



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Bankers' Bank of the West Bancorp, Inc.

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| Person to be contacted regarding this report: | William Mitchell |
| UST Sequence Number: | 503 |
| CPP Funds Received: | 12,639,000 |
| CPP Funds Repaid to Date: | 0 |
| Date Funded (first funding): | Jan 30, 2009 |
| Date Repaid ¹ : | N/A |

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| RSSD: (For Bank Holding Companies) | 2249401 |
| Holding Company Docket Number: (For Thrift Holding Companies) | N/A |
| FDIC Certificate Number: (For Depository Institutions) | 23210 |
| City: | Denver |
| State: | Colorado |

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

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| <input checked="" type="checkbox"/> | Increase lending or reduce lending less than otherwise would have occurred. | Because of loan loss issues related to tough economic conditions in the markets we serve, the bank has had to slow lending to ensure strong capital ratios. The CPP funds helped to allow the bank to reduce loans at a lesser rate. The bank generated \$48.3MM in new loans in 2009 after CPP receipt. |
| <input type="checkbox"/> | To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.). | |
| <input checked="" type="checkbox"/> | Increase securities purchased (ABS, MBS, etc.). | The bank grew the securities portfolio by \$7MM in 2009 after receipt of CPP funds. |

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| <input checked="" type="checkbox"/> | Make other investments | \$7MM of CPP funds were utilized to purchase problem assets out of the subsidiary bank up to holding company, further strengthening the subsidiary bank. |
| <input checked="" type="checkbox"/> | Increase reserves for non-performing assets | \$2MM was injected as capital in to the subsidiary bank. Indirectly, this allowed the bank to be more aggressive reserving for loan losses. |
| <input checked="" type="checkbox"/> | Reduce borrowings | \$2.2MM was applied to pay down debt at the holding company. |
| <input type="checkbox"/> | Increase charge-offs | |
| <input type="checkbox"/> | Purchase another financial institution or purchase assets from another financial institution | |
| <input checked="" type="checkbox"/> | Held as non-leveraged increase to total capital | The holding company is maintaining \$1.45MM of CPP funds that have not been allocated as of yet. |

What actions were you able to avoid because of the capital infusion of CPP funds?

The purchase of \$7MM of problem assets out of the subsidiary bank, as well as the \$2MM capital injection in to the bank, allowed the bank to continue to consider loan requests, thus avoiding a complete shutdown of lending activities at the bank. At the same time, capital ratios were improved.

Note: the field would not accept the amount of funds received when entered. The company received \$12,639,000.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

See the previous answer which addresses this question as well.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

See the previous answer which addresses this request for information as well.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.