



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

IBW Financial Holding Company / Industrial Bank

Person to be contacted regarding this report:	Thomas McLaurin
UST Sequence Number:	801
CPP Funds Received:	6,000,000
CPP Funds Repaid to Date:	0
Date Funded (first funding):	N/A
Date Repaid ¹ :	N/A

RSSD: (For Bank Holding Companies)	2326179
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	14679
City:	Washington
State:	District of Columbia

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).

<input type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred.	
<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 type="checkbox"/> Increase securities purchased (ABS, MBS, etc.).	

<input type="checkbox"/>	Make other investments	
<input type="checkbox"/>	Increase reserves for non-performing assets	
<input checked="" type="checkbox"/>	Reduce borrowings	The Bank was able to reduce borrowings by a few million dollars as a result of the CPP investment.
<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	Holding the CCP investment as non-leveraged capital assisted in the preservation of the good health of the Bank. Capital remained satisfactory from a regulatory perspective which enabled the Bank to continue lending. Lending could have decreased without the investment.

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

By maintaining good capital the Bank was able to avoid any regulatory issues regarding capital.

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

As stated above, the capital infusion assisted the Bank so that it could continue to perform services for the community in which we operate. Lending is a particular service the Bank was able to continue. The infusion of capital assisted in maintaining healthy capital which in turn enables it to lend.

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

As described above

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.