



## ANNUAL USE OF CAPITAL SURVEY - 2009

### NAME OF INSTITUTION

(Include Holding Company Where Applicable)

West Bancorporation, Inc. and subsidiary West Bank

Person to be contacted regarding this report:	Douglas R. Gulling	RSSD: (For Bank Holding Companies)	139740
UST Sequence Number:	270	Holding Company Docket Number: (For Thrift Holding Companies)	
CPP Funds Received:	36,000,000	FDIC Certificate Number: (For Depository Institutions)	15614
CPP Funds Repaid to Date:	0	City:	West Des Moines
Date Funded (first funding):	Dec 31, 2008	State:	Iowa
Date Repaid <sup>1</sup> :	N/A		

<sup>1</sup>If 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 checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	Loans grew by \$21.7 million in the first quarter of 2009. This is net growth. Actual new loans exceeded this amount, but were offset by loan payments and pay-offs. Without the CPP capital, we may have reduced the amount of new loans.
<input checked="" 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.).	During the first quarter of 2009, the following loan categories increased as indicated: commercial real estate - \$12.8 million; commercial and industrial - \$9.6 million; construction - \$3.5 million; and industrial revenue bonds - \$5.5 million.
<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	\$2 million of the proceeds were used to pay off a loan with a regional bank.
<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	We applied for CPP funds because the Treasury was offering this program to strong banks. Not knowing the severity of the financial crises that was unfolding, we decided to apply to have the strength to ride out the storm.

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

We were able to avoid a reduction in new loans originated. However, subsequent to the first quarter of 2009, loan payments and pay offs have exceeded the volume of new loans. During the financial crisis, borrowers have been reducing their debt and there has been a noticeable reduction in applications for new loans.

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

We continued to fund viable loan requests. Without the CPP funds we may have reduced new loan approvals in order to reduce the Bank's overall risk profile and improve various capital ratios.

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

At the time we applied for the CPP funds we were considering the acquisition of a troubled financial institution. These funds gave us 1