Angeles-Long Beach-Santa Ana MSA 31100. The AA includes all counties located within each respective MSA or MD with the exception of the Riverside-San Bernardino-Ontario MSA where BOW declared San Bernardino County in its AA but not Riverside County.

North Central

The North Central AA consists of all geographies within El Dorado, Placer, Sacramento, Yolo, San Joaquin, and Stanislaus Counties. The AA comprises three contiguous North Central California MSAs. The population of the AA was 2,807,452 according to the 2000 U.S. Census. Table NC-1 details the number and percentage of CTs, households, housing units, and businesses by CT income level. Table NC-2 details MSAs. The AA includes all counties located within each respective MSA.

Table NC-1 North Central CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	40	6.5	5.4	5.6	8.3
Moderate-Income	150	24.5	23.8	23.9	22.8
Middle-Income	253	41.3	42.0	42.2	39.9
Upper-Income	170	27.7	28.8	28.3	29.0
Totals	613	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Table NC-2 North Central MSA Details

MSA Title	MSA #	2005 MFI	Counties
Sacramento-Arden Arcade-Roseville MSA	40900	$63,400	El Dorado, Placer, Sacramento, Yolo
Stockton MSA	44700	$55,300	San Joaquin
Modesto MSA	33700	$52,650	Stanislaus

Source: OMB and 2005 HUD Adjusted MFI

Central

The Central AA consists of all geographies within Fresno, Tulare, and Kern Counties. The AA comprises three contiguous Central California MSAs. The population of the AA was 1,829,073 according to the 2000 U.S. Census. Table C-1 details the number and percentage of CTs, households, housing units, and businesses by CT income level. Table C-2 details MSAs or MDs.

Table C-1 Central CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	14	3.7	3.1	3.2	4.1
Moderate-Income	112	30.0	28.9	29.0	29.4
Middle-Income	126	33.7	35.5	35.4	32.0
Upper-Income	117	31.3	32.5	32.4	34.4
NA	5	1.3	0.0	0.0	0.1
Totals	374	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Table C-2 Central MSA Details

MSA or MD Title	MSA #	2005 MFI	Counties
Fresno MSA	23420	$45,450	Fresno
Visalia-Porterville MSA	47300	$42,700	Tulare
Bakersfield MSA	12540	$46,500	Kern

Source: OMB and 2005 HUD Adjusted MFI

The remaining tables in Appendix G detail the number and percentage of CTs, households, housing units, businesses and or farms by CT income level for each limited-scope AA.

Salinas MSA 41500

The Salinas MSA AA consists of all geographies within Monterey County, which represent the entire MSA. The population of the AA was 401,762 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI for the MSA is $60,250.

Salinas CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	0	0.0	0.0	0.0	0.0
Moderate-Income	18	21.4	19.7	19.8	20.8
Middle-Income	41	48.8	50.6	50.0	44.8
Upper-Income	24	28.6	29.7	30.2	34.5
NA	1	1.2	0.0	0.0	0.0
Totals	84	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Chico MSA 17020

The Chico MSA AA consists of all geographies within Butte County, which represent the entire MSA. The population of the AA was 203,171 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI for the MSA is $48,200.

Chico CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	1	2.4	2.1	2.0	0.5
Moderate-Income	10	23.8	21.8	21.9	28.0
Middle-Income	23	54.8	54.5	54.7	48.1
Upper-Income	8	19.0	21.6	21.4	23.4
Totals	42	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Hanford-Corcoran MSA 25260

The Hanford-Corcoran MSA AA consists of all geographies within Kings County, which represents the entire MSA. The population of the AA was 125,461 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI is $44,800. Kings County was designated as an MSA in 2004.

Hanford-Corcoran CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	0	0.0	0.0	0.0	0.0
Moderate-Income	7	26.9	31.2	31.7	38.9
Middle-Income	10	38.5	37.3	37.3	32.7
Upper-Income	7	26.9	31.5	31.0	28.4
NA	2	7.7	0.0	0.0	0.0
Totals	26	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

San Diego-Carlsbad-San Marcos MSA 41740

The San Diego MSA AA consists of all geographies within San Diego County, which represent the entire MSA. The population of the AA was 2,813,833 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI is $62,900.

San Diego CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	48	7.9	6.6	6.6	5.0
Moderate-Income	136	22.5	22.7	22.7	22.0
Middle-Income	228	37.7	39.3	39.2	37.4
Upper-Income	190	31.4	31.4	31.5	35.5
NA	3	0.5	0.0	0.0	0.1
Totals	605	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Santa Barbara-Santa Maria-Goleta MSA 42060

The Santa Barbara AA consists of all geographies within Santa Barbara County, which represents the entire MSA. The population of the AA was 399,347 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI for the MSA is $63,700.

Santa Barbara CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	4	4.7	4.9	4.8	2.8
Moderate-Income	26	30.2	27.5	27.6	37.8
Middle-Income	29	33.7	34.8	34.6	30.5
Upper-Income	27	31.4	32.8	33.0	28.9
Totals	86	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

California Non-MSA

The California Non-MSA AA consists of all geographies within Nevada and Lake Counties. The population of the AA was 150,342 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI for the Non-MSA portions of California is $49,300.

California Non-MSA CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	0	0.0	0.0	0.0	0.0
Moderate-Income	5	16.7	21.2	21.4	14.9
Middle-Income	14	46.6	41.4	39.0	49.2
Upper-Income	11	36.7	37.4	39.6	35.9
Totals	30	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Colorado - Limited-Scope AAs

Grand Junction MSA 24300

The Grand Junction MSA AA consists of all geographies within Mesa County, which covers the entire MSA. The 2005 HUD Adjusted MFI for the MSA is $50,400. The population of the AA was 116,255 according to the 2000 U.S. Census.

Grand Junction CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	0	0.0	0.0	0.0	0.0
Moderate-Income	5	17.9	18.0	18.2	27.3
Middle-Income	16	57.1	59.6	59.7	50.2
Upper-Income	7	25.0	22.4	22.1	22.5
Totals	28	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Pueblo MSA 39380

The Pueblo MSA AA consists of all geographies within Pueblo County, which represents the entire MSA. The 2005 HUD Adjusted MFI for the MSA is $47,100. The population of the AA was 141,472 according to the 2000 U.S. Census.

Pueblo CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	0	0.0	0.0	0.0	0.0
Moderate-Income	19	37.3	30.9	31.2	35.3
Middle-Income	19	37.3	45.4	44.6	36.1
Upper-Income	11	21.5	23.7	24.2	28.2
	2	3.9	0.0	0.0	0.4
Totals	51	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Colorado Non-MSA

The Colorado AA consists of all geographies within Chaffee, Delta, Gunnison, Montrose, Grand, Moffat, Routt, Summit, Logan, Morgan, Phillips, Kit Carson, and Las Animas Counties. The 2005 HUD Adjusted MFI for Non-MSA Colorado is $51,900. The population of the AA was 235,701 according to the 2000 U.S. Census.

Colorado Non-MSA CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	0	0.0	0.0	0.0	0.0
Moderate-Income	5	7.6	6.8	6.0	7.1
Middle-Income	48	72.7	68.6	55.8	57.4
Upper-Income	13	19.7	24.6	38.2	35.5
Totals	66	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Oregon - Limited-Scope AA

Oregon Non-MSA

The Oregon Non-MSA AA consists of all geographies within Lincoln, Malheur, Umatilla, Wasco, and Jefferson counties. The 2005 HUD Adjusted MFI for Non-MSA Oregon is $47,900. The population of the AA was 189,442 according to the 2000 U.S. Census.

Oregon Non-MSA CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Moderate-Income	5	9.8	9.7	9.9	13.8
Middle-Income	37	72.5	75.8	76.4	72.5
Upper-Income	8	15.7	15.2	13.7	13.7
NA	1	2.0	0.0	0.0	0.0
Totals	51	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

New Mexico - Limited-Scope AA

Las Cruces MSA 29740

The Las Cruces MSA AA consists of all geographies within Dona Ana County, which represents the entire MSA. The population of the AA was 174,682 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI for the MSA is $39,500.

Las Cruces CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	1	3.1	0.6	1.0	1.5
Moderate-Income	10	31.3	28.2	28.4	20.2
Middle-Income	11	34.3	37.5	37.3	42.3
Upper-Income	10	31.3	33.7	33.3	36.0
Totals	32	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Minnesota - Limited-Scope AAs

Minneapolis-St Paul MSA 33460

The Minneapolis-St Paul MSA AA consists of all geographies within Anoka, Carver, and Dakota counties, which represents three of eleven counties in the MSA. The MSA is a multi-state MSA but the three counties are located in Minnesota. The population of the AA was 724,193 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI for the MSA is $77,000.

Minneapolis-St Paul MSA CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Farms	% of Businesses
Low-Income	0	0.0	0.0	0.0	0.0	0.0
Moderate-Income	15	8.1	8.5	8.6	4.2	7.4
Middle-Income	121	65.8	67.8	67.8	77.0	66.5
Upper-Income	48	26.1	23.7	23.6	18.8	26.1
Totals	184	100.0	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

LaCrosse MSA 29100

The LaCrosse MSA AA consists of all geographies within Houston County Minnesota, which represents one of two counties located in the MSA. The MSA is a multi-state MSA with Houston County representing the Minnesota portion. The population of the AA was 19,718 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI for the MSA is $57,900. The AA is comprised of five middle-income CTs.

St. Cloud MSA 41060

The St. Cloud MSA AA consists of eight adjacent CTs located in Stearns County Minnesota. The population of the AA was 33,097 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI for the MSA is $60,650.

St. Cloud CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Farms	% of Businesses
Low-Income	0	0.0	0.0	0.0	0.0	0.0
Moderate-Income	1	14.3	11.6	11.2	25.4	10.7
Middle-Income	6	85.7	88.4	88.8	74.6	89.3
Upper-Income	0	0.0	0.0	0.0	0.0	0.0
Totals	7	100.0	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Wyoming - Limited-Scope AAs

Casper MSA 16220

The Casper MSA AA consists of all geographies within Natrona County, which represents the entire MSA. The population of the AA was 66,533 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI for the MSA is $55,100.

Casper CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Farms	% of Businesses
Low-Income	0	0.0	0.0	0.0	0.0	0.0
Moderate-Income	4	23.5	23.2	23.6	26.3	37.9
Middle-Income	10	58.8	55.4	56.1	57.5	49.3
Upper-Income	3	17.7	21.4	20.3	16.2	12.8
Totals	17	100.0	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Cheyenne MSA 16940

The Cheyenne MSA AA consists of all geographies within Laramie County, which represents the entire MSA. The population of the AA was 81,607 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI for the MSA is $56,400.

Cheyenne CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Farms	% of Businesses
Low-Income	0	0.0	0.0	0.0	0.0	0.0
Moderate-Income	6	33.3	29.2	30.3	11.7	41.6
Middle-Income	9	50.0	49.5	48.7	60.3	43.0
Upper-Income	3	16.	21.3	21.0	28.0	15.4
Totals	18	100.0	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Arizona - Limited-Scope AAs

Flagstaff MSA 22380

The Flagstaff MSA AA consists of six adjacent CTs located in Coconino County. The population of the AA was 31,028 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI for the MSA is $52,200.

Flagstaff CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	0	0.0	0.0	0.0	0.0
Moderate-Income	3	50.0	47.2	51.8	52.5
Middle-Income	3	50.0	52.8	48.2	47.5
Upper-Income	0	0.0	0.0	0.0	0.0
Totals	6	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Prescott MSA 39140

The Prescott MSA AA consists of three adjacent CTs located in Yavapai County. The population of the AA was 15,545 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI for the MSA is $46,600. Only middle-income CTs comprise this AA.

Arizona Non MSA

The Arizona Non-MSA AA consists of 20 adjacent CTs within Navajo and Apache counties as well as all tracts located in Gila County. The 2005 HUD Adjusted MFI for Non-MSA Arizona is $39,500. The population of the AA was 132,508 according to the 2000 U.S. Census.

AZ Non-MSA CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	2	5.7	2.7	2.1	0.2
Moderate-Income	4	11.4	7.5	5.6	2.4
Middle-Income	24	68.6	75.8	74.4	80.4
Upper-Income	5	14.3	14.0	17.9	17.0
Totals	35	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Nevada - Limited-Scope AAs

Carson City MSA 16180

The Carson City MSA AA consists of all geographies within Carson City County Nevada, which represents the entire MSA. The population of the AA was 52,457 according to the 2000 U.S. Census. The 2005 HUD Adjusted MFI is $58,100.

Carson City CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	0	0.0	0.0	0.0	8.8
Moderate-Income	1	10.0	10.2	10.4	80.3
Middle-Income	6	60.0	69.7	69.3	10.9
Upper-Income	3	30.0	20.1	20.3	0.0
Totals	10	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Reno-Sparks MSA 39900

The Reno-Sparks MSA AA consists of all geographies within Washoe County, representing one of two counties located in the MSA. The 2005 HUD Adjusted MFI for the AA is $63,750. The population of the AA was 339,486 according to the 2000 U.S. Census.

Reno CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	2	3.0	4.0	3.9	4.3
Moderate-Income	18	26.9	30.9	30.7	46.4
Middle-Income	25	37.3	38.0	37.8	26.9
Upper-Income	22	32.8	27.1	27.6	22.4
Totals	67	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Washington - Limited-Scope AA

Washington Non-MSA

The Washington Non-MSA AA consists of all geographies within Kittitas County Washington. The 2005 HUD Adjusted MFI for Non-MSA Washington is $48,100. The population of the AA was 33,362 according to the 2000 U.S. Census.

WA Non-MSA CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Farms	% of Businesses
Low-Income	0	0.0	0.0	0.0	1.2	6.8
Moderate-Income	1	12.5	13.6	11.9	13.9	22.0
Middle-Income	5	62.5	65.6	66.4	64.9	46.0
Upper-Income	2	25.5	20.8	21.7	20.0	25.2
Totals	8	100.0	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

North Dakota - Limited-Scope AA

North Dakota Non-MSA

The North Dakota Non-MSA AA consists of all geographies within Golden Valley, Stark, Griggs, and Richland Counties. The 2005 HUD Adjusted MFI for Non-MSA North Dakota is $49,150. The population of the AA was 45,312 according to the 2000 U.S. Census.

North Dakota Non-MSA CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Farms	% of Businesses
Low-Income	0	0.0	0.0	0.0	0.0	0.0
Moderate-Income	2	10.5	0.2	0.2	0.8	0.1
Middle-Income	13	68.4	81.7	81.9	67.7	81.7
Upper-Income	4	21.1	18.1	17.9	31.	18.2
Totals	19	100.0	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Utah - Limited-Scope AA

Utah Non-MSA

The Utah Non-MSA AA consists of two adjacent CTs located in Wasatch County. The 2005 HUD Adjusted MFI for Non-MSA Utah is $46,400. The population of the AA was 15,178 according to the 2000 U.S. Census.

Utah Non-MSA CT Characteristics

Income Level	# of Tracts	% of Tracts	% of Households	% of Housing Units	% of Businesses
Low-Income	0	0.0	0.0	0.0	0.0
Moderate-Income	1	50.0	48.2	38.5	50.5
Middle-Income	1	50.0	51.8	61.5	49.5
Upper-Income	0	0.0	0.0	0.0	0.0
Totals	2	100.0	100.0	100.0	100.0

Source: 2000 U.S. Census and 2008 D&B data

Idaho - Limited-Scope AA

Idaho Non-MSA

The Idaho Non-MSA AA consists of all geographies within Washington County. The 2005 HUD Adjusted MFI for Idaho Non-MSA is $45,800. The population of the AA was 9,977 according to the 2000 U.S. Census. The AA is composed of three middle-income CTs, which represents the entire county.