2010

105TH ANNUAL REPORT

C.L. 'Butch' Otter
Governor

Gavin M. Gee
Director

IDAHO
DEPARTMENT OF FINANCE

Protecting the Integrity of Idaho Financial Markets Since 1905

IDAHO
DEPARTMENT OF FINANCE

July 1, 2010

THE HONORABLE C. L. "BUTCH" OTTER
GOVERNOR, STATE OF IDAHO

Dear Governor Otter:

I am pleased to submit herewith the 105th Annual Report of the Department of Finance for fiscal year 2010, July 1, 2009 through June 30, 2010.

The Department's mission is to aggressively promote access to vigorous, healthy and comprehensive financial services for Idahoans. This is accomplished through prudent and efficient oversight of financial institutions, investment opportunities and credit transactions. Through administration of laws enacted by the Idaho Legislature, legitimate financial transactions are encouraged, while fraud, unsafe practices, and unlawful conduct are detected and appropriate enforcement action is taken. These goals guide the Department's actions and provide a framework to review items of note from the past year.

The economic turmoil Americans have experienced for the past three years continued this year. Like last year, the Department's fiscal year end statistics show little increase or an actual decrease, over the last fiscal year. Securities registrations and money transmitter registrations were the lone bright spots with the Department seeing an increase in professionals in these areas wishing to do business with Idahoans.

Again this fiscal year, Idaho had no state-chartered financial institution failures. These institutions have fared better than most because of the strong capital levels they held entering the recession, and because of their traditionally conservative practices. These financial institutions look forward to assisting small businesses, the primary source of new job growth, as the economy recovers.

The national unemployment figures continue to hover around 9.6 percent and the housing market does not yet appear to be making much of a recovery. These trends are not expected to improve significantly in 2011, though a turn-around is anticipated in 2012.

I was pleased to be a part of the 2010 Governor's Finance Summit this past January. The suggestions and information we received reinforced the idea that Idaho's business leaders want to achieve the goals you have set for Project 60. This conference, and the other Summits, provided a timely opportunity to determine the course our state will take in coming years.

Despite the economic conditions, the Department collected more than $11 million in revenue in this fiscal year, a record amount for our Department. As a result of the record revenue, the Department transferred approximately $5.9 million to the General Fund, an amount more than the Department's entire fiscal year budget.

This Annual Report contains many other highlights of Department initiatives for both industry and consumers. Our employees have done a superb job of carrying out your administration's goals of providing quality and efficient service to our many stakeholders. We have continued our efforts to promote economic development, reduce regulatory burden, improve financial literacy, and protect consumers in the state. I express my sincere appreciation for the support we have received from you, your staff, the Legislature, the industries we regulate and their associations, and our national associations, and for the dedication of our employees.

Sincerely,

GAVIN M. GEE, Director
Idaho Department of Finance

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FOREWORD

The Department of Finance is a regulatory agency charged with the supervision and oversight of state-chartered financial institutions, regulated lenders, securities issuers, broker-dealers and stockbrokers, residential mortgage brokers, lenders, and loan originators, investment advisers and sales personnel, collection agencies, endowed care cemeteries, and others. The Department administers nine distinct programs. Two of these programs relate to the Department's internal operations, while the other seven involve the administration and enforcement of the following twenty-three regulatory statutes:

Idaho Bank Act
Idaho Bank Holding Company Act
Idaho Interstate Banking Act
Idaho Interstate Branching Act
Idaho International Banking Act
Idaho Trust Institutions Act
Idaho Savings Bank Act
Business And Industrial Development Corporation Act (BIDCO)
Idaho Credit Union Act
Idaho Money Transmitters Act
Idaho Financial Fraud Prevention Act
Idaho Credit Code
Idaho Mortgage Company Act
Idaho Collection Agency Act
Idaho Uniform Securities Act
Idaho Residential Mortgage Practices Act
Business Combination Act
Control Share Acquisition Act
Idaho Commodity Code
Endowment Care Cemetery Act
Continuing Care Disclosure Act
Idaho Escrow Act
Idaho Loan Broker Act

MISSION STATEMENT

The mission of the Idaho Department of Finance is to aggressively promote access to vigorous, healthy and comprehensive financial services for Idaho citizens. This is accomplished through prudent and efficient oversight of financial institutions, investment opportunities, and credit transactions. Through administration of laws enacted by the Idaho Legislature, legitimate financial transactions are encouraged, while fraud, unsafe practices, and unlawful conduct are detected and appropriate enforcement action is taken.

The Department is funded entirely by fees levied by law on the industries subject to its supervision. A list of prior Commissioners/Directors of the Department of Finance is shown in Exhibit I, and a summary of income and expenses and personnel status is shown in Exhibit II. Exhibit VII provides a list of the Department's staff.

DEPARTMENT HIGHLIGHTS AND CURRENT ISSUES

The Department, originally known as the Idaho office of "State Bank Commissioner," was created March 6, 1905. At that time, the Department administered only one law, the *Idaho Bank Act,* and regulated only the banking industry. Today, the Department oversees more than 135,000 entities in 15 different financial service industries with billions of dollars in combined assets. The Department delivers services through three operating bureaus: Financial Institutions, Securities, and Consumer Finance. Each bureau delivers services in both a regulatory capacity and as a consumer protection and education advocate.

National Economic Update – The National Bureau of Economic Research (NBER) determined that the recession which began in December 2007 ended in June 2009. At that time an expansion began. The NBER was careful to note, however, that this did not mean economic conditions were favorable or that the economy has returned to normal. Rather, it indicated that economic activity at the beginning of the business cycle is generally below normal and may remain so for an extended period.

Issues that rose to the forefront in the last several years persist. Businesses continue to put off hiring until they have some certainty that the economy is improving. But consumers, recognizing the precariousness of their employment, remain reluctant to spend on nonessential goods. Since consumer spending is responsible for much of the U.S.'s economic activity, businesses are not likely to see economic activity pick up until employment improves. At the same time, the housing market remains dismal. In 2009 a record 2.8 million properties received foreclosure notices, up 21 percent from 2008 according to RealtyTrac. Since the start of the foreclosure crisis, numerous programs have been implemented to help homeowners stay in their homes. Through these various private and public programs, an estimated 1 million mortgage modifications have been made through 2010.

Health care, an issue thought to be largely settled with passage of the President's bill in March 2010, turned into a divisive political issue for the 2010 mid-term elections. In fact, it energized many people who ultimately became a formidable new grassroots political movement called the "Tea Party." Supporting candidates that agreed with it on health care and other initiatives geared

toward making government smaller and less intrusive, the Tea Party was a significant force behind the Republican victories seen in November 2010. On business issues, the Tea Party tended to support candidates favoring less government regulation and lower taxes. What effect this movement will have on financial regulation in the future remains to be seen.

The types of economic issues facing the U.S were also playing out in other countries. Greece, Britain, Spain, Germany, and France were among the nations that sought to make significant spending cuts to keep their budgets in check. These programs were not well received by many citizens and angry protesters took to the streets in some places. Some people speculate that the problems in one of these countries, Greece, precipitated torrential selling in the U.S. markets -- dubbed the "flash crash" -- that occurred in the U.S. in May 2010.

Idaho Economic Conditions – The Idaho economy has not recovered as quickly as originally anticipated since the proclaimed end of the recession in June 2009. Jobs data showed markedly poorer employment performance than expected, and housing prices continued to decline. As noted in the October 2010 *Idaho Economic Forecast*, published by the State of Idaho Division of Financial Management, Idaho's economic outlook was lowered from the one published in July. The two primary reasons for the revised forecast were the lowered outlook for the national economy, as forecast by IHS Global Insight, and weaker than anticipated growth in Idaho nonfarm employment in the first two quarters of 2010, which lowered the starting point for the Idaho employment forecast. Although Idaho's economic recovery may have been delayed, positive economic indicators suggest the recovery has not been denied. After 2010, Idaho nonfarm employment is expected to increase every year and, by 2013, gain back all jobs lost in 2009 and 2010. The increase in employment should help restore consumer confidence and stabilize the housing market; although, unemployment levels most likely will remain above the full-employment threshold beyond 2013.

Idaho-based financial institutions continued to be adversely impacted during fiscal year 2010 by poor real estate markets, high unemployment, and tight credit. Nonetheless, Idaho-based institutions increased market share of deposits during that period.

As of year-end 2009, institutions headquartered in Idaho continued to outperform institutions nationwide with higher levels of capital and lower delinquency levels; however, persistent asset

quality problems at Idaho institutions affected their earnings. Overall, Idaho-based institutions experienced losses last year due to increased provision expenses necessary to build loan loss reserves and cover loan charge-offs. Nonetheless, capital levels in Idaho-based institutions should enable them to face ongoing economic challenges and ensure their viability and presence in Idaho communities.

Credit unions as a whole, including Idaho-chartered credit unions, continued to grow and provide financial security to their membership, even during the current economic downturn. Idaho credit unions continued positive growth trends in assets, shares (deposits), and loans. As might be expected under the current economic conditions, delinquency ratios continued to rise in 2009. Overall, net worth decreased from 8.90 percent at year-end 2008, to 8.32 percent at year-end 2009, due to asset growth of 14.52 percent exceeding net worth growth of 7.01 percent. Three new credit union branches were approved and opened during the year, which provided additional choices for Idaho consumers.

Historic Legislation Becomes Law – To address factors believed to have contributed to the severity of the economic decline, the U.S. Congress recently passed historic financial regulatory reform legislation. This legislation, the Dodd–Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"), was signed into law by President Obama just after the close of the fiscal year. Dodd-Frank reaches virtually all aspects of financial regulation and is considered the most sweeping financial regulation since the Great Depression. Implementation of the new law by federal and state financial regulators will take place over the next two years.

The House Financial Services Committee issued a press release on June 29, 2010 summarizing key provisions of the bill. The release states in part:

* * *

HIGHLIGHTS OF THE LEGISLATION

Consumer Protections with Authority and Independence: Creates a new independent watchdog, housed at the Federal Reserve, with the authority to ensure American consumers get the clear,

accurate information they need to shop for mortgages, credit cards, and other financial products, and protect them from hidden fees, abusive terms, and deceptive practices.

Ends Too Big to Fail Bailouts: Ends the possibility that taxpayers will be asked to write a check to bail out financial firms that threaten the economy by: creating a safe way to liquidate failed financial firms; imposing tough new capital and leverage requirements that make it undesirable to get too big; updating the Fed's authority to allow system-wide support but no longer prop up individual firms; and establishing rigorous standards and supervision to protect the economy and American consumers, investors and businesses.

Advance Warning System: Creates a council to identify and address systemic risks posed by large, complex companies, products, and activities before they threaten the stability of the economy.

Transparency & Accountability for Exotic Instruments: Eliminates loopholes that allow risky and abusive practices to go on unnoticed and unregulated -- including loopholes for over-the-counter derivatives, asset-backed securities, hedge funds, mortgage brokers and payday lenders.

Executive Compensation and Corporate Governance: Provides shareholders with a say on pay and corporate affairs with a non-binding vote on executive compensation and golden parachutes.

Protects Investors: Provides tough new rules for transparency and accountability for credit rating agencies to protect investors and businesses.

Enforces Regulations on the Books: Strengthens oversight and empowers regulators to aggressively pursue financial fraud, conflicts of interest and manipulation of the system that benefits special interests at the expense of American families and businesses.

* * *

State Legislation and Rulemaking – In fiscal year 2010 (on July 1, 2009) amendments to the Idaho Residential Mortgage Practices Act that incorporated provisions of the federal Safe and Fair Enforcement Mortgage Licensing Act (S.A.F.E.) became effective. Under the provisions of the federal S.A.F.E. Act all states were required to adopt the minimum standards of the S.A.F.E.

Act and implement a mortgage loan originator licensing system by August 1, 2009, utilizing the Nationwide Mortgage Licensing System (NMLS). In conjunction with the adoption of the S.A.F.E. Act, the 2009 Idaho Legislature also adopted provisions requiring individuals and companies offering mortgage loan modification services for others in Idaho to obtain a license under the Idaho Residential Mortgage Practices Act. During fiscal year 2010, temporary rules adopted by the Department to implement provisions of the Idaho Residential Mortgage Practices Act, including the standards established by the S.A.F.E. Act, became final rules pursuant to the passage of a joint resolution by the 2010 Idaho Legislature. The S.A.F.E. Act is discussed in more detail in the Consumer Finance Bureau section of this Report.

REGULATORY AND EDUCATIONAL INITIATIVES

Significant changes in the regulatory and competitive structures of the financial services industry continue to occur. These changes require adaptation by both industry and regulators. The Department and its staff endeavor to improve the quality of its regulation and reduce regulatory burdens, while also expanding educational opportunities for both industry and consumers.

Regulatory Burdens and Related Costs – The Department continues its commitment to provide reasonable regulatory oversight without imposing excessive costs on industry. Idaho's overall regulatory fees are among the lowest of any state in the country. Moreover, annual assessments charged to banks and credit unions have been discounted from the statutory maximum amounts. This discount has resulted in significant savings for state-chartered financial institutions.

In addition to reducing fees, the Department has implemented ways to reduce other regulatory burdens without reducing the effectiveness of its regulatory oversight. For example, the Department continues to use its examination resources more effectively by reducing the number of staff hours spent in institutions that are healthy and that routinely gain high marks for financial and operational integrity.

Industry and Regulatory Cooperation and Education – The Department makes significant efforts to coordinate its activities with both industry and other regulatory agencies. Such

coordination and cooperation is increasingly important in an interstate, international and electronic commercial world. The Department meets regularly with industry trade associations and other state and federal regulators. The Department also continues its efforts to assist industry in understanding and complying with regulatory requirements.

During the course of each year, members of the Department's staff make presentations before various local industry groups. In many cases, the Department delivers information on current industry compliance issues, as well as helping industry to better understand how the Department operates. Often, these presentations result in an opportunity for industry participants to have specific issues and concerns addressed in an informal discussion setting. The Department's Consumer Finance Bureau publishes a bi-annual industry newsletter entitled *"The Idaho Compliance Connection"* as a tool to inform collection agencies, mortgage brokers, mortgage lenders, mortgage loan originators, regulated lenders, escrow agencies, and payday lenders about statutory and regulatory requirements and changes.

Throughout the year, the Department provides educational opportunities for industry participants. Programs presented this year included:

- The Department Director and Consumer Finance Bureau staff made presentations at the annual meeting of the Idaho Financial Services Association.
- The Department accepted an invitation to have a representative on the newly formed Advisory Board for Education of Idaho Mortgage Professionals.
- The Department co-sponsored the eighth annual Conference of State Bank Supervisors (CSBS) Colorado Graduate School of Banking Bank Directors Training Seminar in Coeur d'Alene in September 2009. Several prominent speakers shared current information on the financial crisis and banking environment, economic outlook, capital and liquidity strategies, and regulatory updates and restructuring.
- The Department and FDIC sponsored a CEO Roundtable and Compliance Training for state-chartered institutions in October 2009. FDIC Regional Director Stan Ivie and members of the FDIC's and Department's senior management met with senior management from most Idaho-chartered banks to discuss current and emerging regulatory issues, economic conditions, and examination procedures. Senior compliance staff of the FDIC San Francisco Regional Office provided information on hot topics in consumer

protection, the implementation and examination focus for new and changing regulations, and common pitfalls of recent examinations.

- The Director spoke at the annual and winter meetings of the Idaho and Oregon Bankers Associations and the Idaho Community Bankers Association.
- In February 2010, the Department participated in a meeting with bankers and non-profit housing organizations to provide training on the Neighborhood Stabilization Program's (NSP) "First Look" program. In this initiative, foreclosed properties will be provided to a clearinghouse developed at the Idaho Housing & Finance Association office that will offer these properties to the non-profit groups working in the NSP.
- The Department provided training and participated in educational sessions with numerous industry groups including: Ada County, Coeur d'Alene and Greater Twin Falls Associations of Realtors as well as the Idaho Real Estate Commission; Mortgage Industry Advisory Board; Idaho Mortgage Lenders Association; Certified Commercial Investment Members; Small Business Development Center; Idaho Credit Union League; The Eide Bailly Training Seminar for Bankers; and the Mountain West Bank Economic Symposium.

Consumer Educational Efforts – The Department has a long tradition of providing educational resources to Idahoans. The Department maintains an active "speakers bureau" and provides educational presentation materials on a variety of topics including investment fraud and consumer credit issues.

This year staff made presentations at: numerous high schools around the state; the College of Western Idaho; Boise State University through the University 101 classes, the Employee Learning and Development Program and during Victims Rights Week (this presentation was done by a Department deputy attorney general); the Idaho State Treasurer's Smart Women, Smart Money Financial Conference; the Idaho Business Education Association; the Idaho Conference on Housing sponsored by the Idaho Housing & Finance Association; the Idaho Homeowner Preservation Conference; the Idaho School for the Deaf and Blind, and many others.

The Department continued its partnership with the Idaho Council on Economic Education (ICEE) during the fiscal year. ICEE and the Department sponsor the "Stock Market Game" and

other financial education programs. The Department also participated in the ICEE's International Economic Summit in Boise. This Summit is geared toward junior and senior high school students in the Boise, Meridian, and Eagle school districts. During the Summit, students are divided into teams representing various countries throughout the world. The teams compete as "economic advisers" and work to better their country's economic situation as well as improve the world as a whole. Finally, the Department participated in the ICEE's International Economic Summit held in Nampa at Northwest Nazarene University later in the year.

Financial Literacy Month 2010 – Joining state securities regulators and a broad-based coalition of consumer groups and industry members, including the Idaho Financial Literacy Coalition (IFLC), the Department participated in the twelfth annual Financial Literacy Month during the month of April. On March 31, 2010 Governor C.L. "Butch" Otter signed a proclamation declaring April to be "Financial Literacy Month" in Idaho. This year the events that occurred during financial literacy month included weekly press releases on financial "hot topics," and presentations on financial topics to numerous community and government groups, high schools, and as part of the "That's Life" simulation during the Family, Community, Career, Leadership Association State Conference. The Get Smart Idaho coalition in northern Idaho once again hosted the area's Financial Literacy Week during April. Together, financial literacy proponents reached hundreds of Idahoans with the important message of getting financially literate.

Idaho Financial Literacy Coalition – The Department remained actively involved in the Idaho Financial Literacy Coalition (IFLC) again this year. The IFLC is comprised of a broad array of individuals from government, education, segments of the financial services industry, and for-profit and non-profit groups. The mission of the IFLC is to improve the quantity and quality of information and educational programs related to personal finance by providing resources and instruction to educators, youth leaders, and others in need of assistance or at financial risk.

Securities Investor Education Fund – The Department continues to stress the overall importance of financial literacy among Idahoans as a means to reduce the number of fraud victims and other investment related complaints. The Securities Investor Education Fund, established as part of the Idaho Uniform Securities Act, provides a source of funding for securities investor education and training. Since September 1, 2004, monies received as part of civil penalties and administrative fines have been used to establish a fund (up to $50,000 per year) for the education of Idaho investors.

Mortgage Recovery Fund **-** The 2009 Idaho Legislature approved a mortgage recovery fund intended for use to reimburse persons damaged because of violations of the Idaho Residential Mortgage Practices Act. Mortgage licensees pay into the fund as a part of initial license application and at the time of their annual license renewals. See Consumer Finance Bureau section for further details.

INDUSTRY RESULTS IN IDAHO

Banking in Idaho – In general, the banking industry made progress in recovering from the financial crisis. Total deposits in Idaho-based institutions increased over the prior period. Idaho state-chartered banks reported an increase in total deposits of $257 million or 5.9 percent in calendar year 2009. However, total assets in state-chartered institutions declined slightly to $6.0 billion or -1.02 percent from the previous year. As credit remained tight, banks invested increased liquidity in securities and interest bearing deposits.

The financial crisis adversely impacted all institutions nationwide. At the 2010 fiscal year-end, the FDIC reported 829 banks nationwide as designated problem institutions, all of which were under formal enforcement actions. These enforcement actions are designed to assist institutions avert possible failure. Idaho institutions under such actions are closely monitored by the Department and federal regulators as they work through specific challenges. Difficult economic conditions negatively affected many businesses and individuals, which directly impacted Idaho-chartered institutions. At fiscal year-end 2010, two state-chartered institutions were under formal enforcement actions. Idaho First Bank entered into a Consent Order with the Department and FDIC on February 10, 2010, and Idaho Banking Company entered into a Written Agreement with the Department and the Federal Reserve Board on March 10, 2010.

Credit Unions in Idaho – Idaho state-chartered credit unions continued to experience growth in assets, deposits, and net worth over the past calendar year. Total assets of state-chartered credit unions increased by $287.8 million or 14.48 percent, while total deposits increased by $184.1 million or 10.34 percent, and total aggregate net worth increased by $8.6 million or 4.94 percent to $183.3 million. Idaho-based credit unions also experienced strong growth in total assets, growing $499.2 million or 13.45 percent. Total deposits grew by $400 million or 12.16 percent, and total net worth increased by $6.7 million or 1.84 percent.

Consumer Finance – By the end of fiscal year 2010 the Department observed a decline in the rate of residential mortgage loans that were either seriously delinquent or in foreclosure. Although these rates remained higher than at the end of fiscal year 2009, they had fallen from a high of 7.17 percent as of December 31, 2009, to 6.75 percent as of June 30, 2010. This year,

the Department had regulatory oversight responsibility for 455 licensed regulated lender and title lender office locations, 216 licensed payday lender office locations, 7,880 licensed mortgage broker/lender office locations, 2,478 individual mortgage loan originator licensees, and 41 licensed escrow agency locations. In addition, the Consumer Finance Bureau had regulatory oversight responsibility for 559 licensed collection agencies. The number of collection agency solicitors/collectors registered in Idaho was 36,916 at fiscal year end.

Securities – The Securities Bureau processed more than 93,000 submissions in fiscal year 2010, up more than 5 percent from the prior year. The Bureau's oversight also extends to nearly 83,000 individuals who currently hold Idaho registrations as broker-dealer agents, investment adviser representatives and issuer agents. This represents a 6.45 percent increase over the prior fiscal year. Through civil and administrative sanctions, the Bureau obtained orders for approximately $10.2 million in rescission for Idaho investors. The potential financial impact of securities cases under investigation or in the process of resolution during the fiscal year exceeded $330 million.

FINANCIAL INSTITUTIONS BUREAU

Idaho Bank Act
Idaho Bank Holding Company Act
Idaho Financial Fraud Prevention Act
Idaho International Banking Act
Idaho Interstate Banking Act
Idaho Interstate Branching Act
Idaho Trust Institutions Act
Idaho Savings Bank Act
Business and Industrial Development Corporation Act
Idaho Credit Union Act

The Financial Institutions Bureau is responsible for promoting the safety and soundness of state-chartered commercial banks, savings banks, credit unions, bank holding companies, trust companies, and business and industrial development corporations operating in Idaho. The Bureau ensures that these institutions are operating safely and soundly, that the public can have confidence in the financial system, and that the interests of depositors, creditors and shareholders are protected. The Bureau is responsible for enforcement of the Idaho Bank Act, Idaho Bank Holding Company Act, Idaho Financial Fraud Prevention Act, Idaho Interstate Branching Act, Idaho Interstate Banking Act, Idaho International Banking Act, Idaho Savings Bank Act, Idaho Trust Institutions Act, Idaho Credit Union Act, and the Business and Industrial Development Corporation Act. The Bureau supervises state-chartered institutions by providing high quality supervision directed at identifying material problems, or emerging problems, in individual institutions or the financial services industry, and ensuring that such problems are appropriately corrected. The Bureau monitors and evaluates the financial health of state-chartered institutions, along with the various risks facing these institutions, through the on-site regulatory examination process and off-site monitoring program. The Bureau also investigates complaints against state-chartered financial institutions filed with the Department.

The Bureau works closely with federal and other state regulators to provide our industries seamless supervision, minimal disruption and costs, and effective use of resources. Teams for examinations normally include both state and federal examiners. We support the "single point of contact" process for state-chartered institutions operating on a multi-state basis.

The Bureau is strongly committed to providing effective regulation without excessive costs. Our fees remain among the lowest in the nation. This results in significant savings for state-chartered banks. We do not charge examination fees and process most applications for nominal, or no fees. Idaho financial institutions incur significantly less in regulatory costs than their federal counterparts.

Recent challenges in the state and national economies have impacted our citizens and the institutions we regulate. We are responding through the prudent and efficient oversight of financial institutions, by the administration of laws enacted by the Idaho Legislature, and by applying appropriate enforcement actions where necessary.

***National Accreditation* -** The Conference of State Bank Supervisors (CSBS) and the National Association of State Credit Union Supervisors (NASCUS) have established accreditation standards for both bank and credit union supervision and regulation. The accreditation process requires a comprehensive review of all factors needed to have a fully functional regulatory organization. The bank and credit union sections were initially accredited in 1990. Every year the accreditation committee requires updated information to maintain accredited status; a full-scale re-accreditation occurs on-site every five years and took place in 2010. The Department's banking and credit union programs have been continuously accredited by CSBS and NASCUS since 1990.

***Education and Examiner Training* -** Continuing education and training continue to be very important elements to maintaining accreditation, as well as maintaining the confidence of those we regulate. The Department aggressively supports educational opportunities for its examiners. During fiscal year 2010, examiners attended training sessions provided or sponsored by the Federal Deposit Insurance Corporation, the Federal Reserve System, the Conference of State Bank Supervisors, the Pacific Coast Banking School, the National Credit Union Administration, and the National Association of State Credit Union Supervisors. The ten examiners assigned to the banking section attended 11 weeks of off-site training during the fiscal year, and the six credit union examiners attended 24 weeks of training.

***Legislation and Regulation* -** Important legislation and regulations were enacted during this fiscal year. These laws addressed the serious financial challenges facing the economy and the country's financial systems.

In October 2009, the NCUA Board of Directors adopted action to begin repayment of its Treasury borrowing for the "corporate credit union stabilization plan." The NCUA assessed a combined premium of 15 basis points of insured shares. The Board authorized the billing and collection of a previously announced assessment of 0.30 percent of insured shares and passed a new assessment for repayment of a portion of the funds borrowed by the Corporate Credit Union Stabilization Fund.

In November 2009, the FDIC issued a rule requiring insured depository institutions to prepay slightly over three years of estimated insurance assessments. The prepayment allowed the FDIC to strengthen the cash position of the Deposit Insurance Fund quickly without immediate impact to industry earnings. Banks will book the payments at the end of each quarter. While the prepayment immediately improved the FDIC's liquidity, it did not have an impact on the fund balance. The rule also allows institutions to apply for an exemption from all or part of the prepayment requirement if the fee would significantly impair the institution's liquidity or create a significant hardship. The exemption is subject to review by the FDIC on a case-by-case basis.

The Federal Reserve Board adopted final rules in November 2009 that prohibit financial institutions from charging consumers fees for paying overdrafts on automated teller machine (ATM) and one-time debit card transactions, unless a consumer consents, or opts in, to the overdraft service for those types of transactions. The rule also requires that financial institutions provide consumers a notice that explain overdraft services offered, fees associated with the service, and the consumer's choices. For consumers who do not opt in, the institution is prohibited from charging overdraft fees for any overdrafts it pays on ATM and one-time debit card transactions. The final rules were issued under Regulation E, which implements the Electronic Funds Transfer Act. The rule went into effect on July 1, 2010.

In December 2009, the U.S. Treasury extended the Troubled Asset Relief Program (TARP) to October 3, 2010, due to remaining challenges for homeowners and small businesses during the economic recovery. Use of the program was limited to mitigating foreclosures, helping small

businesses, providing capital to community banks, increasing the Term Asset Backed Securities Loan Facility, or other purposes necessary to stabilize the financial industry.

In April 2010, the FDIC approved an interim rule to extend the Transaction Account Guarantee (TAG) program to December 31, 2010. The TAG program guarantees non-interest-bearing transaction deposit accounts above $250,000, regardless of dollar amount, in participating institutions. Under the TAG program, customers of participating insured depository institutions receive full coverage on transaction accounts, as well as NOW accounts that pay minimal interest. The TAG extension provided an uninterrupted stable funding source for participating banks.

The regulatory reform bill, known as the Dodd-Frank Wall Street Reform and Consumer Protection Act, was signed into law by President Obama in July 2010. Some of the key provisions of the final legislation relative to banking include:

- The dual banking system remains intact, and state-chartered banks continue to have a choice in their federal prudential regulator, as the Federal Reserve's role as a supervisor of state member banks is preserved.
- Banks will have de novo branching authority on par with thrifts.
- The thrift charter survives, and the Office of Thrift Supervision will be merged into the Office of the Comptroller of the Currency.
- Bank holding companies with $15 billion in assets and under will have permanent grandfathering of capital treatment for existing Trust-Preferred Securities.
- The 10 percent nationwide deposit cap from the Riegle Neal Interstate Branching Act will apply equally to banks and thrifts.
- The Federal Reserve will now be responsible for conducting bank-like examinations for non-bank subsidiaries of bank holding companies engaged in bank-like activities. Where those subsidiaries are state-chartered/licensed, the Federal Reserve will be required to coordinate with state regulators and may do joint and alternating examinations with the States.
- The new Consumer Financial Protection Bureau (CFPB) will be an independent agency housed within the Federal Reserve and funded by the Federal Reserve.
- The CFPB will be required to coordinate with state regulators in various aspects of its responsibilities, including supervision and registration.

- The state-federal balance with regard to national bank preemption has been significantly re-balanced with a new requirement that preemption for national banks may only occur on a case-by-case basis and according to the "prevent or significantly interfere" standard.
- State Attorney Generals will have the authority to enforce the CFPB's rules against national banks.
- Small banks with $10 billion or less in assets are carved out from CFPB supervision and enforcement, both of which are left to prudential regulators.
- FDIC insurance was permanently increased to $250,000, retroactive to January 1, 2008, which makes the increase applicable to banks that failed between January 1 and October 3, 2008, and reduced the number of uninsured depositors at these failed institutions from more than 10,000 to about 500.
- Banks are now allowed to pay interest on business checking accounts.
- The FDI Act will be amended to provide temporary unlimited deposit insurance coverage for noninterest bearing transaction accounts for two years starting December 31, 2010. As such, the FDIC will not extend the TAG program beyond the December 31, 2010, expiration date for such coverage, and NOW and IOLTA accounts will no longer qualify for the temporary coverage.

Although the signing of the regulatory reform legislation signaled the official end to a several month battle, the tougher task of implementing the new law remains.

BANKING SECTION

The Banking Section is charged with the responsibility of supervising Idaho's state-chartered commercial banks, savings banks, and bank holding companies to ensure safe and prudent banking practices for the benefit of depositors and shareholders, to maintain public confidence in the banking system, to promote fair competition, and to encourage the continuation, maintenance, and preservation of the dual banking system. The Banking Section also licenses and supervises financial institution trust departments, and business and industrial development corporations (BIDCOs).

As of June 30, 2010, there were eight bank holding companies, fifteen commercial banks (four with trust powers), and one BIDCO under the Banking Section's direct supervision. The Banking Section also has regulatory oversight responsibilities, as the host state supervisor, for eight state-chartered banks operating in Idaho and chartered by other states. As of June 30, 2010, these institutions held $1.9 billion of Idaho deposits and operated 73 offices throughout the state: AmericanWest Bank (9 branches), Banner Bank (8 branches), Inland Northwest Bank (4 branches), Sterling Savings Bank (18 branches), and Washington Trust Bank (13 branches) are chartered by the State of Washington; Bank of the West (7 branches) is chartered by the State of California; Bank of the Cascades (13 branches) is chartered by the State of Oregon; and Lewiston State Bank (1 branch) is chartered by the State of Utah. As a host state supervisor, the Banking Section also has indirect supervision over eleven out-of-state bank or financial holding companies with banking operations in Idaho.

In fiscal year 2010, the Banking Section completed 13 risk management examinations, 7 consumer compliance examinations, and 3 trust examinations. In conjunction with the risk management examinations, the Banking Section also performed information technology examinations and Bank Secrecy Act examinations. The Banking Section participated in 10 risk management visitations, 1 consumer compliance visitation, and 1 coordinated supervisory review of an out-of-state bank holding company.

IDAHO BANKING INDUSTRY REVIEW

Performance and Condition of Idaho Financial Institutions **-** As of June 30, 2010, there were 18 financial institutions (15 state-chartered banks, 1 national bank, and 2 federal thrifts) based in Idaho with combined assets of $7.6 billion, net loans and leases of $5.1 billion, and deposits of $6.0 billion[1]. While Idaho-based financial institutions continued to outperform institutions nationwide with higher capital and lower net loan charge-off levels, they continued to incur net earnings losses due to asset quality issues. As of June 30, 2010, the core capital ratio for Idaho-based institutions was stronger at 11.98 percent versus 8.77 percent for institutions nationwide. Idaho institutions reported net charge-offs to loans of 2.63 percent, up from 1.83 percent a year earlier, but below the 2.74 percent reported for institutions nationwide. The percentage of Idaho's noncurrent loans to total loans increased from 3.74 percent to 5.98 percent and exceeded the 5.22 percent for the nation. The return on average assets (ROA) for both Idaho institutions and all institutions nationwide improved as provision expense declined. Nationwide, banks realized a 1,882 percent increase in earnings from $2.0 billion to $40.1 billion that translated to an increased ROA of 0.61 percent, up from 0.03 percent. Earnings performance for Idaho institutions lagged behind banks nationwide as these institutions continued to incur losses, albeit at lower levels than the previous year. Losses at Idaho institutions were $10.5 million or nearly half of the $20.6 million reported the previous year. Consequently, the ROA for Idaho institutions improved from -0.55 percent to -0.28 percent.

Idaho continued to experience slow economic growth, rising unemployment, and deteriorating real estate markets through fiscal year 2010. Idaho's nonfarm employment did not perform as strongly this summer as anticipated in the previous economic forecast, falling in the first quarter and flattening out in the second quarter of 2010. Idaho economists lowered the growth trajectory for Idaho nominal personal income due to a dampened job outlook. Although Idaho's economic recovery has been somewhat delayed, some positive indicators such as improvement in the technical and services and trade sectors indicate that job growth will resume. Current Idaho economic forecasts utilize a reasonable, albeit lower, growth rate that will recoup by 2013 all of the jobs lost in 2009 and 2010. Job creation is key for recovery of Idaho's housing market. In concert with national forecasts, the housing market is projected to begin improving by 2012.

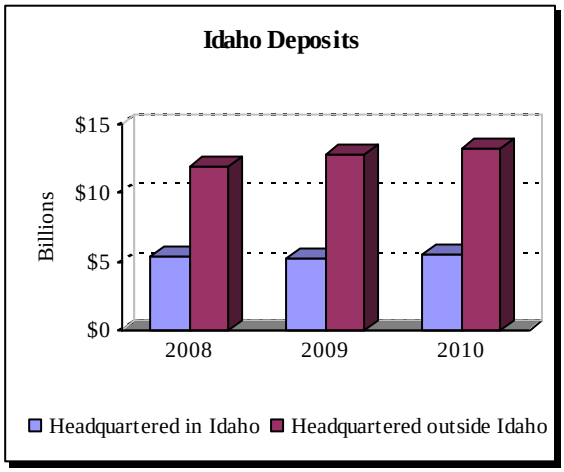
[1] Source: FDIC Statistics on Depository Institutions

Prices in Idaho's housing market continued to fall, which will most likely continue to affect financial institutions' performance. Recovery in this area will likely lag the rest of the nation due to excess supply and high foreclosure rates. Nonetheless, Idaho's favorable business costs and business-friendly environment is poised to draw higher value-added services to the state.[2]

Because of the housing correction and regulatory guidance, Idaho banks have implemented procedures to monitor their exposures to real estate lending. Risk management examinations have disclosed generally robust real estate lending policies and forward-looking risk management practices.

Idaho Deposits Increase - There were 35 commercial banks and savings institutions operating 541 offices (two fewer offices than the previous year) competing for deposits in Idaho as of June 30, 2010. Institutions headquartered outside of Idaho continue to hold a large percentage of Idaho deposits (70.4 percent), but the 18 institutions based in Idaho gained market share and hold 29.6 percent of Idaho deposits, up from 29.4 percent of the market share last year.

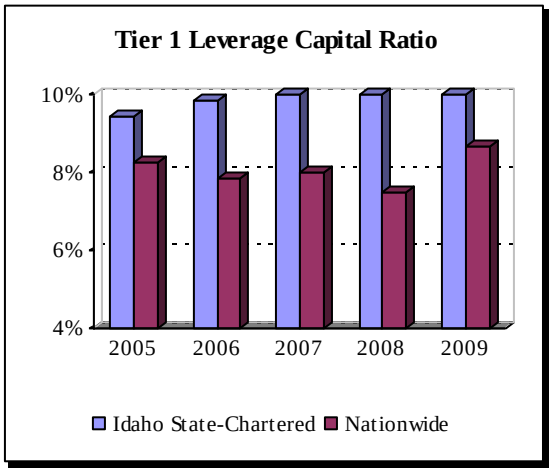
Total deposits in Idaho increased 3.7 percent during the year, to $18.7 billion as of June 30, 2010. Deposits of institutions based in Idaho increased 4.3 percent, while institutions based outside Idaho increased market share to a lesser degree by 3.5 percent to $13.1 billion.



[2] Moody's Analytics, August 2010

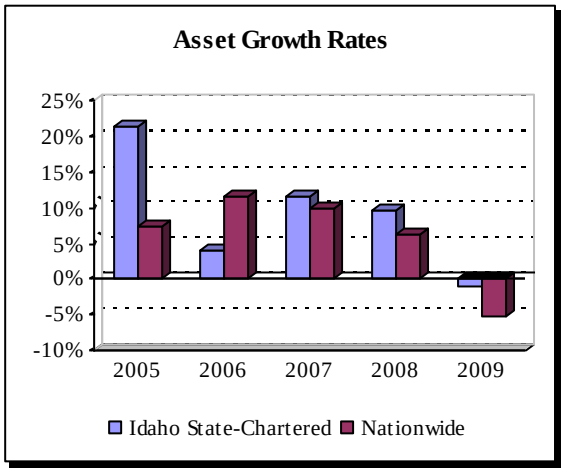
Capital Levels Decrease at State-Chartered Banks

Idaho state-chartered banks reported a decrease in the average Tier 1 Leverage Capital ratio from 11.31 percent as of December 31, 2008, to 11.01 percent as of December 31, 2009. This ratio greatly exceeded the 8.63 percent average of all banks in the nation. Total equity capital of state-chartered banks declined 1.19 percent in 2009 from $713 million to $704 million. However, state-chartered banks reported increases in other key capital measurements with the average Tier 1 Risk-Based Capital ratio increasing from 13.33 percent to 13.73 percent, and the average Total Risk-Based Capital ratio increasing from 14.56 percent to 14.98 percent, comparing favorably to the national average of all banks of 11.66 percent and 14.31 percent, respectively.



Asset Size Declines in State-Chartered Banks

Idaho state-chartered banks reported total assets of $6.0 billion as of December 31, 2009, a slight 1.0 percent decrease from $6.1 billion on December 31, 2008. This decrease was less than the 5.3 percent decrease in asset size experienced by banks nationwide. The disparity in 2006 was due to the acquisition of an Idaho state-chartered institution by an out-of-state bank.

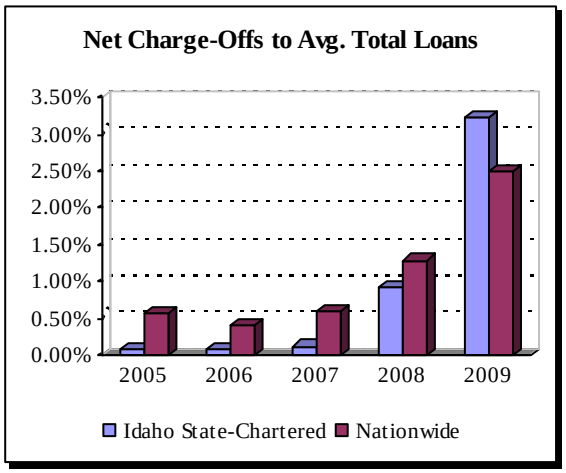


The largest decrease to asset size occurred in total loans and leases for both Idaho-chartered banks and banks nationwide. As borrowers defaulted on construction and development loans, and real estate collateral value evaporated, banks were obligated to charge off, either partially or entirely, these loans. Loans and leases held by Idaho-chartered banks totaled $4.3 billion as of year-end 2009, a reduction of $250 million or 5.5 percent, compared to a $592 billion or 7.5 percent reduction reported for all banks nationally. Construction and land development loans held by state-chartered institutions declined 28.3 percent from $1.2 billion to $859 million, the

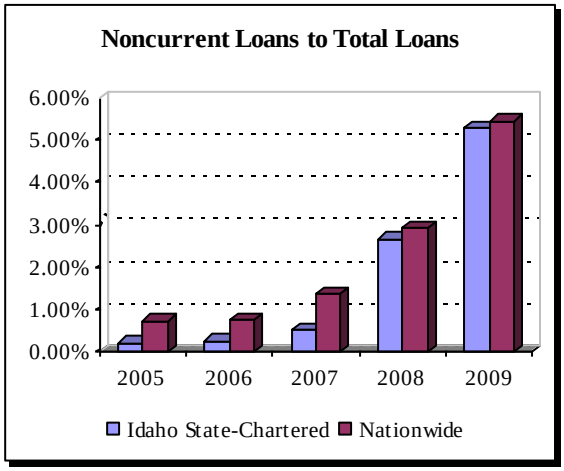
largest portion of which consisted predictably of a 43.1 percent decline in residential construction.

Idaho state-chartered banks reported $4.6 billion in total deposits as of December 31, 2009, an increase of $257 million or 5.9 percent from the $4.4 billion reported as of December 31, 2008. The deposit growth rate exceeded the prior year's 4.5 percent growth rate, as well as the deposit growth rate of 2.11 percent for all banks nationwide, which improved liquidity positions.

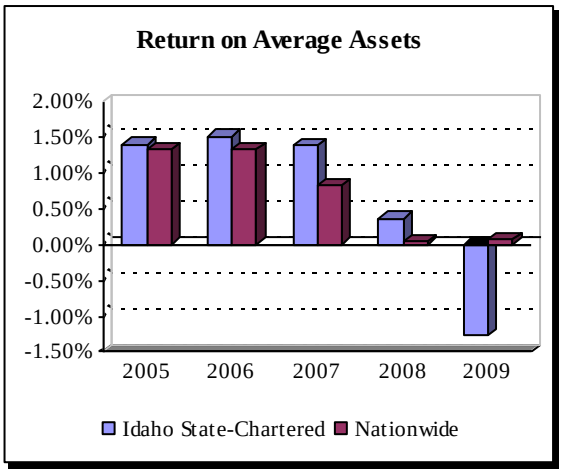
Asset Quality and Earnings **-** In concert with the continuing challenges in the economy, Idaho state-chartered banks reported declining asset quality. Net charge-offs to total loans and leases for Idaho state-chartered banks increased from 0.93 percent in 2008 to 3.24 percent in 2009, which exceeded the national average of 2.50 percent.



Noncurrent loans to total loans for state-chartered banks increased from 2.67 percent to 5.29 percent. This rate was slightly less than the national rate of 5.44 percent, which indicates Idaho's level of noncurrent loans has lagged the national level. Idaho state-chartered banks also reported lower reserves for possible loan losses than for all banks nationwide. The allowance for loan and lease losses for Idaho state-chartered banks stood at 2.88 percent of total loans as of December 31, 2009, compared to 3.14 percent for all banks nationwide.



Idaho state-chartered banks reported losses of $76.2 million in 2009, a 465 percent decline over earnings of $20.9 million in 2008. Net interest income decreased 1.9 percent during 2009 to $244.5 million, due to low yields on earning assets. The net interest margin for state-chartered institutions contracted 24 basis points from 4.71 percent to 4.47 percent at year-end 2009. The negligible loss (-0.5 percent) of non-interest income coupled with the 2.1 percent increase in non-interest expense further reduced income. Earnings for state-chartered institutions were primarily affected by the amount of provisions allocated to loan loss reserves. Provisions for loan and lease losses increased 179.6 percent from $66.4 million at year-end 2008 to $185.7 million at year-end 2009. All of these factors contributed to the overall decline in the year-end return on average assets (ROAA) for Idaho-chartered institutions. ROAA for Idaho state-chartered banks fell 163 basis points from 0.36 percent in December 2008 to -1.27 percent in December 2009, while the ROAA for banks nationwide increased from 0.03 percent to 0.07 percent over the same period. The greater decline in ROAA for Idaho-chartered banks is indicative of lingering asset quality issues.



Commercial Banks Based in Idaho
Aggregate Condition and Performance

IDAHO BANKS	6/30/2010	6/30/2009	$/# Change	% Change	12/31/2009	12/31/2008	$/# Change	% Change
(dollar figures in millions)								
Number of institutions reporting	16	16	0	0%	16	16	0	0%
Total employees (full-time equivalent)	2,008	2,088	-80	-4%	2,058	2,110	-52	-2%
AGGREGATE CONDITION AND INCOME DATA								
Net income (year-to-date)	-8	-21	13	-62%	-81	25	-106	-424%
Total assets	6,351	6,444	-93	-1%	6,380	6,448	-68	-1%
Earning assets	5,753	5,908	-155	-3%	5,776	5,916	-140	-2%
Total loans & leases	4,409	4,839	-430	-9%	4,601	4,846	-245	5%
Other real estate owned	57	59	-2	-3%	56	33	23	70%
Total deposits	5,013	4,805	208	4%	4,992	4,733	259	5%
Equity capital	779	778	1	0%	750	764	-14	-2%
PERFORMANCE RATIOS (YTD, %)			**BP Change**				**BP Change**	
Yield on earning assets	5.27	5.84	-57		5.76	6.74	-98	
Cost of funding earning assets	1.12	1.41	-29		1.35	2.09	-74	
Net interest margin	4.14	4.43	-29		4.41	4.64	-23	
Noninterest income to earning assets	0.98	1.09	-11		1.06	1.11	-5	
Noninterest expense to earning assets	4.02	3.94	8		4.01	3.93	8	
Net charge-offs to loans & leases	2.65	1.96	69		3.13	0.88	225	
Credit-loss prov. to net charge-offs	76.29	164.06	-8,777		134.22	160.33	-2,611	
Net operating income to assets	-0.27	-0.71	44		-1.31	0.40	-171	
Retained earnings to average equity	-2.53	-8.77	624		-12.65	2.06	-1,471	
Pre tax return on assets	-0.40	-0.91	51		-1.73	0.60	-233	
Return on assets	-0.25	-0.66	41		-1.26	0.41	-167	
Return on equity	-2.11	-5.48	337		-10.47	3.42	-1,389	
CONDITION RATIOS (%)								
Net loans and leases to assets	67.49	73.29	-580		69.97	73.81	-384	
Loss allowance to:								
Loans and leases	2.78	2.41	37		2.99	1.78	121	
Noncurrent loans and leases	46.19	59.05	-1,286		52.61	68.69	-1,608	
Noncurrent loans to total loans	6.02	4.08	194		5.68	2.59	309	
Nonperforming assets to total assets	5.09	3.97	112		4.97	2.45	252	
Core deposits to total liabilities	71.97	68.63	334		71.35	68.41	294	
Equity capital to total assets	12.27	12.07	20		11.76	11.85	-9	
Core capital (leverage) ratio	11.30	11.57	-27		11.00	11.41	-41	
Total capital to risk-weighted assets	15.97	15.09	88		14.97	14.71	26	
1-4 family mortgages to total assets	13.48	13.13	35		13.31	12.70	61	
Total real estate loans to total assets	48.84	52.00	-316		50.11	52.36	-225	

***Branch and Relocation Application Activity* -** Branch expansion among community banks did not occur in fiscal year 2010. Two Mountain West Bank branches in Sandpoint, Idaho, were consolidated at the 1319 Highway 2 location. One relocation request for The Bank of Commerce was approved, pending completion of construction of the new Blackfoot branch in December 2010. The new branch is located at 624 Jenson Grove Drive in Blackfoot, Idaho.

TRUST DEPARTMENTS AND TRUST COMPANIES

The Banking Section is responsible for enforcing the *Idaho Trust Institutions Act* and currently supervises the trust departments of four state-chartered banks. These trust departments primarily administer personal trusts, agency accounts, safekeeping, and non-complex employee benefit accounts. The employee benefit accounts are mostly self-directed IRAs and 401(k) accounts.

Total trust assets under supervision decreased by 4.15 percent during the year to $405.2 million as of December 31, 2009, consisting of $272.3 million in managed assets, and $132.9 million in non-managed assets.

The Department has approved three out-of-state trust companies to operate in Idaho. Two of these companies—First Capital Surety and Trust Company (Sioux Falls, South Dakota), and U.S. Trust Company of Delaware (Wilmington, Delaware) —have no offices in Idaho. State Bank & Trust (Fargo, North Dakota), operates a representative trust office in Boise. These out-of-state trust companies are supervised in accordance with the terms of the Nationwide Cooperative Agreement for Supervision and Examination of Multi-State Trust Institutions, with the home state regulator as the single point of contact.

	12/312009 ($ amounts in thousands)	12/31/2008 ($ amounts in thousands)	$/# Change	% Change
Fiduciary powers granted	7	7	0	0.00%
Fiduciary powers exercised	4	4	0	0.00%
Fiduciary or related activity	4	4	0	0.00%
Number of fiduciary and related asset accounts	2,106	1,689	417	24.69%
Number of managed accounts	1,007	1,046	-39	-3.73%
Number of non-managed accounts	1,099	643	456	70.92%
Total fiduciary and related assets ($)	405,189	422,725	-17,536	-4.15%
Managed assets ($)	272,251	294,553	-22,302	-7.57%
Non-managed assets ($)	132,938	128,172	4,766	3.72%

BUSINESS AND INDUSTRIAL DEVELOPMENT CORPORATIONS

On July 1, 1989, the Business and Industrial Development Corporation Act became effective, authorizing an alternative form of financial institution. The Act authorizes the formation of business and industrial development corporations (BIDCOs) to provide financing and management assistance to new or expanding companies.

Working closely with the Small Business Administration, other federal financial assistance programs, local economic development organizations, and traditional commercial lenders, BIDCOs are licensed to increase the level and quality of financial services available to the small business community in Idaho. This financial assistance has led to the creation or retention of an estimated 1,512 permanent jobs in the state. The Idaho Company, located in Idaho Falls, is the only licensed BIDCO currently operating in Idaho.

Business and Industrial Development Corporations

Activity for Calendar Year 2009	Number	Dollar Amount
Number and dollar amount of financing assistance provided to business firms:	4	$50,300
Number and dollar amount of financing assistance provided to minority-owned and woman-owned business firms:	2	$36,200
Estimated number of jobs created or retained through financing assistance:	5	NA
Activity Since Inception	**Number**	**Dollar Amount**
Number and dollar amount of financing assistance provided to business firms:	244	$26,142,719
Number and dollar amount of financing assistance provided to minority-owned and woman-owned business firms:	24	$2,050,716
Estimated number of jobs created:	998	NA
Estimated number of jobs retained:	374	NA

CREDIT UNION SECTION

The Credit Union Section is charged with the responsibility of supervising all Idaho state-chartered credit unions and ensuring compliance with the Idaho Credit Union Act and numerous federal regulations. As of June 30, 2010, there were 39 credit unions under the Credit Union Section's direct supervision. The Section has additional responsibilities, as the host-state supervisor, for five state-chartered credit unions operating in Idaho and chartered by other states. Washington-chartered Global Credit Union has branches in Coeur d'Alene, Moscow, and Post Falls; Horizon Credit Union has branches in Coeur d'Alene, Ponderay, Post Falls, and Sandpoint; Numerica Credit Union has branches in Coeur d'Alene and Hayden; and Spokane Teachers Credit Union has branches in Dalton Gardens, Ponderay, and Post Falls. California-chartered Silverado Credit Union operates one branch in Nampa.

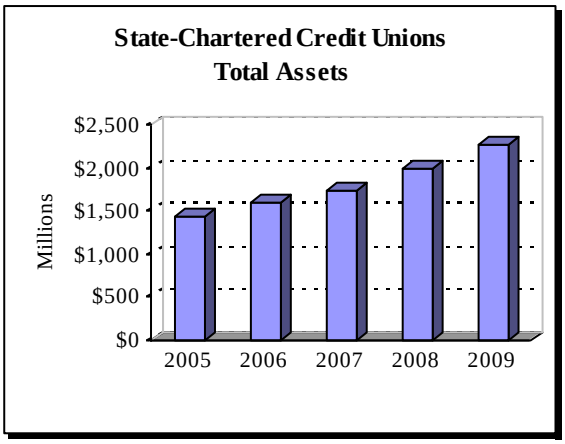
The Department enjoys an excellent working relationship with other state and federal credit union regulators and a private insurer. The Credit Union Section is an active participant in the National Association of State Credit Union Supervisors (NASCUS); the Financial Institutions Bureau Chief currently serves on the NASCUS Board of Directors. NASCUS actively coordinates with all state credit union regulatory agencies and the NCUA on a variety of credit union regulatory issues.

Branching Activity **-** During fiscal year 2010, three credit unions were approved for new branches: Idaho Central Credit Union for a branch in Boise, Idaho; Icon Credit Union for a branch in Meridian, Idaho; and Lewis Clark Credit Union for a branch in Clarkston, Washington.

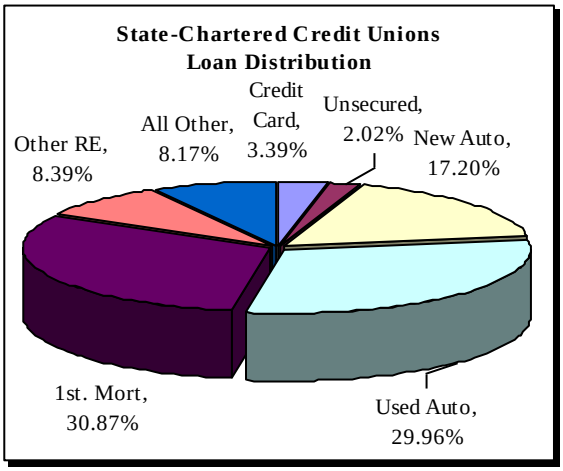
Enforcement Actions **-** During the 2010 fiscal year, the Credit Union Section assisted in an investigation of a former credit union employee suspected of fraud involving member accounts at a credit union in Burley. Investigative findings provided the basis for an Order to Cease and Desist, which was issued by the Director of the Idaho Department of Finance on October 19, 2009.

Performance and Condition of Idaho Credit Unions **-** Credit unions as a whole, including state-chartered credit unions in Idaho, have continued to grow and provide financial security to their membership even during the current economic downturn. The information used to compile the dollar figures and ratios presented in the following charts and narrative comments was derived from the consolidated Call Reports filed by Idaho's state-chartered credit unions for the period ending December 31, 2009.

Growth **-** Idaho state-chartered credit unions continued to grow in 2009. Total assets grew by $288.6 million, providing a growth rate of 14.52 percent, which was slightly less than the 14.92 percent rate achieved in 2008.

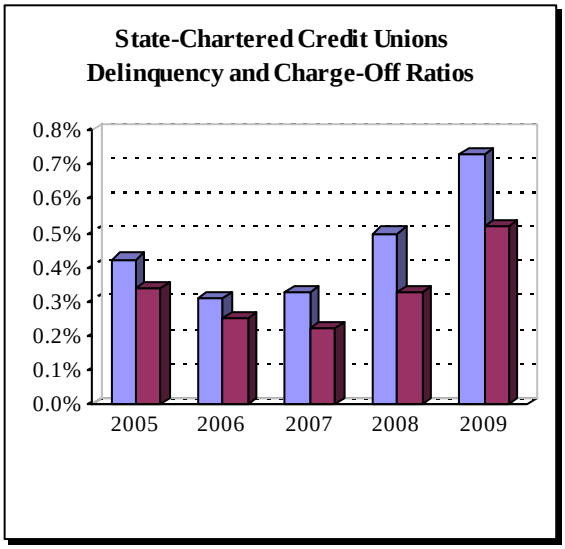


Loan Trends **-** Total loans continued to grow in 2009. Loan growth for the year was 7.88 percent. This rate was a significantly slower growth rate than the 15.62 percent achieved in 2008. Total loans for state-chartered credit unions are now slightly over $1.6 billion, an increase of nearly $118.8 million. First Mortgage Real Estate Loans grew by 11.17 percent in 2009 despite the perceived slow down in the issuance of these types of loans by all financial institution, both locally and nationally. The First Mortgage Real Estate Loans section remains the largest segment of total loans at 30.87 percent. The second largest loan segment continues to be Used Autos, representing 29.96 percent of total loans. In 2009, the Used Auto segment displaced Other Real Estate Loans as the fastest growing loan segment and grew at a rate of 13.37 percent, which created a segment total of $487.0 million. This segment's growth rate was followed closely by the growth achieved in Unsecured Credit Card Loans, which equaled 13.16 percent and provided a total for this segment of $55.1 million. The past

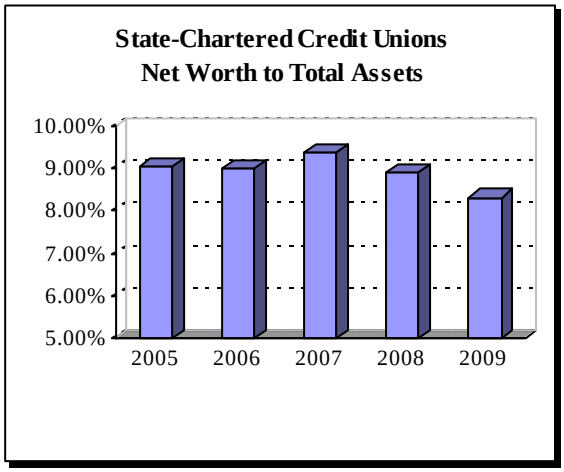


leader in growth in 2007 and 2008, Other Real Estate Loans and Lines of Credit, which includes home equity lines of credit (HELOC) and second mortgages, receded -1.26 percent in 2009.

Delinquency Trends **-** As demonstrated in the chart, a four-year trend of increasing loan delinquencies continues and currently stands at 0.76 percent of total loans. The dollar amount of delinquent loans as of December 31, 2009, was $12.3 million, an increase from $7.9 million in 2008. The amount of net charge-offs also increased in 2009 to $8.5 million, a 78.41 percent increase over the 2008 level of $4.8 million. The ratio of loans charged off to total loans increased from 0.34 percent in 2008 to 0.54 percent in 2009.



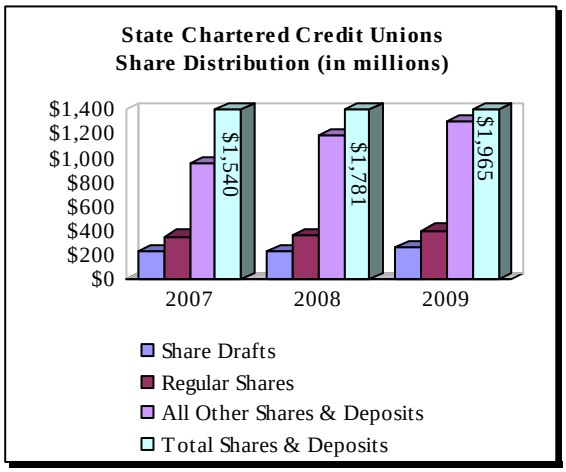
Net Worth **-** The Net Worth to Total Assets ratio decreased from 8.90 percent in 2008 to 8.32 percent in 2009. The total dollars of net worth increased to $183.3 million, an increase of nearly $10.0 million from 2008. The decline in the net worth ratio was due to assets increasing at a faster rate (14.52 percent) than total net worth (7.01 percent).



Operating Results **-** Net income for 2009 was $12.4 million, an increase of $9.54 million from 2008. Interest income remains the largest source of income for Idaho state-chartered credit unions. The total interest income for 2009 was $104.0 million, compared to $105.4 million in 2008. Interest on loans accounted for $95.1 million of the $104.0 million total interest income. The largest interest expense remains interest paid on deposits at $26.6 million, representing 73.14 percent of total interest expense. The largest noninterest income remains fee income, which increased to $18.1 million in 2009 from $17.4 million in 2008. The largest noninterest expense is employee compensation and benefits at $42.3 million, which increased $2.6 million

from 2008. The return on average assets (ROAA) for 2009 was 0.58 percent, an increase of 43 basis points over the 2008 ROAA aggregate. The increase in this ratio is a result of falling interest expense, higher other operating income, and controlling noninterest expense.

Share Trends **-** Total shares increased 10.3 percent to nearly $2.0 billion in 2009. Regular shares account for 20.45 percent of total shares, a decrease from 20.52 percent in 2008. Growth in 2009 was centered in Money Market Shares, which grew by 37.99 percent. The largest segment of shares and deposits continues to be Share Certificates at $763.8 million, which have fallen by 1.49 percent from the 2008 level of $775.3. Even with the decrease, Share Certificates still represent 38.88 percent of Shares and Deposits.



Liquidity Trends **-** Cash and cash equivalents as a percent of assets increased to 16.73 percent, or $184.6 million, in 2009. Loan growth slowed in 2009 to 7.88 percent as compared to the 15.62 percent achieved in 2008. As of December 31, 2009, the Total Loans to Assets ratio stood at 71.41 percent. Investments realized a 30.14 percent growth rate from 2008 and equaled $354.8 million. Additionally, Idaho state-chartered credit unions non-share borrowings have increased significantly, as demonstrated by the change in Other Notes, Promissory Notes, Interest Payable, and Draws against Lines of Credit, which were $7.23 million for 2008, and now stand at $103.2 million.

Summary **-** Overall, state-chartered credit unions in Idaho remain financially viable and operate within their charters and the Idaho Credit Union Act. Credit union managers continue to monitor their credit portfolios and economic trends to enable them to more effectively mitigate their individual institution risk and manage the stress provided by the credit crisis. State-chartered credit unions continue to encourage thrift among their members and ensure that their members have access to credit and basic financial services.

CONSUMER FINANCE BUREAU

Idaho Credit Code
Idaho Collection Agency Act
Idaho Residential Mortgage Practices Act
Idaho Mortgage Company Act
Idaho Escrow Act
Idaho Loan Broker Statute

The Consumer Finance Bureau is the regulatory and licensing authority for regulated lenders under the *Idaho Credit Code*. Regulated lenders include consumer finance companies, financial institutions, payday lenders, title lenders, and creditors who take assignments and undertake collection of payments from debtors arising from regulated consumer loans. Provisions of the *Idaho Credit Code* also apply to retail sellers of goods and services who extend credit to their customers.

The Bureau is committed to providing reasonable regulation of mortgage brokers, mortgage lenders, mortgage loan originators, and mortgage service providers operating in Idaho under the *Idaho Residential Mortgage Practices Act* and the *Idaho Mortgage Company Act*.

The Bureau is responsible for the licensing and enforcement provisions of the *Idaho Collection Agency Act*. Collection agencies that engage in collection activities with Idaho residents are required to obtain a license under and comply with the provisions of the Act. Entities that engage in credit counseling, debt counseling, or credit repair within the state of Idaho are also required to obtain a license and comply with the provisions of the Act.

The Bureau is responsible for the licensing and enforcement provisions of the *Idaho Escrow Act*, an Act that provides a regulatory framework for independent escrow companies operating in Idaho. The coverage of the Act extends to exchange accommodators who facilitate exchange transactions allowed pursuant to 26 USC §1031.

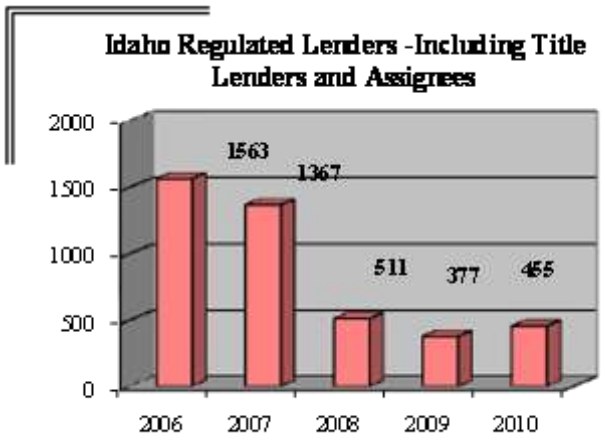
The Bureau administers and enforces Idaho's Loan Broker statute which prohibits loan brokers operating in Idaho from receiving any fee, interest, or other change prior to a loan or extension of credit, or written commitment to loan or extend credit, being made by an authorized lender.

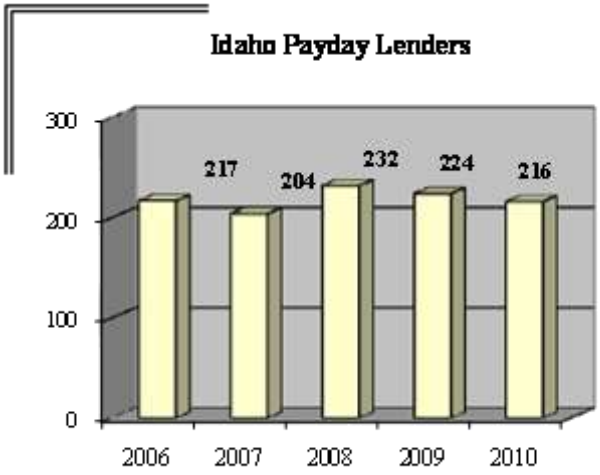
Compliance with the above laws is accomplished by on-site examinations of licensees and by investigations of complaints filed with the Bureau. The goal of the Bureau is to assure the availability and quality of consumer financial services and ethical debt collection practices. The Bureau currently has a 16 member staff.

IDAHO CREDIT CODE

The *Idaho Credit Code* (ICC) is a state law that regulates specific terms and conditions of consumer credit in Idaho. A consumer credit transaction is a credit sale or loan in which the credit or loan is extended by a person who is regularly engaged in the offering of credit or financing to borrowers who will use it for personal, family or household purposes, and in which a finance charge is imposed or the debt is payable in installments.

The ICC does not apply to first mortgages but does apply to subordinate lien mortgages. Most other consumer credit transactions such as automobile loans and extensions of credit through credit cards are subject to the ICC. The ICC also applies to single advance payday loan transactions and short-term equity loans on titled vehicles. The ICC includes specific lending procedures and consumer protection provisions for the payday and title lending industries in Idaho, as well as separate licensing requirements for payday lenders. The ICC also includes other generally applicable consumer protection provisions, such as a consumer's right to be informed about the costs of a loan before it is made, the right to cancel a payday or title loan by the next business day after it is extended, and the right to cancel certain home solicitation sales and real estate transactions.





Licensing/Lending Activity – Under the ICC, creditors engaged in the business of making regulated consumer loans, or taking assignment of and undertaking direct collection of payments from debtors arising from

regulated consumer loans, must obtain a regulated lender license. Regulated lenders must file for license renewal and submit composite annual reports on or before May 31 of each year.

During fiscal year 2010 lending activity by state licensed regulated lenders ranged from a sole-proprietor title lender to a national finance company with nearly a billion dollars in outstanding Idaho loans. The composition of regulated lenders is split between finance companies, including second mortgage lenders, consumer loan assignees, and payday/title lenders. As of June 30, 2010, Idaho had 455 licensed regulated lender offices, which includes title lenders, consumer loan assignees, consumer finance companies, and 216 licensed payday lender offices.

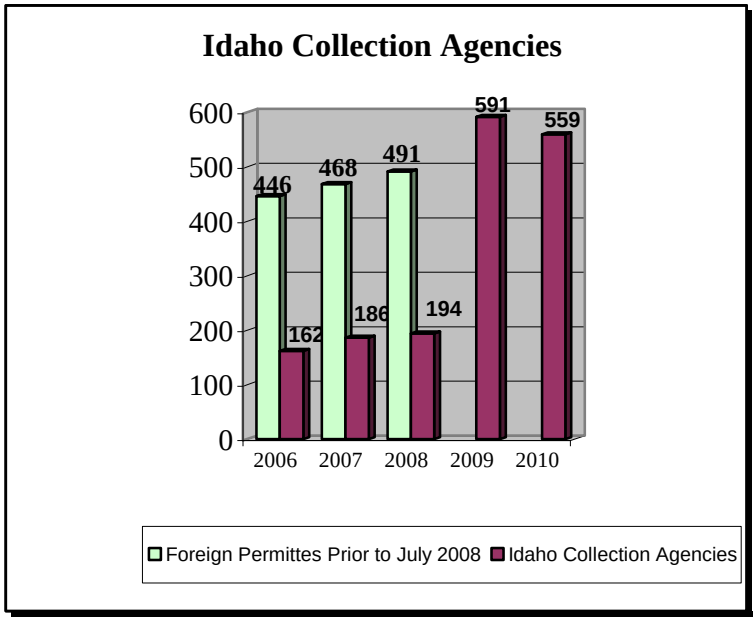
Compliance/Enforcement – In addition to answering consumer inquiries and complaints, staff members of the Department's Consumer Finance Bureau conduct routine and "for-cause" on-site examinations of regulated lenders. The Bureau is committed to examining offices of payday and title lenders situated in Idaho regularly to ensure that their business practices comply with Idaho Credit Code requirements. During the past fiscal year, the Bureau's field examiner staff members conducted 159 examinations of payday lender offices, 78 examinations of title loan offices, and 112 examinations of other regulated lender offices. Many licensees examined by the Bureau hold both a regulated lender license and a payday lender license. Therefore, Bureau examiners often have the ability to examine an entity's payday lending activity and other regulated lending activity, including title loans, during a single examination. The Bureau also received and acted upon 37 complaints from Idaho consumers regarding entities operating as regulated lenders or title lenders, and 5 complaints against payday lenders. The Department issued one cease and desist order against a company engaging in unlicensed payday lending activities. Details of this action are included in Exhibit VI.

IDAHO COLLECTION AGENCY ACT

The Consumer Finance Bureau oversees collection agencies that collect from Idaho residents under the authority of the *Idaho Collection Agency Act* (Act). Consumers have an obligation to pay their debts. However, collection agencies must deal openly, fairly, honestly and without deception when collecting debts. This includes complying with the federal Fair Debt Collection Practices Act.

Licensing – Under the Act, the following activities cannot be conducted in Idaho without obtaining a collection agency license:

- Operating as a collection agency, debt counselor, credit counselor, or credit repair organization;
- Engaging, either directly or indirectly, in the business of collecting or receiving payment for another of any account, bill, claim, or other indebtedness;
- Soliciting or advertising to collect or receive payment for another of any account, bill, claim, or other indebtedness;
- Selling or distributing any system of collection letters in which the name of any person other than the creditor to whom the debt is owed appears;
- Engaging in any activity which indicates that a third party may be involved in effecting collections;
- Engaging in the business of credit or debt counseling, or credit repair; or
- Engaging in, or offering to engage in, the business of collecting any form of indebtedness for that person's own account if the indebtedness was acquired from another person and if the indebtedness was either delinquent or in default at the time it was acquired.



No matter where located, all entities engaged in any of the activities listed above in Idaho are required to obtain a Collection Agency license, which license must be renewed annually on or before March 15 of each year.

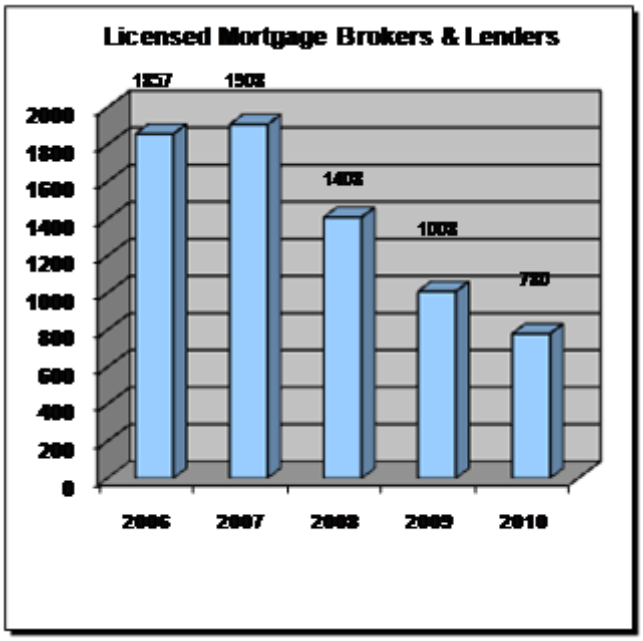
As of June 30, 2010, Idaho had 559 Idaho collection agency licensees. These agencies had a combined total of 36,916 individual solicitors/collectors registered with the Department.

Additionally, the Department had licensed 40 credit/debt counselors, 5 credit repair organizations, and 60 debt buyers.

Compliance/Enforcement – In addition to answering consumer inquiries and complaints, the Bureau staff regularly conducts on-site compliance examinations of licensed collection agencies. During the past fiscal year, the Bureau's field examiner staff members conducted 14 examinations of collection agency licensees. The Department received 120 complaints against collection agencies and two complaints against credit/debt counselors. The Department issued two cease and desist orders against companies engaging in collection or credit/debt counseling activities in violation of the Act. Also, nine companies entered into administrative consent orders to resolve allegations of violations of the Act. Furthermore, the Department initiated administrative actions to deny the license application of a debt and credit counselor and to revoke the license of a collection agency licensee. Details of these actions are included in Exhibit VI.

IDAHO RESIDENTIAL MORTGAGE PRACTICES ACT
AND IDAHO MORTGAGE COMPANY ACT

Under the *Idaho Residential Mortgage Practices Act* (Act), all non-exempt office locations from which mortgage brokering or mortgage lending activities are conducted are required to be licensed with the Department. The provisions of the Act also extend to individuals who originate residential mortgage loans for mortgage broker and lender licensees. The purpose of the Act is to ensure that companies and individuals offering mortgage services meet minimum standards and that consumers are protected from unfair practices.



Mortgage brokers are companies in the business of:

(i) assisting borrowers in obtaining mortgage loans from banks or other lenders; or

(ii) assisting others to obtain an adjustment or compromise of an existing residential mortgage loan.

Mortgage lenders fund mortgage loans and may also perform the mortgage brokering activities mentioned above. Loan originators assist in the preparation of applications for new residential mortgage loans and for modifications of existing residential mortgage loans. The Act applies to those making first mortgage loans as well as to those making subordinated lien loans secured by a dwelling, as defined in section 103(v) of the Truth in Lending Act (15 U.S.C. Section 1601 *et seq*.), located in Idaho, or on residential real estate.

In addition, the Department has authority under the *Idaho Mortgage Company Act* to ensure that mortgage companies are properly handling borrower reserves, impound and escrow accounts, as well as properly applying borrower payments.

Licensing – The Act requires that mortgage brokers and mortgage lenders obtain a license for each location from which they conduct mortgage brokering/lending activities. Licensees are not required to have a physical office location in Idaho. In fact, the Department has license holders nationwide. During the fiscal year, the Department issued 216 mortgage broker/lender licenses and as of June 30, 2010, the Department had 780 active mortgage broker/lender licenses in effect. The Department also had 2,478 mortgage loan originator licenses in effect as of that date.

Compliance – The Bureau conducts on-site examinations, and investigations when warranted, of mortgage brokers, lenders, and mortgage loan originators to verify that business is conducted in compliance with the Act. During fiscal year 2010 the Department conducted 42 mortgage broker/lender examinations, including participating in a multi-state joint examination of a nationwide mortgage broker/lender. The Bureau also handles customer complaints and inquiries. In fiscal year 2010 the Department received and processed 66 complaints against mortgage brokers/lenders and mortgage loan originators.

Mortgage Loan Delinquencies – In fiscal year 2010, the Department observed an increase over the previous year in the rates of residential loans in Idaho reported as seriously delinquent or in foreclosure. At the end of the second quarter of the fiscal year, December 31, 2009, the number of residential mortgage loans in Idaho that were in foreclosure or reported over 90 days delinquent had risen to 7.17%. However, by the end of fiscal year 2010, these rates had fallen to 6.75%, representing approximately 17,721 residential mortgage loans. At the same time, the percentage of residential mortgage loans nationally that were seriously delinquent or in foreclosure was 9.11%.

Enforcement – In fiscal year 2010 the Department initiated six administrative actions against licensed mortgage brokers/lenders and mortgage loan originators resulting in license denials, orders to cease and desist, and consent orders. The Department also obtained a default judgment and summary judgment in two mortgage-related civil actions, including a judgment of over one million dollars for unlicensed activity and mortgage fraud against a Washington-based mortgage broker. These enforcement actions addressed a variety of mortgage practices representing violations of the Act, as well as license application deficiencies. Details of these actions are included in Exhibit VI.

IDAHO ESCROW ACT

The *Idaho Escrow Act*, assigns regulatory oversight responsibilities to the Idaho Department of Finance over independent Idaho escrow agencies. Idaho escrow agencies, as defined in the Idaho Escrow Act, are required to obtain a license prior to engaging in escrow activities in Idaho. This includes exchange accommodators who facilitate "1031" exchanges, pursuant to 26 USC §1031. As of June 30, 2010, the Department had issued 41 licenses to entities engaged in escrow activities in the state of Idaho. Additionally, during fiscal year 2010 the Bureau received one complaint against an escrow company.

IDAHO LOAN BROKER STATUTE

Idaho's Loan Broker statute, Idaho Code § 26-2501 *et seq*., prohibits anyone who acts as a loan broker in Idaho from receiving any fee, interest, or other change prior to a loan or extension of credit being made to a borrower by an authorized lender, or prior to a written commitment of the same being made to a borrower by an authorized lender. During fiscal 2010 the Department received numerous inquiries from consumers contemplating paying upfront fees to loan brokers. In response to these inquiries, and in financial literacy trainings throughout the state, Department employees regularly warn Idaho citizens of the perils of falling prey to advance fee loan scams. Perpetrators of advance fee loan scams commonly operate from outside of the United States but use local sounding addresses. Victims are commonly asked to wire money to foreign locations as a part of the scam. In fiscal year 2010, the Department issued two cease and desist orders against entities engaged in violations of the Idaho Loan Broker Statute.

REGULATORY AND EDUCATIONAL INITIATIVES

Mortgage Advisory Board – Pursuant to the provisions of the Idaho Residential Mortgage Practices Act, the Director appoints four members to a Mortgage Advisory Board annually. The Mortgage Advisory Board meets quarterly with members of the Department and provides input on mortgage regulatory issues, market conditions, and industry initiatives. Through fiscal year 2010, the members of the Mortgage Advisory Board, who also represent mortgage industry

associations in Idaho, provided the Department with vital support in disseminating legislative and regulatory changes to the mortgage industry in Idaho. As of the date of publication of this Annual Report, the two members of the Mortgage Advisory Board representing the Idaho Mortgage Lenders Association (IMLA) are Dominique Love and Michelle Guth. The two members of the Mortgage Advisory Board representing the Idaho Association of Mortgage Brokers (IAMB) are Chuck Anderson and Nichole Browning.

Regulatory Initiatives **–** In fiscal year 2010 (on July 1, 2009) amendments to the Idaho Residential Mortgage Practices Act that incorporated provisions of the federal Safe and Fair Enforcement Mortgage Licensing Act (S.A.F.E.) became effective. Under the provisions of the federal S.A.F.E. Act all states were required to adopt the minimum standards of the S.A.F.E. Act and implement a mortgage loan originator licensing system by August 1, 2009, utilizing the Nationwide Mortgage Licensing System (NMLS). As part of the licensing of mortgage loan originators, the S.A.F.E. Act standards include:

- credit report checks of loan originator applicants
- criminal history checks of loan originator applicants
- pre-license testing of loan originator applicants
- pre-license education and post-licensure continuing education
- the creation of a state mortgage recovery fund
- submission of annual mortgage call reports
- reporting of enforcement actions and public access to this information
- consumer complaint processing

Additionally, the S.A.F.E. Act provisions include a lifetime bar from obtaining a mortgage loan originator license in the United States by anyone who has been convicted of a felony involving fraud, dishonesty, or breach of trust, or money laundering. Also, under the federal standards, an applicant for a mortgage loan originator license must not have any other felonies within the seven years immediately preceding the date of the license application. Finally, any person who has had a mortgage license revoked anywhere in the United States is barred from ever obtaining a mortgage loan originator license. In conjunction with the adoption of the S.A.F.E. Act, the 2009 Idaho Legislature also adopted provisions requiring individuals and companies offering mortgage loan modification services for others in Idaho to obtain a license under the Idaho Residential Mortgage Practices Act. During fiscal year 2010, temporary rules adopted by the

Department to implement provisions Idaho Residential Mortgage Practices Act, including the standards established by the S.A.F.E. Act, became final rules pursuant to the passage of a joint resolution by the 2010 Idaho Legislature.

The Department continues to be regularly involved in the efforts of the Conference of State Bank Supervisors (CSBS) and the American Association of Residential Mortgage Regulators (AARMR) to develop licensing and regulatory processes that meet the requirements of the S.A.F.E. Act. This includes participation by Bureau employees on various committees to develop procedural standards for licensing, including licensee testing, and continuing education to be implemented through the NMLS.

Mortgage Recovery Fund - The 2009 Idaho Legislature approved a mortgage recovery fund intended for use to reimburse persons damaged because of violations of the Idaho Residential Mortgage Practices Act. Mortgage licensees pay into the fund as a part of initial license application and at the time of their annual license renewals. On an annual basis, the Department may apply up to $50,000 of moneys accumulated in the mortgage recovery fund in excess of $1,500,000 to: (i) fund the department's expenses in administering the mortgage recovery fund; (ii) develop and implement consumer education concerning the residential mortgage industry; (iii) contract for research projects for the state concerning the residential mortgage industry; (iv) fund the training expenses of department staff members and its attorneys concerning the residential mortgage industry; and (v) publish and distribute educational materials to licensees and applicants for licensure under the Idaho Residential Mortgage Practices Act. At the end of fiscal year 2010 the mortgage recovery fund balance was $463,502. The Department projects that the fund will reach $1,500,000 by the end of fiscal year 2012.

SECURITIES BUREAU

Uniform Securities Act
Idaho Commodity Code
Control Share Acquisition Act
Business Combination Act
Idaho Money Transmitters Act
Endowment Care Cemetery Act
Continuing Care Disclosure Act
Idaho Financial Fraud Prevention Act

The Securities Bureau administers and enforces several consumer and business protection statutes. Through the authority of the *Uniform Securities Act* and the *Idaho Commodity Code*, the Bureau regulates the sale of investment securities and those individuals and entities that offer investment opportunities to the public. The Bureau's objectives in administering and enforcing these statutes include promoting the integrity and vitality of state and federal financial markets, protecting the investing public from fraudulent investment schemes, and assisting legitimate businesses in their efforts to raise capital in Idaho.

In addition, the Bureau has limited duties under Idaho's *Control Share Acquisition Act, Business Combination Act, the Continuing-Care Disclosure Act,* and the *Idaho Financial Fraud Prevention Act*. Also, the Bureau ensures that endowed care cemeteries properly handle the funds and trust placed with them through administration of the *Endowment Care Cemetery Act*.

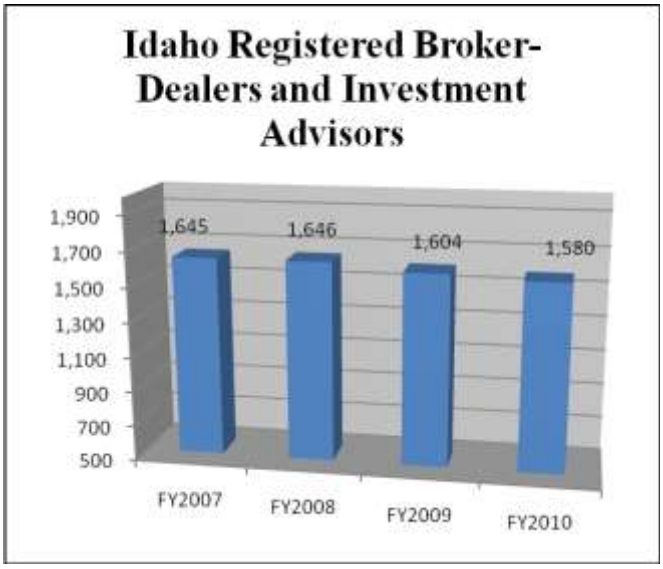
Finally, the Securities Bureau is responsible for the licensing and enforcement provisions of the *Idaho Money Transmitters Act.* A money transmitter includes any business engaged in receiving money for transmission by any and all means and any business that issues payment instruments to purchasers (e.g., money orders).

Where individuals or entities violate these statutes, appropriate remedies are sought using statutory and administrative enforcement authority. The Bureau also provides assistance in criminal prosecutions when necessary.

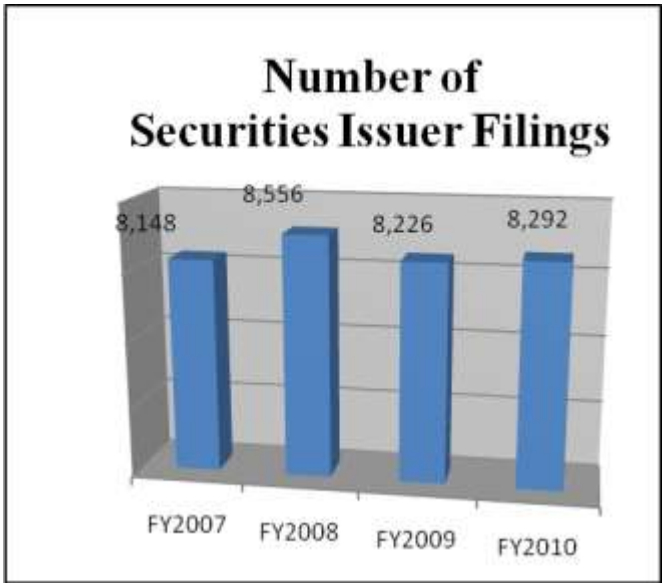
UNIFORM SECURITIES ACT

The *Uniform Securities Act* (Act) seeks to preserve and promote legitimate securities markets by assisting companies in their attempts to raise capital and prevent investment fraud. While the Act is designed to protect investors from fraud, it does not protect investors from the possibility

of investment loss resulting from securities price movements, market changes or business failures. The Act requires that persons who solicit investments provide complete disclosure of all the important aspects of the investment being promoted. With this information, investors are empowered to make reasoned investment decisions.



Securities Issuer Filings – Generally, any public offering of newly issued securities must be registered with the Securities Bureau before it is offered to public investors. The review is designed to determine whether the offering materials provide full, fair and accurate disclosure of all material information and whether the offering materials contain fraudulent terms or the offering is structured unfairly. The accompanying chart includes data for all issuer filings made with the Bureau, including private placements.



Registration of Firms and Agents – The Bureau registers and provides oversight for most broker-dealers, securities sales agents and investment advisory representatives doing business in or from Idaho. Additionally, the Bureau registers and is the sole regulator for investment advisory firms that are located in Idaho and manage

assets of $25 million or less. Every application for registration is examined either electronically or manually prior to approval.

The Bureau is gearing up for the "Investment Adviser Switch" which was set in motion when President Obama signed the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") into law on July 21, 2010. Under Dodd-Frank, approximately 4,000 IAs nationwide with assets under management of less than $100 million will switch from federal to state regulation by July 21, 2011. Of these, approximately 13 are based in Idaho and will come under the Department's authority. As noted in the accompanying charts, the Bureau has oversight responsibility for nearly 1,600 broker-dealer firms and state registered investment adviser firms. This oversight also extends to more than 82,000 individuals who currently hold Idaho registrations as broker-dealer agents, investment adviser representatives and issuer agents. While the aggregate number of broker-dealer and investment advisory firms has been somewhat static in recent years, the number of agents has continued to climb to an all-time high of 82,841.

Compliance – In an effort to assure that the securities industry is complying with the Idaho Uniform Securities Act, registration amendments are regularly reviewed to consider changes in the applicant's business, ownership and new disciplinary information. Bureau staff also investigates investor complaints, reviews advertising and analyzes financial data on broker-dealer and investment adviser firms. Finally, periodic on-site examinations of broker-dealer and investment adviser offices are conducted to verify compliance with the Act and to educate industry professionals. When a violation is discovered, the Department determines whether sanctions are appropriate or whether other corrective action can address the issue. The Bureau may seek fines, deny, suspend or revoke licenses or initiate administrative or court action.

Enforcement – As an enforcement agency, one of the Bureau's missions is to protect Idaho investors from fraudulent investment schemes. Bureau professionals investigate complaints of possible violations of the Act, negotiate administrative sanctions, assist in bringing civil lawsuits and assist in criminal prosecutions to enforce the law. The potential financial impact of securities cases under investigation or in the process of resolution during the fiscal year exceeded $330 million. During FY 2010, the Securities Bureau initiated or completed 23 enforcement

actions involving 52 respondents or defendants. Details of the administrative and civil court actions filed or completed by the Bureau during fiscal 2010 are provided in Exhibit V.

Rescissions & Refunds – As a result of the Bureau's regulatory enforcement efforts, Idaho residents were offered, or awarded in judgments by the courts, nearly $10.2 million in refunds on their securities investments. Additionally, the Department estimates that during FY 2009 and 2010 more than $125 million in rescission was or will be offered to Idaho retail investors that purchased illiquid auction rate securities (ARS). ARS were sold as liquid debt securities that suddenly became non-saleable when credit market dislocations occurred during 2008. These totals include amounts refunded to Idaho investors due to the administrative and civil enforcement actions described earlier as well as voluntary rescission offers made in accordance with the Act.

Civil Penalties and Administrative Fines – The Bureau assessed total fines and penalties in excess of $1.2 million for fiscal year 2010. A large portion of these penalties were paid by national brokerage firms in connection with multi-state investigations and enforcement efforts related to the failure of the ARS market.

IDAHO MONEY TRANSMITTERS

The Department of Finance is charged with the responsibility of administering and enforcing the *Idaho Money Transmitter Act.* A "money transmitter" is defined as any business engaged in receiving money for transmission, or transmitting money within the United States or to locations outside the United States, by any and all means including, but not limited to, payment instruments, wire transfers, and facsimile or electronic transfers. At fiscal year end, the Department had 51 licensees under this statute.

ENDOWMENT CARE CEMETERIES

A "perpetual" or "endowed care cemetery" is a cemetery where lots are sold under the representation that the cemetery and lots will receive perpetual maintenance and oversight. This "endowed care" is provided free of further cost to the purchaser after payment of the original purchase price for a lot or burial space. All "endowed care" or "perpetual care" cemeteries in

Idaho are required to be registered with the Securities Bureau. The purpose of the *Endowment Care Cemetery Act* is to ensure that sound business practices essential to the continued furnishing of endowed or perpetual care are followed.

An endowed or perpetual care cemetery is required to establish an irrevocable trust fund in the sum of at least $50,000 for the care of the cemetery. The income from the trust fund may only be used for the general care, maintenance, and embellishment of the cemetery.

There are 12 endowed care cemeteries licensed in Idaho. Each of these cemeteries is required to submit a renewal fee and form every year, along with a financial statement for its trust account. The Securities Bureau conducts periodic audits of endowed care cemeteries to verify that the trust funds are being handled properly.

Name of Cemetery	Location
Cloverdale Memorial Park Assoc., Inc.	Boise
Coeur d'Alene Memorial Gardens, Inc.	Coeur d'Alene
Filer Cemetery Association, Inc.	Filer
Hillcrest Memorial Gardens, Inc.	Caldwell
Lakeview Cemetery Association	Sandpoint
Lewis-Clark Memorial Park, Inc.	Lewiston
Mountain View Memorial Park, Inc.	Boise
Pinecrest Memorial Park	Sandpoint
Rosedale Memorial Park, Inc.	Payette
Shoshone Memorial Gardens, Inc.	Pinehurst
Sunset Memorial Park	Twin Falls
Twin Falls Cemetery Association	Twin Falls

IDAHO COMMODITY CODE

The *Idaho Commodity Code* is designed to reduce fraud by outlawing certain commodity investment contracts where the investor never receives delivery of the commodity. The statute provides an enforcement tool to prevent and prosecute illegal and fraudulent schemes involving commodity contracts and to maximize coordination with federal law and the laws of other states. It has proven effective in Department lawsuits against fraudulent commodity investment schemes, including several enforcement cases during recent years. One enforcement case was concluded during fiscal 2009 that included alleged violations of the Idaho Commodity Code. Information relating to this case is included in Exhibit V.

CORPORATE TAKEOVER ACTS

In 1988, the Legislature adopted the *Control Share Acquisition Act* and the *Business Combination Act* to govern certain corporate mergers in Idaho. The first law gives shareholders more authority to decide the terms of a takeover and the second allows a corporation to limit the effects of a takeover. There was no activity by the Department involving Idaho companies covered by these laws during the fiscal year.

CONTINUING-CARE DISCLOSURE ACT

Idaho's *Continuing-Care Disclosure Act* was enacted in 1988 in response to problems caused when residents of an Idaho nursing home lost their money due to embezzlement and mismanagement. The statute regulates entities that offer to provide long-term care and lodging after payment of an advance fee often called an "entrance fee." Anyone wanting to offer this type of program is required to register with the Securities Bureau, provide detailed disclosure to purchasers, and adhere to several other requirements. One provider filed a registration statement under this law during the most recent fiscal year.

SUPPORTING SERVICES BUREAU

This Bureau provides operational support to the Director and the chiefs of the other Bureaus in carrying out their program responsibilities. This support is provided through the development and maintenance of the accounting system and records for the Department; maintenance of personnel records; preparation and submission of the Department's budget; providing financial, management and statistical reports; coordination of the Department's business services; maintenance of the Departments vehicles, and maintenance of the Department's information technology systems.

The Supporting Services Bureau completed several large projects this year including: IT and fiscal or budgetary support for both CSBS and NASCUS accreditations, replacement of key equipment, updating the Strategic IT Plan, and overseeing increased design and transition into a comprehensive records management system. Several large databases including Mortgage Loan Originators, Mortgage Loan Originator Continuing Education, and a Case Management database to aid in investigation and enforcement actions, also all received significant synchronization capabilities and other upgrades.

The following information regarding the Department is included in the following exhibits:

Exhibit II	Summary of Income and Expenses
Exhibit VII	Department of Finance Staff
Exhibit VIII	Americans with Disabilities Act Compliance Statement
Exhibit IX	Civil Rights Grievance Procedure

EXHIBIT I

DEPARTMENT OF FINANCE DIRECTORS/COMMISSIONERS

SINCE DATE OF ITS CREATION BY ACT OF LEGISLATURE IN 1905

Director/Commissioner	**Term of Office**
C. C. Loveland	March 6, 1905 to June 1, 1907
W. S. Chaney	June 1, 1907 to March 6, 1909
William G. Cruse	March 6, 1909 to June 2, 1911
V. W. Platt	June 2, 1911 to February 1, 1913
A. E. Reid	February 1, 1913 to February 6, 1915
G. R. Hitt	February 6, 1915 to January 25, 1919
Jay Givson	January 25, 1919 to September 10, 1920
J. G. Fralick	September 10, 1920 to February 7, 1923
E. W. Potter	February 7, 1923 to February 1, 1931
Ben Diefendorf	February 1, 1931 to January 13, 1937
George W. Wedgwood	January 13, 1937 to January 1, 1939
G. L. Jenkins	January 1, 1939 to January 6, 1941
George W. Wedgwood	January 6, 1941 to January 4, 1943
G. L. Jenkins	January 4, 1943 to January 2,1945
J. B. Newport	January 4, 1945 to December 28, 1946
William J. Sewell	December 28, 1946 to January 6, 1947
E. F. Haworth	January 6, 1947 to August 15, 1952
Austin Schauweiler	August 15, 1952 to May 14, 1954
R. U. Spaulding	June 17, 1954 to April 14, 1961
J. L. McCarthy	June 1, 1961 to July 9, 1965
Tom D. McEldowney (Acting)	August 10, 1965 to January 31, 1967
John D. Silva	February 1, 1967 to January 4, 1971
Tom D. McEldowney (Acting)	January 4, 1971 to August 29, 1971
Tom D. McEldowney	August 30, 1971 to March 31, 1987
Belton J. Patty	April 1, 1987 to January 1, 1995
Gavin M. Gee (Acting)	January 2, 1995 to March 13, 1996
Gavin M. Gee	March 13, 1996 to Present

EXHIBIT II

SUMMARY OF INCOME AND EXPENSES
July 1, 2009 through June 30, 2010

INCOME BY SOURCE	
Dedicated Account	$11,138,111.84
TOTAL INCOME COLLECTED	$11,138,111.84
APPROPRIATION	
Dedicated Account	$5,450,000.00
TOTAL APPROPRIATION	$5,546,000.00
EXPENDITURES	
Personnel Costs	$3,561,320.00
Operating Expenditures	$1,488,402.00
Capital Outlay	$134.005.00
TOTAL EXPENDITURES	$5,221,452.00
BALANCE OF APPROPRIATION	$324,548.00
EXPENDITURES BY MAJOR CLASSES	
Salaries & Wages	$2,741,006.00
Personnel Benefits	$1,001,384.00
Communication Services	$34,140.00
Employee Development & Other Services	$150,141.00
Professional Services	$532,261.00
Repairs & Maintenance Service	$27,906.00
Administrative Services	$7,735.00
DP Services	$38,510.00
Employee Travel	$187,831.00
Materials & Supplies	$84,448.00
Insurance	$2,320.00
Rentals & Operating Leases	$312,867.00
Miscellaneous Operating Expenditures	$33,122.00
Capital Outlay	$67,781.00
$5,221,452.00	$5,221,452.00

TRANSFERRED TO GENERAL FUND ---------- $5,956,610.00

PERSONNEL STATUS June 30	**POSITIONS AUTHORIZED**	**POSITIONS APPROPRIATED**	**POSITIONS FILLED**
Full-Time Employees	54	54	53

FUND SOURCE B

Security Investor Fund (Securities Fines Only)----------	**$48,500.00**
	$48,500.00

EXPENDITURES

Personnel Costs----------	$0.00
Operating Expenditures----------	$37,865.00
Capital Outlay----------	$0.00
	$37,865.00
	$10,635.000

FUND SOURCE C

Mortgage Recovery Fund----------	$ 463,502.43
TOTAL COLLECTED----------	$ 463,502.43

EXHIBIT III

STATE OF IDAHO
STATE-CHARTERED BANKS AND SAVINGS BANKS*
COMPARATIVE STATEMENT
Close of Business 12/31/09 and 12/31/08
(000's Omitted)

	2009	2008	$ Change
Cash and balances due from depository institutions			
Noninterest-bearing balances and currency and coin	125,801	156,207	-30,406
Interest-bearing balances	230,976	101,868	129,108
Securities:			
Held-to-maturity securities	116,298	128,604	-12,306
Available-for-sale securities	763,544	672,271	91,273
Federal funds sold and securities purchased under agreements to resell			
Federal funds sold	98,687	145,845	-47,158
Securities purchased under agreements to resell			
Loans and lease financing receivables			
Loans and leases held for sale	65,778	60,695	5,083
Loans and leases, net of unearned income	4,321,502	4,571,970	-250,468
LESS: Allowance for loan and lease losses	124,575	83,803	40,772
Loans and leases, net of unearned income and allowance	4,196,927	4,488,167	-291,240
Trading assets	2,540	2,030	510
Premises and fixed assets (including capitalized leases)	163,175	147,821	15,354
Other real estate owned	55,578	32,312	23,266
Intangible assets:			
Goodwill	44,751	44,751	0
Other intangible assets	1,037	1,471	-434
Other assets	191,000	130,781	60,219
Total assets	5,990,314	6,052,128	-61,814
Deposits:			
In domestic offices:	4,649,542	4,392,684	256,858
Noninterest-bearing	986,282	957,366	28,916
Interest-bearing	3,663,260	3,435,318	227,942
Federal funds purchased and securities sold under agreements to repurchase			
Federal funds purchased	46,275	86,822	-40,547
Securities sold under agreements to repurchase	234,044	234,314	-269
Trading liabilities	2,540	2,030	510
Other borrowed money	320,904	586,655	-265,751
Bank's liability on acceptances executed and outstanding			
Subordinated notes and debentures			
Other liabilities	32,767	36,920	-4,153
Total liabilities	5,286,072	5,339,425	-53,353
Minority interest in consolidated subsidiaries			
Perpetual preferred stock and related surplus			
Common stock	99,845	99,013	832
Surplus (exclude all surplus related to preferred stock)	460,094	378,295	81,799
Retained earnings and Other Equity Capital Components	144,303	235,395	-91,092
Total equity capital	704,242	712,703	-8,461
Total liabilities, minority interest, and equity capital	5,990,314	6,052,128	-61,814

* Includes only state-chartered banks headquartered in Idaho as of 12/31/2009 and 12/31/2008
Source: Federal Deposit Insurance Corporation

DECEMBER 31, 2009
BANK OF IDAHO
IDAHO FALLS, IDAHO
Charter No. 240
Charter Issued September 13, 1985
Incorporated July 17, 1985

OFFICERS:
President & Chief Executive Officer: Park L. Price
Chief Financial Officer: Jeff R. Manser

DIRECTORS:
Emma L. Atchley; Steven E. Carr;
Ralph M. Hartwell; Kenlon P. Johnson;
Harold L. Latin; Park L. Price;
John Rigby

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	5,549
Interest-bearing balances	272
Securities:	
Held-to-maturity securities	1,229
Available-for-sale securities	39,915
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	6,335
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	7,557
Loans and leases, net of unearned income	185,379
LESS: Allowance for loan and lease losses	4,088
Loans and leases, net of unearned income and allowance	181,291
Trading assets	0
Premises and fixed assets (including capitalized leases)	5,315
Other real estate owned	1,910
Intangible assets:	
Goodwill	0
Other intangible assets	0
Other assets	4,062
Total assets	253,435
Deposits:	
In domestic offices:	218,876
Noninterest-bearing	53,011
Interest-bearing	165,865
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	4,346
Trading liabilities	0
Other borrowed money	6,000
Subordinated notes and debentures	0
Other liabilities	2,707
Total liabilities	231,929
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	1,402
Surplus (exclude all surplus related to preferred stock)	9,981
Retained earnings	9,661
Accumulated other comprehensive income	462
Other equity capital components	0
Total equity capital	21,506
Total liabilities, minority interest, and equity capital	253,435

DECEMBER 31, 2009
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COEUR D'ALENE, IDAHO
Charter No. 258
Charter Issued May 3, 2001
Incorporated October 16, 2000

OFFICERS:
President & Chief Executive Officer: Max J. Faller
Vice President & Cashier: Kim Nordstrom

DIRECTORS:
Charles J. Clock; Max J. Faller; Joseph Haley; C. Richard Nordstrom; Ben R. Rolphe; John Shovic; Wayne R. Sorensen; Craig S. Tedmon

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	1,413
Interest-bearing balances	7,777
Securities:	
Held-to-maturity securities	0
Available-for-sale securities	7,747
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	0
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	0
Loans and leases, net of unearned income	73,083
LESS: Allowance for loan and lease losses	1,976
Loans and leases, net of unearned income and allowance	71,107
Trading assets	0
Premises and fixed assets (including capitalized leases)	1,036
Other real estate owned	168
Intangible assets:	
Goodwill	0
Other intangible assets	0
Other assets	4,200
Total assets	93,448
Deposits:	
In domestic offices:	79,709
Noninterest-bearing	13,026
Interest-bearing	66,683
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	0
Trading liabilities	0
Other borrowed money	3,986
Subordinated notes and debentures	0
Other liabilities	774
Total liabilities	84,469
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	6,433
Surplus (exclude all surplus related to preferred stock)	1,792
Retained earnings	677
Accumulated other comprehensive income	77
Other equity capital components	0
Total equity capital	8,979
Total liabilities, minority interest, and equity capital	93,448

DECEMBER 31, 2009
CITIZENS COMMUNITY BANK
POCATELLO, IDAHO
Charter No. 254
Charter Issued June 6, 1997
Incorporated April 17, 1996

OFFICERS:
President & Chief Executive Officer: Ralph G. Cottle
Chief Financial Officer: Terrill R. Schwartz

DIRECTORS:
J. Loren Azzola; Gary N. Blanchard; Marcia Johnson; Ralph G. Cottle; Dave Hermansen; H. Brent Hill; Thomas J. Holmes; W. James Johnston;William A. Knick; James E. Lee; Diana B. Lyon; Alan E. Stanek; Jim Windmiller

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	4,964
Interest-bearing balances	48
Securities:	
Held-to-maturity securities	0
Available-for-sale securities	46,801
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	2,150
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	9,451
Loans and leases, net of unearned income	156,598
LESS: Allowance for loan and lease losses	4,866
Loans and leases, net of unearned income and allowance	151,732
Trading assets	0
Premises and fixed assets (including capitalized leases)	7,306
Other real estate owned	1,510
Intangible assets:	
Goodwill	9,553
Other intangible assets	293
Other assets	8,408
Total assets	242,216
Deposits:	
In domestic offices:	159,763
Noninterest-bearing	29,565
Interest-bearing	130,199
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	13,846
Trading liabilities	0
Other borrowed money	35,000
Subordinated notes and debentures	0
Other liabilities	1,638
Total liabilities	210,247
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	2,193
Surplus (exclude all surplus related to preferred stock)	19,217
Retained earnings	10,637
Accumulated other comprehensive income	-78
Other equity capital components	0
Total equity capital	31,969
Total liabilities, minority interest, and equity capital	242,216

DECEMBER 31, 2009
COMMUNITY 1ST BANK
POST FALLS, IDAHO
Charter No. 261
Charter Issued May 21, 2007
Incorporated May 10, 2007

OFFICERS:	**DIRECTORS:**
Chief Executive Officer: David P. Bobbitt	David P. Bobbitt; William R. Basom;
President & Chief Operations Officer: Jerry C. Lyon	William R. Booth; David B. Holloway;
Chief Financial Officer: William R. Basom	Cyndie J. Johnson; Jerry C. Lyon;
	Gary T. Schneidmiller; Jack P. Tibesar

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	227
Interest-bearing balances	6,084
Securities:	
Held-to-maturity securities	2,000
Available-for-sale securities	4,221
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	0
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	0
Loans and leases, net of unearned income	32,881
LESS: Allowance for loan and lease losses	418
Loans and leases, net of unearned income and allowance	32,463
Trading assets	0
Premises and fixed assets (including capitalized leases)	887
Other real estate owned	0
Intangible assets:	
Goodwill	0
Other intangible assets	0
Other assets	413
Total assets	46,295
Deposits:	
In domestic offices:	36,936
Noninterest-bearing	3,556
Interest-bearing	33,380
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	0
Trading liabilities	0
Other borrowed money	0
Subordinated notes and debentures	0
Other liabilities	151
Total liabilities	37,087
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	5,250
Surplus (exclude all surplus related to preferred stock)	5,298
Retained earnings	-1,366
Accumulated other comprehensive income	26
Other equity capital components	0
Total equity capital	9,208
Total liabilities, minority interest, and equity capital	46,295

DECEMBER 31, 2009
D. L. EVANS BANK
BURLEY, IDAHO
Charter No. 26
Charter Issued August 29, 1904
Incorporated August 23, 1904

OFFICERS:
Chief Executive Officer: John V. Evans, Jr.
President: John V. Evans, Sr.
Chief Financial Officer: Brenda Sanford

DIRECTORS:
John V. Evans, Jr.; John V. Evans, Sr.; Don S. Evans, Sr.; Don S. Evans, Jr.; Larry L. Evans; M. DeLell Evans; Paula D. Evans; Martha Gilgen; Glen R. Kunau; Lex H. Kunau; James J. Lynch; Susan D. Evans Scarlett; David L. Evans

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	19,492
Interest-bearing balances	42,105
Securities:	
Held-to-maturity securities	0
Available-for-sale securities	139,597
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	300
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	7,512
Loans and leases, net of unearned income	633,659
LESS: Allowance for loan and lease losses	10,313
Loans and leases, net of unearned income and allowance	623,346
Trading assets	0
Premises and fixed assets (including capitalized leases)	31,296
Other real estate owned	8,820
Intangible assets:	
Goodwill	0
Other intangible assets	0
Other assets	18,299
Total assets	890,767
Deposits:	
In domestic offices:	727,345
Noninterest-bearing	135,574
Interest-bearing	591,771
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	59,137
Trading liabilities	0
Other borrowed money	16,000
Subordinated notes and debentures	0
Other liabilities	4,598
Total liabilities	807,080
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	901
Surplus (exclude all surplus related to preferred stock)	56,725
Retained earnings	24,187
Accumulated other comprehensive income	1,874
Other equity capital components	0
Total equity capital	83,687
Total liabilities, minority interest, and equity capital	890,767

DECEMBER 31, 2009
IDAHO BANKING COMPANY
BOISE, IDAHO
Charter No. 250
Charter Issued October 3, 1996
Incorporated May 14, 1996

OFFICERS:	**DIRECTORS:**
President & Chief Executive Officer: James Latta	V. Dale Babbitt; M. Dean Buffington;
Chief Credit Officer: Gary Quast	Leo S. Harf; B. Randy Harris;
Chief Financial Officer: Bruce Barfuss	Thomas F. Kealey; James C. Latta
	Tom Morgan; John S. Simko

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	4,760
Interest-bearing balances	26
Securities:	
Held-to-maturity securities	0
Available-for-sale securities	34,469
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	166
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	2,381
Loans and leases, net of unearned income	181,828
LESS: Allowance for loan and lease losses	8,526
Loans and leases, net of unearned income and allowance	173,302
Trading assets	0
Premises and fixed assets (including capitalized leases)	4,758
Other real estate owned	2,538
Intangible assets:	
Goodwill	0
Other intangible assets	0
Other assets	5,989
Total assets	228,389
Deposits:	
In domestic offices:	194,024
Noninterest-bearing	26,464
Interest-bearing	167,560
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	608
Trading liabilities	0
Other borrowed money	15,000
Subordinated notes and debentures	0
Other liabilities	798
Total liabilities	210,430
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	4,298
Surplus (exclude all surplus related to preferred stock)	21,554
Retained earnings	-8,039
Accumulated other comprehensive income	146
Other equity capital components	0
Total equity capital	17,959
Total liabilities, minority interest, and equity capital	228,389

DECEMBER 31, 2009
IDAHO FIRST BANK
MCCALL, IDAHO
Charter No. 259
Charter Issued September 3, 2005
Incorporated March 3, 2005

OFFICERS:
President & Chief Executive Officer: Greg P. Lovell
Chief Financial Officer: Don D. Madsen

DIRECTORS:
Natalie A. Barry; James F. Fletcher;
Daniel C. Krahn; Larry LaRocco; Greg P. Lovell;
Mark J. Miller; Daniel A. Neef;
Terry L. Robinson; Brenda L. Totorica

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	841
Interest-bearing balances	4,200
Securities:	
Held-to-maturity securities	0
Available-for-sale securities	10,213
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	0
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	888
Loans and leases, net of unearned income	56,511
LESS: Allowance for loan and lease losses	1,313
Loans and leases, net of unearned income and allowance	55,198
Trading assets	0
Premises and fixed assets (including capitalized leases)	410
Other real estate owned	824
Intangible assets:	
Goodwill	0
Other intangible assets	0
Other assets	1,502
Total assets	74,076
Deposits:	
In domestic offices:	64,539
Noninterest-bearing	7,273
Interest-bearing	57,266
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	0
Trading liabilities	0
Other borrowed money	5,000
Subordinated notes and debentures	0
Other liabilities	484
Total liabilities	70,023
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	6,991
Surplus (exclude all surplus related to preferred stock)	4,858
Retained earnings	-7,868
Accumulated other comprehensive income	72
Other equity capital components	0
Total equity capital	4,053
Total liabilities, minority interest, and equity capital	74,076

DECEMBER 31, 2009
IDAHO INDEPENDENT BANK
COEUR D'ALENE, IDAHO
Charter No. 246
Charter Issued September 7, 1993
Incorporated November 3, 1992

OFFICERS:	**DIRECTORS:**
Chief Executive Officer: Jack W. Gustavel	Arthur Brown; Michael J. Coughlin;
President & Chief Operating Officer: Kurt R. Gustavel	Roy L. Eiguren; Jack W. Gustavel;
Chief Financial Officer: Paul H. Montreuil	Kurt R. Gustavel; Terry Gustavel;
	Jerald J. Jaeger; Gary L. Mahn

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	8,996
Interest-bearing balances	60,980
Securities:	
Held-to-maturity securities	0
Available-for-sale securities	1,535
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	293
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	2,350
Loans and leases, net of unearned income	380,644
LESS: Allowance for loan and lease losses	17,140
Loans and leases, net of unearned income and allowance	363,504
Trading assets	2,540
Premises and fixed assets (including capitalized leases)	21,706
Other real estate owned	2,310
Intangible assets:	
Goodwill	0
Other intangible assets	0
Other assets	29,269
Total assets	493,483
Deposits:	
In domestic offices:	389,148
Noninterest-bearing	92,212
Interest-bearing	296,936
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	26,258
Trading liabilities	2,540
Other borrowed money	9,000
Subordinated notes and debentures	0
Other liabilities	4,380
Total liabilities	431,326
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	35,626
Surplus (exclude all surplus related to preferred stock)	44,224
Retained earnings	-6,651
Accumulated other comprehensive income	-3
Other equity capital components	-11,039
Total equity capital	62,157
Total liabilities, minority interest, and equity capital	493,483

DECEMBER 31, 2009
IDAHO TRUST BANK
BOISE, IDAHO
Charter No. 263
Charter Issued December 4, 2008
Incorporated December 4, 2008

OFFICERS:
Chief Executive Officer: Daniel W. Prohaska
President: Thomas F. Prohaska
Chief Financial Officer: Geri L. Bullard

DIRECTORS:
Daniel W. Prohaska; Thomas F. Prohaska;
Matthew J. Baker: Arthur J. Berry;
Richard H. Jones

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	986
Interest-bearing balances	13,015
Securities:	
Held-to-maturity securities	0
Available-for-sale securities	1,559
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	2,436
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	0
Loans and leases, net of unearned income	64,341
LESS: Allowance for loan and lease losses	2,902
Loans and leases, net of unearned income and allowance	61,439
Trading assets	0
Premises and fixed assets (including capitalized leases)	4,206
Other real estate owned	1,768
Intangible assets:	
Goodwill	155
Other intangible assets	0
Other assets	3,054
Total assets	88,618
Deposits:	
In domestic offices:	64,933
Noninterest-bearing	4,754
Interest-bearing	60,180
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	32
Trading liabilities	0
Other borrowed money	2,500
Subordinated notes and debentures	0
Other liabilities	207
Total liabilities	67,672
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	22,007
Surplus (exclude all surplus related to preferred stock)	3,861
Retained earnings	-4,895
Accumulated other comprehensive income	6
Other equity capital components	-33
Total equity capital	20,946
Total liabilities, minority interest, and equity capital	88,618

DECEMBER 31, 2009
IRELAND BANK
MALAD, IDAHO
Charter No. 7
Charter Issued May 1, 1899
Incorporated December 8, 1892

OFFICERS:
President & Chief Executive Officer: R. Blair Hawkes
Chief Financial Officer: Lawrence G. Knudsen

DIRECTORS:
Timothy P. Deeg; R. Blair Hawkes;
David G. Jenkins; Jeff Schutte;
Randon W. Wilson; Randall E. Marshall

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	1,624
Interest-bearing balances	5,648
Securities:	
Held-to-maturity securities	13,077
Available-for-sale securities	27,916
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	0
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	96
Loans and leases, net of unearned income	146,364
LESS: Allowance for loan and lease losses	1,704
Loans and leases, net of unearned income and allowance	144,660
Trading assets	0
Premises and fixed assets (including capitalized leases)	1,930
Other real estate owned	485
Intangible assets:	
Goodwill	222
Other intangible assets	0
Other assets	8,060
Total assets	203,718
Deposits:	
In domestic offices:	175,258
Noninterest-bearing	43,097
Interest-bearing	132,161
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	1,520
Trading liabilities	0
Other borrowed money	7,381
Subordinated notes and debentures	0
Other liabilities	1,181
Total liabilities	185,340
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	705
Surplus (exclude all surplus related to preferred stock)	6,367
Retained earnings	11,143
Accumulated other comprehensive income	163
Other equity capital components	0
Total equity capital	18,378
Total liabilities, minority interest, and equity capital	203,718

DECEMBER 31, 2009
MOUNTAIN WEST BANK
COEUR D'ALENE, IDAHO
Charter No. 256
Charter Issued June 30, 1999
Incorporated June 28, 1999

OFFICERS:
President & Chief Executive Officer: Jon W. Hippler
Chief Financial Officer: Ronn C. Rich

DIRECTORS:
Dennis Downer; Bradley E. Dugdale, Jr.; James English; Tom Gibson; Jon Hippler; Mick Blodnick; Stephen Meyer; Charles Nipp; J. Michael Patano; Donald Shepherd; Steven Tester

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	28,990
Interest-bearing balances	346
Securities:	
Held-to-maturity securities	0
Available-for-sale securities	127,991
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	0
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	27,096
Loans and leases, net of unearned income	930,355
LESS: Allowance for loan and lease losses	37,551
Loans and leases, net of unearned income and allowance	892,804
Trading assets	0
Premises and fixed assets (including capitalized leases)	25,589
Other real estate owned	13,661
Intangible assets:	
Goodwill	23,159
Other intangible assets	305
Other assets	36,820
Total assets	1,176,761
Deposits:	
In domestic offices:	793,006
Noninterest-bearing	198,755
Interest-bearing	594,251
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	46,275
Securities sold under agreements to repurchase	33,064
Trading liabilities	0
Other borrowed money	152,037
Subordinated notes and debentures	0
Other liabilities	5,659
Total liabilities	1,030,041
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	1,789
Surplus (exclude all surplus related to preferred stock)	93,630
Retained earnings	53,592
Accumulated other comprehensive income	-2,291
Other equity capital components	0
Total equity capital	146,720
Total liabilities, minority interest, and equity capital	1,176,761

DECEMBER 31, 2009
PANHANDLE STATE BANK
SANDPOINT, IDAHO
Charter No. 238
Charter Issued May 15, 1981
Incorporated December 19, 1980

OFFICERS:
Chief Executive Officer: Curt Hecker
President: Jerry Smith
Chief Financial Officer: Douglas Wright

DIRECTORS:
Charles L. Bauer; James T. Diehl; Ford Elsaesser; Curt Hecker; Ron Jones; Maggie Lyons; John B. Parker; James Patrick; Michael J. Romine; Jerrold B. Smith

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	20,689
Interest-bearing balances	82,754
Securities:	
Held-to-maturity securities	15,177
Available-for-sale securities	181,783
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	0
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	6,574
Loans and leases, net of unearned income	672,153
LESS: Allowance for loan and lease losses	16,608
Loans and leases, net of unearned income and allowance	655,545
Trading assets	0
Premises and fixed assets (including capitalized leases)	41,305
Other real estate owned	11,538
Intangible assets:	
Goodwill	11,662
Other intangible assets	439
Other assets	52,083
Total assets	1,079,549
Deposits:	
In domestic offices:	823,563
Noninterest-bearing	172,485
Interest-bearing	651,078
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	95,233
Trading liabilities	0
Other borrowed money	49,000
Subordinated notes and debentures	0
Other liabilities	4,876
Total liabilities	972,672
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	2,668
Surplus (exclude all surplus related to preferred stock)	91,864
Retained earnings	16,507
Accumulated other comprehensive income	-4,162
Other equity capital components	0
Total equity capital	106,877
Total liabilities, minority interest, and equity capital	1,079,549

DECEMBER 31, 2009
SYRINGA BANK
BOISE, IDAHO
Charter No. 251
Charter Issued February 13, 1997
Incorporated March 8, 1996

OFFICERS:
President & Chief Executive Officer: Scott Gibson
Senior V.P. & Controller: Brian Heim

DIRECTORS:
Hilario "Larry" J. Arguinchona; Scott J. Chandler; Don Deters; LaVern Gentry; Terry L. Hayden; Louann Krueger; Cheryl A. Larabee; Harvey L. Neef; Jody Olson; Bruce C. Parker

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	5,376
Interest-bearing balances	404
Securities:	
Held-to-maturity securities	0
Available-for-sale securities	16,137
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	25,873
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	1,873
Loans and leases, net of unearned income	224,859
LESS: Allowance for loan and lease losses	7,743
Loans and leases, net of unearned income and allowance	217,116
Trading assets	0
Premises and fixed assets (including capitalized leases)	3,010
Other real estate owned	4,795
Intangible assets:	
Goodwill	0
Other intangible assets	0
Other assets	5,128
Total assets	279,712
Deposits:	
In domestic offices:	243,100
Noninterest-bearing	25,448
Interest-bearing	217,653
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	0
Trading liabilities	0
Other borrowed money	20,000
Subordinated notes and debentures	0
Other liabilities	627
Total liabilities	263,727
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	5,082
Surplus (exclude all surplus related to preferred stock)	43,523
Retained earnings	-32,748
Accumulated other comprehensive income	128
Other equity capital components	0
Total equity capital	15,985
Total liabilities, minority interest, and equity capital	279,712

DECEMBER 31, 2009
THE BANK OF COMMERCE
IDAHO FALLS, IDAHO
Charter No. 225
Charter Issued March 30, 1959
Incorporated March 30, 1959

OFFICERS:
President & Chief Executive Officer: Thomas J. Romrell
Chief Financial Officer: Ronald M. Johnson

DIRECTORS:
Richard N. Adams; Bradford C. Bowen;
Julian G. Cowley; Calvin Erb; John W. Erb;
William Reed; Thomas J. Romrell

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	21,581
Interest-bearing balances	0
Securities:	
Held-to-maturity securities	84,815
Available-for-sale securities	87,423
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	61,134
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	0
Loans and leases, net of unearned income	482,811
LESS: Allowance for loan and lease losses	8,857
Loans and leases, net of unearned income and allowance	473,954
Trading assets	0
Premises and fixed assets (including capitalized leases)	13,913
Other real estate owned	5,251
Intangible assets:	
Goodwill	0
Other intangible assets	0
Other assets	13,041
Total assets	761,112
Deposits:	
In domestic offices:	632,937
Noninterest-bearing	177,561
Interest-bearing	455,376
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	0
Trading liabilities	0
Other borrowed money	0
Subordinated notes and debentures	0
Other liabilities	4,406
Total liabilities	637,343
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	1,000
Surplus (exclude all surplus related to preferred stock)	29,200
Retained earnings	91,975
Accumulated other comprehensive income	1,594
Other equity capital components	0
Total equity capital	123,769
Total liabilities, minority interest, and equity capital	761,112

DECEMBER 31, 2009
WESTERN CAPITAL BANK
BOISE, IDAHO
Charter No. 262
Charter Issued March 25, 2008
Incorporated March 31, 2008

OFFICERS:
President & Chief Executive Officer: Rob R. Perez
Chief Financial Officer: Neva J. McCormick

DIRECTORS:
Rob. R Perez; Tami Michele Chafin;
Steve D. Wasson;William K. Ilett;
Jeffery D. Gow

	(000's omitted)
Cash and balances due from depository institutions	
Noninterest-bearing balances and currency and coin.	313
Interest-bearing balances	7,317
Securities:	
Held-to-maturity securities	0
Available-for-sale securities	36,237
Federal funds sold and securities purchased under agreements to resell	
Federal funds sold	0
Securities purchased under agreements to resell	0
Loans and lease financing receivables	
Loans and leases held for sale	0
Loans and leases, net of unearned income	34,258
LESS: Allowance for loan and lease losses	570
Loans and leases, net of unearned income and allowance	33,688
Trading assets	0
Premises and fixed assets (including capitalized leases)	508
Other real estate owned	0
Intangible assets:	
Goodwill	0
Other intangible assets	0
Other assets	672
Total assets	78,735
Deposits:	
In domestic offices:	46,405
Noninterest-bearing	3,504
Interest-bearing	42,901
Federal funds purchased and securities sold under agreements to repurchase	
Federal funds purchased	0
Securities sold under agreements to repurchase	0
Trading liabilities	0
Other borrowed money	0
Subordinated notes and debentures	0
Other liabilities	281
Total liabilities	46,686
Minority interest in consolidated subsidiaries	0
Perpetual preferred stock and related surplus	0
Common stock	3,500
Surplus (exclude all surplus related to preferred stock)	28,000
Retained earnings	151
Accumulated other comprehensive income	398
Other equity capital components	0
Total equity capital	32,049
Total liabilities, minority interest, and equity capital	78,735

DECEMBER 31, 2009
THE IDAHO COMPANY
IDAHO FALLS, IDAHO
Charter No. 1
Incorporated November 28, 1986
BIDCO License Issued July 11, 1989

OFFICERS:
Chairman, President, & Chief Executive Officer:
William F. Rigby

DIRECTORS:
Jeffrey Jones; John Rigby;
William F. Rigby; Fred T. Thompson, Jr.;
Shanon Taylor

	(000's Omitted)
ASSETS	
Cash	12
Loan Receivable	669
Less: Allowance for Loan Losses	42
Net Loans and Leases	627
Interest Receivable	112
Prepaid Expenses	0
Other Investments	1,407
Total Assets	2,158
LIABILITIES AND STOCKHOLDERS' EQUITY	
Accounts Payable	0
Accrued Expenses	
Notes Payable	431
Accrued Interest	11
Total Liabilities	442
STOCKHOLDERS' EQUITY	
Common Stock	1,137
Retained Earnings	580
Accumulated Other Comprehensive Activity	-1
Total Stockholders' Equity	1,716
Total Liabilities and Stockholders' Equity	2,158

Financial Institutions Operating in Idaho[3]

Institution Name	Address	City	State	Zip
Ireland Bank	386 N. Main Street	Aberdeen	ID	83210
Wells Fargo Bank, N.A.	165 S. Main Street	Aberdeen	ID	83210
D. L. Evans Bank	Main and Market Streets	Albion	ID	83311
Keybank, N.A.	290 Idaho Street	American Falls	ID	83211
The Bank of Commerce	590 Tyhee Avenue	American Falls	ID	83211
U.S. Bank, N.A.	588 Fort Hall Avenue	American Falls	ID	83211
Wells Fargo Bank, N.A.	246 Idaho Street	American Falls	ID	83211
JP Morgan Chase Bank, N.A.	1711 S. 25th East	Ammon	ID	83406
The Bank of Commerce	3113 S. 25th East	Ammon	ID	83406
Zions First National Bank	2540 E. Sunnyside Road	Ammon	ID	83406
The Bank of Commerce	120 W. Grand Avenue	Arco	ID	83213
Wells Fargo Bank, N.A.	205 W. Grand Avenue	Arco	ID	83213
Bank of Idaho	600 Main Street	Ashton	ID	83420
Keybank, N.A.	24 S. 5th Street	Ashton	ID	83420
U.S. Bank, N.A.	625 S. Main Street	Bellevue	ID	83313
U.S. Bank, N.A.	731 N. Main Street, Suite A	Bellevue	ID	83313
Keybank, N.A.	15 N. Ash Street	Blackfoot	ID	83221
The Bank of Commerce	280 W. Judicial Street	Blackfoot	ID	83221
U.S. Bank, N.A.	9 S. Ash Street	Blackfoot	ID	83221
Washington Federal Savings & Loan Assoc.	715 W. Judicial	Blackfoot	ID	83221
Wells Fargo Bank, N.A.	109 South Broadway	Blackfoot	ID	83221
Zions First National Bank	1350 Parkway Drive #1	Blackfoot	ID	83221
Bank of America, N.A.	1200 Main Street	Boise	ID	83702
Bank of America, N.A.	280 S. Capitol Boulevard	Boise	ID	83702
Bank of the Cascades	121 N. 9th Street, Suite 100	Boise	ID	83702
Bank of the Cascades	121 N. 9th Street, Suite 101	Boise	ID	83702
Bank of the West	827 W. Idaho Street	Boise	ID	83702
Banner Bank	950 W. Bannock, Suite 100	Boise	ID	83702
D. L. Evans Bank	213 N. 9th Street	Boise	ID	83702
Home Federal Bank	800 W. State Street	Boise	ID	83702
Idaho Independent Bank	317 N. 9th Street	Boise	ID	83702
Idaho Independent Bank	401 W. Front Street	Boise	ID	83702
Idaho Trust Bank	888 W. Broad Street	Boise	ID	83702
JP Morgan Chase Bank, N.A.	175 N. Capitol Boulevard	Boise	ID	83702
Keybank, N.A.	702 W. Idaho Street	Boise	ID	83702
Mountain West Bank	800 W. Bannock Street	Boise	ID	83702
Mountain West Bank	433 N. 16th Street	Boise	ID	83702
Sterling Savings Bank	420 W. Main Street	Boise	ID	83702
Syringa Bank	999 Main Street, Suite 100	Boise	ID	83702
U.S. Bank, N.A.	101 S. Capitol Boulevard, Suite 102	Boise	ID	83702
U.S. Bank, N.A.	111 S. 27th Street	Boise	ID	83702
U.S. Bank, N.A.	1688 State Street	Boise	ID	83702
U.S. Bank, N.A.	205 N. 10th Street	Boise	ID	83702
Washington Federal Savings & Loan Assoc.	1001 W. Idaho Street	Boise	ID	83702
Washington Trust Bank	901 West Bannock Street	Boise	ID	83702
Wells Fargo Bank, N.A.	848 W. Main Street	Boise	ID	83702
Wells Fargo Bank, N.A.	877 W. Main Street	Boise	ID	83702
Western Capital Bank	1750 Front Street	Boise	ID	83702

[3] Source: FDIC Summary of Deposits

Financial Institutions Operating in Idaho[3]

Institution Name	Address	City	State	Zip
Zions First National Bank	890 Main Street	Boise	ID	83702
D. L. Evans Bank	3845 W. State Street	Boise	ID	83703
JP Morgan Chase Bank, N.A.	3550 W. State Street	Boise	ID	83703
Keybank, N.A.	6700 W. State Street	Boise	ID	83703
U.S. Bank, N.A.	3614 W. State Street	Boise	ID	83703
U.S. Bank, N.A.	7100 W. State Street	Boise	ID	83703
Wells Fargo Bank, N.A.	4630 W. State Street	Boise	ID	83703
Bank of America, N.A.	421 N. Cole Road	Boise	ID	83704
Bank of America, N.A.	9780 W. Fairview Avenue	Boise	ID	83704
Bank of the West	9140 W. Emerald	Boise	ID	83704
Banner Bank	6850 Fairview Avenue	Boise	ID	83704
Home Federal Bank	10440 W. Ustick Road	Boise	ID	83704
Idaho Banking Company	6010 Fairview Avenue	Boise	ID	83704
JP Morgan Chase Bank, N.A.	373 N. Milwaukee Street	Boise	ID	83704
Keybank, N.A.	3149 N. Cole Road	Boise	ID	83704
Keybank, N.A.	8157 W. Fairview Avenue	Boise	ID	83704
U.S. Bank, N.A.	10556 Fairview Avenue	Boise	ID	83704
U.S. Bank, N.A.	7230 Fairview Avenue	Boise	ID	83704
Washington Federal Savings & Loan Assoc.	10150 Fairview Avenue	Boise	ID	83704
Washington Federal Savings & Loan Assoc.	3197 N. Cole Road	Boise	ID	83704
Washington Trust Bank	7930 Fairview Avenue	Boise	ID	83704
Wells Fargo Bank, N.A.	7700 Fairview Avenue	Boise	ID	83704
Zions First National Bank	7402 Fairview Avenue	Boise	ID	83704
Bank of America, N.A.	3563 S. Federal Way	Boise	ID	83705
Bank of the Cascades	801 S. Vista Avenue	Boise	ID	83705
D. L. Evans Bank	1600 S. Vista Avenue	Boise	ID	83705
JP Morgan Chase Bank, N.A.	3527 Federal Way SE, Ste A	Boise	ID	83705
Keybank, N.A.	4920 Overland Street	Boise	ID	83705
Keybank, N.A.	875 E. Parkcenter Boulevard	Boise	ID	83705
U.S. Bank, N.A.	1103 Vista Avenue	Boise	ID	83705
U.S. Bank, N.A.	1515 S. Orchard	Boise	ID	83705
U.S. Bank, N.A.	2730 Airport Way	Boise	ID	83705
Washington Federal Savings & Loan Assoc.	10 S. Orchard Street	Boise	ID	83705
Wells Fargo Bank, N.A.	1400 Vista Avenue	Boise	ID	83705
Home Federal Bank	871 Parkcenter Boulevard	Boise	ID	83706
Idaho Banking Company	673 E. Parkcenter Boulevard	Boise	ID	83706
JP Morgan Chase Bank, N.A.	2423 Apple Street	Boise	ID	83706
JP Morgan Chase Bank, N.A.	5120 W. Franklin Road	Boise	ID	83706
Keybank, N.A.	1111 Broadway Avenue	Boise	ID	83706
Syringa Bank	1299 N. Orchard Street	Boise	ID	83706
U.S. Bank, N.A.	909 E. Park Center Boulevard	Boise	ID	83706
U.S. Bank, N.A.	1000 Broadway Avenue	Boise	ID	83706
U.S. Bank, N.A.	301 W. Parkcenter Boulevard	Boise	ID	83706
Washington Federal Savings & Loan Assoc.	1789 Broadway Avenue	Boise	ID	83706
Wells Fargo Bank, N.A.	1205 Broadway Avenue	Boise	ID	83706
Wells Fargo Bank, N.A.	421 N. Orchard Avenue	Boise	ID	83706
Wells Fargo Bank, N.A.	505 W. Bannock Street	Boise	ID	83706
Wells Fargo Bank, N.A.	818 E. Boise Avenue	Boise	ID	83706
Bank of the Cascades	6981 Overland Road	Boise	ID	83709
Banner Bank	1550 S. Kimball Way	Boise	ID	83709

Financial Institutions Operating in Idaho[3]

Institution Name	Address	City	State	Zip
Home Federal Bank	8300 W. Overland Road	Boise	ID	83709
JP Morgan Chase Bank, N.A.	10751 W. Overland Rd., #D	Boise	ID	83709
Mountain West Bank	80 S. Cole Road	Boise	ID	83709
U.S. Bank, N.A.	10500 Overland Road	Boise	ID	83709
U.S. Bank, N.A.	10541 Overland Road	Boise	ID	83709
U.S. Bank, N.A.	8534 Franklin Road	Boise	ID	83709
Washington Trust Bank	7802 W. Overland Road	Boise	ID	83709
Wells Fargo Bank, N.A.	10342 Overland Road	Boise	ID	83709
D. L. Evans Bank	7450 W. Emerald Street	Boise	ID	83713
Home Federal Bank	3630 N. Eagle Road	Boise	ID	83713
U.S. Bank, N.A.	10700 Ustick Road	Boise	ID	83713
U.S. Bank, N.A.	4700 N. Eagle Road	Boise	ID	83713
Wells Fargo Bank, N.A.	4594 N. Eagle Road	Boise	ID	83713
Wells Fargo Bank, N.A.	3150 N. Five Mile Road	Boise	ID	83713
Zions First National Bank	6176 N. Eagle	Boise	ID	83713
JP Morgan Chase Bank, N.A.	6490 S. Federal Way	Boise	ID	83716
U.S. Bank, N.A.	6560 S. Federal Way	Boise	ID	83716
Idaho Independent Bank	8351 W. Overland Road	Boise	ID	83719
Mountain West Bank	7186 1st Street	Bonners Ferry	ID	83805
Panhandle State Bank	6750 Main Street	Bonners Ferry	ID	83805
Wells Fargo Bank, N.A.	6764 Main Street	Bonners Ferry	ID	83805
First Federal Savings Bank of Twin Falls	123 Broadway Avenue, North	Buhl	ID	83316
The Farmers National Bank of Buhl	914 Main Street	Buhl	ID	83316
U.S. Bank, N.A.	819 Main Street	Buhl	ID	83316
Wells Fargo Bank, N.A.	200 Broadway North	Buhl	ID	83316
D. L. Evans Bank	2281 Overland Avenue	Burley	ID	83318
D. L. Evans Bank	397 N. Overland Avenue	Burley	ID	83318
First Federal Savings Bank of Twin Falls	1095 East Main Street	Burley	ID	83318
First Federal Savings Bank of Twin Falls	2059 Overland Avenue	Burley	ID	83318
Keybank, N.A.	1301 Overland Avenue	Burley	ID	83318
U.S. Bank, N.A.	112 E. Main Street	Burley	ID	83318
Wells Fargo Bank, N.A.	130 E. Main Street	Burley	ID	83318
Wells Fargo Bank, N.A.	937 E. Main Street	Burley	ID	83318
Zions First National Bank	102 W. Main Street	Burley	ID	83318
Bank of the Cascades	1110 Blaine	Caldwell	ID	83605
Home Federal Bank	923 Dearborn Street	Caldwell	ID	83605
Idaho Independent Bank	620 S. Kimball Avenue	Caldwell	ID	83605
JP Morgan Chase Bank, N.A.	1018 Blaine Street	Caldwell	ID	83605
Keybank, N.A.	309 S. 9th Street	Caldwell	ID	83605
U.S. Bank, N.A.	607 Cleveland Boulevard	Caldwell	ID	83605
Washington Federal Savings & Loan Assoc.	515 Cleveland Boulevard	Caldwell	ID	83605
Wells Fargo Bank, N.A.	2500 Blaine Street	Caldwell	ID	83605
Wells Fargo Bank, N.A.	823 Cleveland Boulevard	Caldwell	ID	83605
Zions First National Bank	509 S. Kimball Avenue	Caldwell	ID	83605
Panhandle State Bank	506 S. 10th Avenue	Caldwell	ID	83606
Wells Fargo Bank, N.A.	5218 Cleveland Boulevard	Caldwell	ID	83607
U.S. Bank, N.A.	95 N. Superior Street	Cambridge	ID	83610
Ireland Bank	20449 Main Street	Carey	ID	83320
Sterling Savings Bank	101 S. Main Street	Cascade	ID	83611
Wells Fargo Bank, N.A.	Fourth & Main	Challis	ID	83226

Financial Institutions Operating in Idaho[3]

Institution Name	Address	City	State	Zip
AmericanWest Bank	223 W. Ironwood Drive	Coeur d'Alene	ID	83814
Bank of America, N.A.	401 Front Avenue	Coeur d'Alene	ID	83814
Bank of America, N.A.	501 W. Appleway	Coeur d'Alene	ID	83814
bankcda	912 Northwest Boulevard	Coeur d'Alene	ID	83814
Idaho Independent Bank	1260 W. Riverstone Drive	Coeur d'Alene	ID	83814
Idaho Trust Bank	608 Northwest Boulevard, Suite 300	Coeur d'Alene	ID	83814
Inland Northwest Bank	955 Ironwood Drive	Coeur d'Alene	ID	83814
JP Morgan Chase Bank, N.A.	560 W. Kathleen, Suite A	Coeur d'Alene	ID	83814
Mountain West Bank	125 Ironwood Drive	Coeur d'Alene	ID	83814
Sterling Savings Bank	1233 Northwood Center Court	Coeur d'Alene	ID	83814
U.S. Bank, N.A.	1603 N. 4th Street	Coeur d'Alene	ID	83814
U.S. Bank, N.A.	302 Sherman Avenue	Coeur d'Alene	ID	83814
Washington Trust Bank	218 Lakeside Street	Coeur d'Alene	ID	83814
Wells Fargo Bank, N.A.	114 W. Appleway	Coeur d'Alene	ID	83814
Wells Fargo Bank, N.A.	230 W. Ironwood Drive	Coeur d'Alene	ID	83814
Wells Fargo Bank, N.A.	301 E. Sherman Avenue	Coeur d'Alene	ID	83814
Bank of America, N.A.	357 W. Canfield Avenue	Coeur d'Alene	ID	83815
Inland Northwest Bank	30 W. Prairie Avenue	Coeur d'Alene	ID	83815
Mountain West Bank	1715 W. Kathleen Avenue	Coeur d'Alene	ID	83815
Panhandle State Bank	200 W. Neider Avenue	Coeur d'Alene	ID	83815
U.S. Bank, N.A.	6376 N. Government Way	Coeur d'Alene	ID	83815
Sterling Savings Bank	1106 Sherman Avenue	Coeur d'Alene	ID	83816
U.S. Bank, N.A.	104 Main Street	Cottonwood	ID	83522
Wells Fargo Bank, N.A.	316 Main Street	Cottonwood	ID	83522
U.S. Bank, N.A.	210 Illinois Avenue	Council	ID	83612
Ireland Bank	Main and Center Streets	Downey	ID	83234
Keybank, N.A.	15 N. Main Street	Driggs	ID	83422
The Bank of Commerce	65 E. Wallace Avenue	Driggs	ID	83422
U.S. Bank, N.A.	200 S. Main Street	Driggs	ID	83422
Wells Fargo Bank, N.A.	185 South Main Street	Driggs	ID	83422
Bank of the Cascades	1101 E. Winding Creek Drive	Eagle	ID	83616
Bank of the West	47 E. Riverside Drive	Eagle	ID	83616
Home Federal Bank	100 E. Riverside Drive	Eagle	ID	83616
Idaho Banking Company	402 S. Eagle Road	Eagle	ID	83616
Idaho Independent Bank	560 E. State Street	Eagle	ID	83616
JP Morgan Chase Bank, N.A.	468 Rivershore Lane	Eagle	ID	83616
Keybank, N.A.	3314 E. Chinden Boulevard	Eagle	ID	83616
Mountain West Bank	1539 E. Iron Eagle Drive	Eagle	ID	83616
Syringa Bank	3172 E. State Street	Eagle	ID	83616
U.S. Bank, N.A.	150 W. State Street	Eagle	ID	83616
U.S. Bank, N.A.	250 S. Eagle Road	Eagle	ID	83616
Washington Federal Savings & Loan Assoc.	701 E. State Street	Eagle	ID	83616
Wells Fargo Bank, N.A.	498 E. State Street	Eagle	ID	83616
Home Federal Bank	250 S. Washington	Emmett	ID	83617
Keybank, N.A.	1024 S. Washington Avenue	Emmett	ID	83617
U.S. Bank, N.A.	200 S. Washington	Emmett	ID	83617
Wells Fargo Bank, N.A.	102 W. Main Street	Emmett	ID	83617
U.S. Bank, N.A.	512 Soldier Road	Fairfield	ID	83327
U.S. Bank, N.A.	98 Highway 30	Filer	ID	83328
Bank of the Cascades	1850 N. Whitley Drive	Fruitland	ID	83619
Keybank, N.A.	1515 N. Whitley Drive	Fruitland	ID	83619
Panhandle State Bank	1710 N. Whitley Drive, Suite A	Fruitland	ID	83619
Zions First National Bank	909 NW 16th Street, Suite B	Fruitland	ID	83619

Financial Institutions Operating in Idaho[3]

Institution Name	Address	City	State	Zip
Bank of the Cascades	4128 Adams Street	Garden City	ID	83714
Home Federal Bank	7319 W. State Street	Garden City	ID	83714
JP Morgan Chase Bank, N.A.	5425 Chinden Boulevard	Garden City	ID	83714
Mountain West Bank	7107 W. State Street	Garden City	ID	83714
State Bank & Trust	7661 W. Riverside Drive, Suite 105	Garden City	ID	83714
U.S. Bank, N.A.	5312 Chinden Boulevard	Garden City	ID	83714
Washington Trust Bank	7309 W. State Street	Garden City	ID	83714
Wells Fargo Bank, N.A.	6788 Glenwood St.	Garden City	ID	83714
Wells Fargo Bank, N.A.	3301 W. Chinden Boulevard	Garden City	ID	83714
Wells Fargo Bank, N.A.	102 E. Walnut Street	Genesee	ID	83832
U.S. Bank, N.A.	4 E. Idaho Avenue	Glenns Ferry	ID	83623
Bank of America, N.A.	645 Main Street	Gooding	ID	83330
Panhandle State Bank	746 Main Street	Gooding	ID	83330
Wells Fargo Bank, N.A.	445 Main Street	Gooding	ID	83330
Zions First National Bank	502 Main Street	Gooding	ID	83330
Ireland Bank	1 N. Main	Grace	ID	83241
U.S. Bank, N.A.	300 S. Main Street	Grand View	ID	83624
Sterling Savings Bank	147 W. Main Street	Grangeville	ID	83530
U.S. Bank, N.A.	104 E. Main Street	Grangeville	ID	83530
Wells Fargo Bank, N.A.	162 E. Main Street	Grangeville	ID	83530
U.S. Bank, N.A.	111 W. Hagerman Avenue	Hagerman	ID	83332
Bank of America, N.A.	215 N. Main Street	Hailey	ID	83333
D. L. Evans Bank	12 E. Bullion Street	Hailey	ID	83333
Mountain West Bank	206 N. Main Street	Hailey	ID	83333
U.S. Bank, N.A.	314 N. Main Street	Hailey	ID	83333
Wells Fargo Bank, N.A.	100 N. Main Street	Hailey	ID	83333
Zions First National Bank	111 N. 1st Avenue, Suite 1H	Hailey	ID	83333
AmericanWest Bank	255 W. Hayden Avenue	Hayden	ID	83835
Bank of America, N.A.	162 W. Hayden Avenue	Hayden	ID	83835
bankcda	200 W. Honeysuckle Avenue	Hayden	ID	83835
Idaho Independent Bank	8882 N. Government Way	Hayden	ID	83835
Mountain West Bank	305 West Prairie Avenue	Hayden	ID	83835
Sterling Savings Bank	8060 N. Cornerstone Drive	Hayden	ID	83835
U.S. Bank, N.A.	197 W. Prairie Avenue	Hayden	ID	83835
Washington Trust Bank	8050 N. Government Way	Hayden	ID	83835
Wells Fargo Bank, N.A.	204 W. Hayden Avenue	Hayden	ID	83835
U.S. Bank, N.A.	255 Main Street	Hazelton	ID	83335
U.S. Bank, N.A.	112 S. Main Street	Homedale	ID	83628
Bank of America, N.A.	110 N. Holmes Avenue	Idaho Falls	ID	83401
JP Morgan Chase Bank, N.A.	1555 Northgate Mile, SuiteA	Idaho Falls	ID	83401
The Bank of Commerce	1455 Northgate Mile	Idaho Falls	ID	83401
U.S. Bank, N.A.	585 First Street	Idaho Falls	ID	83401
Wells Fargo Bank, N.A.	305 First Street	Idaho Falls	ID	83401
Wells Fargo Bank, N.A.	400 S. Woodruff Avenue	Idaho Falls	ID	83401
Bank of Idaho	399 N. Capital Avenue	Idaho Falls	ID	83402
Citizens Community Bank	900 S. Utah Avenue	Idaho Falls	ID	83402
The Bank of Commerce	1730 W. Broadway Street	Idaho Falls	ID	83402
The Bank of Commerce	375 Yellowstone Avenue	Idaho Falls	ID	83402
U.S. Bank, N.A.	1555 W. Broadway	Idaho Falls	ID	83402
U.S. Bank, N.A.	330 Shoup Avenue	Idaho Falls	ID	83402
Wells Fargo Bank, N.A.	320 A Street	Idaho Falls	ID	83402
Wells Fargo Bank, N.A.	635 N. Skyline Drive	Idaho Falls	ID	83402
Zions First National Bank	1235 S. Utah Avenue	Idaho Falls	ID	83402
Bank of Idaho	1800 Channing Way	Idaho Falls	ID	83403

Financial Institutions Operating in Idaho[3]

Institution Name	Address	City	State	Zip
Keybank, N.A.	1625 Northgate Mile	Idaho Falls	ID	83403
D. L. Evans Bank	888 E. 17th Street	Idaho Falls	ID	83404
The Bank of Commerce	1770 E. 17th Street	Idaho Falls	ID	83404
Wells Fargo Bank, N.A.	1798 Hitt Road	Idaho Falls	ID	83404
Wells Fargo Bank, N.A.	576 E. 17th Street	Idaho Falls	ID	83404
Keybank, N.A.	501 Broadway	Idaho Falls	ID	83405
Washington Federal Savings & Loan Assoc.	500 N. Capital	Idaho Falls	ID	83405
Citizens Community Bank	2797 S. 25th East	Idaho Falls	ID	83406
Keybank, N.A.	2655 E. 17th Street	Idaho Falls	ID	83406
Ireland Bank	Main Street and Highway 30	Inkom	ID	83245
Bank of Idaho	3976 U.S. Highway 20	Island Park	ID	83429
D. L. Evans Bank	1014 S. Lincoln Avenue	Jerome	ID	83338
First Federal Savings Bank of Twin Falls	1515 S. Lincoln Avenue	Jerome	ID	83338
The Farmers National Bank of Buhl	1441 S. Lincoln Avenue	Jerome	ID	83338
U.S. Bank, N.A.	300 S. Lincoln Avenue	Jerome	ID	83338
Washington Federal Savings & Loan Assoc.	140 E. Main Street	Jerome	ID	83338
Wells Fargo Bank, N.A.	100 E. Main Street	Jerome	ID	83338
Wells Fargo Bank, N.A.	320 Idaho Street	Kamiah	ID	83536
AmericanWest Bank	120 Railroad Avenue	Kellogg	ID	83837
Panhandle State Bank	302 W. Cameron Avenue	Kellogg	ID	83837
U.S. Bank, N.A.	7 McKinley Avenue	Kellogg	ID	83837
Wells Fargo Bank, N.A.	100 McKinley Avenue	Kellogg	ID	83837
Wells Fargo Bank, N.A.	501 E. Main Street	Kendrick	ID	83537
Bank of America, N.A.	311 Main Street	Ketchum	ID	83340
Bank of the West	600 Sun Valley Road	Ketchum	ID	83340
D. L. Evans Bank	680 Sun Valley Road	Ketchum	ID	83340
Idaho Independent Bank	491 N. Main Street, Suite 101	Ketchum	ID	83340
Mountain West Bank	331 N. Leadville Avenue	Ketchum	ID	83340
U.S. Bank, N.A.	111 Main Street	Ketchum	ID	83340
Wells Fargo Bank, N.A.	600 Sun Valley Road	Ketchum	ID	83340
Zions First National Bank	291 Washington Avenue	Ketchum	ID	83340
First Federal Savings Bank of Twin Falls	22349 Kimberly Road	Kimberly	ID	83341
Wells Fargo Bank, N.A.	242 Main Street North	Kimberly	ID	83341
Sterling Savings Bank	1 Main Street	Kooskia	ID	83539
Bank of the Cascades	840 E. Avalon Street	Kuna	ID	83634
U.S. Bank, N.A.	485 W. Third Street	Kuna	ID	83634
Ireland Bank	110 Main Street	Lava Hot Springs	ID	83246
AmericanWest Bank	2201 Thain Grade	Lewiston	ID	83501
Banner Bank	1031 21st Street	Lewiston	ID	83501
Banner Bank	639 Bryden Avenue	Lewiston	ID	83501
Sterling Savings Bank	2250 Thain Grade Road	Lewiston	ID	83501
Sterling Savings Bank	444 Thain Road	Lewiston	ID	83501
Sterling Savings Bank	921 F Street	Lewiston	ID	83501
Syringa Bank	1005 Bryden	Lewiston	ID	83501
Twin River National Bank	1507 G Street	Lewiston	ID	83501
Twin River National Bank	3330 10th Street	Lewiston	ID	83501
U.S. Bank, N.A.	1900 19th Avenue	Lewiston	ID	83501
U.S. Bank, N.A.	835 Main Street	Lewiston	ID	83501
Wells Fargo Bank, N.A.	303 Thain Road	Lewiston	ID	83501

Financial Institutions Operating in Idaho[3]

Institution Name	Address	City	State	Zip
Wells Fargo Bank, N.A.	868 Main Street	Lewiston	ID	83501
Zions First National Bank	623 Main Street	Lewiston	ID	83501
Zions First National Bank	500 8th Avenue	Lewiston	ID	83501
Zions First National Bank	3506 12th Street	Lewiston	ID	83501
Ireland Bank	208 S. Main Street	Mackay	ID	83251
U.S. Bank, N.A.	202 S. Main Street	Mackay	ID	83251
Ireland Bank	33 Bannock Street	Malad City	ID	83252
U.S. Bank, N.A.	25 E. 50 South	Malad City	ID	83252
U.S. Bank, N.A.	445 Main Street	Marsing	ID	83639
Idaho First Bank	475 E. Deinhard Lane	McCall	ID	83638
Sterling Savings Bank	900 Second Street	McCall	ID	83638
U.S. Bank, N.A.	905 N. Second Street	McCall	ID	83638
Washington Federal Savings & Loan Assoc.	204 E. Park Street	McCall	ID	83638
Bank of the Cascades	30 E. Broadway Avenue	Meridian	ID	83642
Bank of the Cascades	3135 E. Overland Road	Meridian	ID	83642
Bank of the West	1630 S. Wells Avenue	Meridian	ID	83642
Banner Bank	900 E. Fairview Avenue	Meridian	ID	83642
D. L. Evans Bank	2560 E. Fairview Avenue	Meridian	ID	83642
Home Federal Bank	3405 E. Overland Road	Meridian	ID	83642
Home Federal Bank	4051 E. Fairview Avenue	Meridian	ID	83642
Home Federal Bank	55 E. Franklin Road	Meridian	ID	83642
Idaho Banking Company	1875 S. Eagle Road	Meridian	ID	83642
Idaho Independent Bank	113 E. Idaho Street	Meridian	ID	83642
JP Morgan Chase Bank, N.A.	1850 E. Fairview Avenue	Meridian	ID	83642
Keybank, N.A.	1650 E. Fairview Avenue	Meridian	ID	83642
Keybank, N.A.	3270 Eagle Road	Meridian	ID	83642
Keybank, N.A.	3055 E. Overland Road	Meridian	ID	83642
Mountain West Bank	2970 E. St. Lukes Drive	Meridian	ID	83642
Mountain West Bank	4250 Fairview Avenue East	Meridian	ID	83642
Sterling Savings Bank	1595 S. Eagle Road	Meridian	ID	83642
Syringa Bank	3671 E. Fairview Avenue	Meridian	ID	83642
U.S. Bank, N.A.	20 East Fairview Avenue	Meridian	ID	83642
U.S. Bank, N.A.	220 West Cherry Lane	Meridian	ID	83642
U.S. Bank, N.A.	3301 West Cherry Lane	Meridian	ID	83642
Washington Federal Savings & Loan Assoc.	575 E. Franklin Road	Meridian	ID	83642
Washington Trust Bank	3251 E. Presidential Drive	Meridian	ID	83642
Washington Trust Bank	4037 E. Clocktower Lane, #12	Meridian	ID	83642
Wells Fargo Bank, N.A.	1682 N. Main Street	Meridian	ID	83642
Wells Fargo Bank, N.A.	210 E. Corporate Drive	Meridian	ID	83642
Zions First National Bank	3715 E. Overland Road	Meridian	ID	83642
Syringa Bank	1028 W. Main Street	Middleton	ID	83644
Ireland Bank	420 N. 4th Street	Montpelier	ID	83254
U.S. Bank, N.A.	672 Washington	Montpelier	ID	83254
Wells Fargo Bank, N.A.	830 Washington Street	Montpelier	ID	83254
Zions First National Bank	902 Washington Street	Montpelier	ID	83254
AmericanWest Bank	600 S. Jackson	Moscow	ID	83843
JP Morgan Chase Bank, N.A.	1790 W. Pullman Road	Moscow	ID	83843
Sterling Savings Bank	201 S. Jackson Street	Moscow	ID	83843
Sterling Savings Bank	609 S. Washington	Moscow	ID	83843
U.S. Bank, N.A.	1314 S. Blaine Street	Moscow	ID	83843
U.S. Bank, N.A.	301 S. Main Street	Moscow	ID	83843
Wells Fargo Bank, N.A.	1313 S. Blaine Street	Moscow	ID	83843

Financial Institutions Operating in Idaho[3]

Institution Name	Address	City	State	Zip
Wells Fargo Bank, N.A.	221 S. Main Street	Moscow	ID	83843
Zions First National Bank	105 S. Main Street	Moscow	ID	83843
Home Federal Bank	400 N. 3rd East	Mountain Home	ID	83647
Idaho Independent Bank	310 American Legion Boulevard	Mountain Home	ID	83647
JP Morgan Chase Bank, N.A.	290 N. 2nd Avenue East	Mountain Home	ID	83647
U.S. Bank, N.A.	305 N. Second East	Mountain Home	ID	83647
Wells Fargo Bank, N.A.	210 E. Jackson Street	Mountain Home	ID	83647
Bank of America, N.A.	1460 Caldwell Boulevard	Nampa	ID	83651
Bank of the Cascades	112 2nd Street South	Nampa	ID	83651
Bank of the West	1313 Caldwell Boulevard	Nampa	ID	83651
D. L. Evans Bank	1536 Caldwell Boulevard	Nampa	ID	83651
Home Federal Bank	1820 Caldwell Boulevard	Nampa	ID	83651
Home Federal Bank	500 12th Avenue South	Nampa	ID	83651
Idaho Independent Bank	804 12th Avenue South	Nampa	ID	83651
JP Morgan Chase Bank, N.A.	50 2nd Street South	Nampa	ID	83651
Keybank, N.A.	1020 Caldwell Boulevard	Nampa	ID	83651
Keybank, N.A.	324 12th Avenue South	Nampa	ID	83651
Mountain West Bank	1223 12th Avenue Road	Nampa	ID	83651
Mountain West Bank	2024 Caldwell Boulevard	Nampa	ID	83651
Panhandle State Bank	521 12th Avenue, South	Nampa	ID	83651
U.S. Bank, N.A.	1112 1st Street South	Nampa	ID	83651
U.S. Bank, N.A.	1515 Caldwell Boulevard	Nampa	ID	83651
Washington Federal Savings & Loan Assoc.	223 11th Avenue South	Nampa	ID	83651
Washington Trust Bank	2200 N. Cassia Street	Nampa	ID	83651
Washington Trust Bank	6010 E. Franklin Road	Nampa	ID	83651
Wells Fargo Bank, N.A.	103 12th Avenue South	Nampa	ID	83651
Wells Fargo Bank, N.A.	1401 12th Avenue South	Nampa	ID	83651
Wells Fargo Bank, N.A.	2122 W. Karcher Road	Nampa	ID	83651
Zions First National Bank	2121 W. Karcher Road	Nampa	ID	83651
Bank of the Cascades	1513 12th Avenue Road	Nampa	ID	83686
D. L. Evans Bank	2071 12th Avenue Road	Nampa	ID	83686
Home Federal Bank	2100 12th Avenue Road	Nampa	ID	83686
JP Morgan Chase Bank, N.A.	164 E. Maine Avenue	Nampa	ID	83686
U.S. Bank, N.A.	2400 12th Avenue Road	Nampa	ID	83686
Banner Bank	16292 N. Marketplace Boulevard	Nampa	ID	83687
Home Federal Bank	5875 E. Franklin Road	Nampa	ID	83687
Wells Fargo Bank, N.A.	5607 E. Franklin Road	Nampa	ID	83687
Sterling Savings Bank	308 Virginia Avenue	New Meadows	ID	83654
Zions First National Bank	130 Plymouth Avenue, North	New Plymouth	ID	83655
U.S. Bank, N.A.	410 Oak Street	Nezperce	ID	83543
AmericanWest Bank	100 Main Street	Orofino	ID	83544
U.S. Bank, N.A.	333 Michigan Avenue	Orofino	ID	83544
Wells Fargo Bank, N.A.	210 Michigan Avenue	Orofino	ID	83544
Bank of America, N.A.	733 E. Mullen Avenue	Osburn	ID	83849
Wells Fargo Bank, N.A.	730 E. Mullen Avenue	Osburn	ID	83849
U.S. Bank, N.A.	Third and Grove Streets	Parma	ID	83660
Wells Fargo Bank, N.A.	202 E. Grove Street	Parma	ID	83660
Keybank, N.A.	108 E. Ellis	Paul	ID	83347
Bank of America, N.A.	102 S. Main Street	Payette	ID	83661
Panhandle State Bank	175 N. 16th Street	Payette	ID	83661
U.S. Bank, N.A.	101 S. Main Street	Payette	ID	83661
Wells Fargo Bank, N.A.	2 S. Main Street	Payette	ID	83661
U.S. Bank, N.A.	1 Country Club Lane	Pinehurst	ID	83850

Financial Institutions Operating in Idaho[3]

Institution Name	Address	City	State	Zip
Sterling Savings Bank	365 10th and D Street	Plummer	ID	83851
Bank of America, N.A.	860 Yellowstone Avenue	Pocatello	ID	83201
Bank of Idaho	1230 Yellowstone Avenue	Pocatello	ID	83201
Bank of Idaho	2300 Via Caporatti Drive	Pocatello	ID	83201
D. L. Evans Bank	333 Yellowstone Avenue	Pocatello	ID	83201
D. L. Evans Bank	4080 Yellowstone Avenue	Pocatello	ID	83201
Ireland Bank	486 Yellowstone Avenue	Pocatello	ID	83201
Ireland Bank	2715 Pole Line Road	Pocatello	ID	83201
JP Morgan Chase Bank, N.A.	800 Yellowstone Avenue	Pocatello	ID	83201
Keybank, N.A.	910 Yellowstone Avenue	Pocatello	ID	83201
The Bank of Commerce	241 W. Quinn Road	Pocatello	ID	83201
U.S. Bank, N.A.	855 Yellowstone Avenue	Pocatello	ID	83201
Wells Fargo Bank, N.A.	751 E. Clark Street	Pocatello	ID	83201
Wells Fargo Bank, N.A.	950 Yellowstone Avenue	Pocatello	ID	83201
Zions First National Bank	1590 Yellowstone Avenue	Pocatello	ID	83201
Citizens Community Bank	2000 Flandro Drive	Pocatello	ID	83202
Keybank, N.A.	4730 Yellowstone Avenue	Pocatello	ID	83202
Wells Fargo Bank, N.A.	4195 Yellowstone Avenue	Pocatello	ID	83202
Citizens Community Bank	280 S. Arthur Avenue	Pocatello	ID	83204
Keybank, N.A.	105 N. Arthur Street	Pocatello	ID	83204
U.S. Bank, N.A.	120 N. Arthur Avenue	Pocatello	ID	83204
Wells Fargo Bank, N.A.	333 S. Main Street	Pocatello	ID	83204
Zions First National Bank	253 S. Main Street	Pocatello	ID	83204
Ireland Bank	2715 Poleline Road	Pocatello	ID	83205
Washington Federal Savings & Loan Assoc.	1045 Yellowstone Avenue	Pocatello	ID	83206
Mountain West Bank	476655 Highway 95 North	Ponderay	ID	83852
Panhandle State Bank	300 Kootenai Cutoff Road	Ponderay	ID	83852
Bank of America, N.A.	405 E. Seltice Way	Post Falls	ID	83854
Community 1st Bank	707 N. Post Street	Post Falls	ID	83854
Inland Northwest Bank	1729 E. Seltice Way	Post Falls	ID	83854
JP Morgan Chase Bank, N.A.	3134 E. Mullan Avenue, Suite E	Post Falls	ID	83854
Mountain West Bank	709 E. Seltice Way	Post Falls	ID	83854
Panhandle State Bank	3235 E. Mullan Avenue	Post Falls	ID	83854
U.S. Bank, N.A.	1026 E. Polston Avenue	Post Falls	ID	83854
Washington Trust Bank	1601 E. Seltice Way	Post Falls	ID	83854
Wells Fargo Bank, N.A.	701 Goude Street	Post Falls	ID	83854
U.S. Bank, N.A.	200 6th and Pine Street	Potlatch	ID	83855
Ireland Bank	85 E. Oneida	Preston	ID	83263
Lewiston State Bank	217 S. State	Preston	ID	83263
U.S. Bank, N.A.	1 S. State	Preston	ID	83263
Wells Fargo Bank, N.A.	5 N. State Street	Preston	ID	83263
Panhandle State Bank	6568 Highway 2	Priest River	ID	83856
U.S. Bank, N.A.	102 Treat Street	Priest River	ID	83856
Wells Fargo Bank, N.A.	U.S. Highway #2	Priest River	ID	83856
Panhandle State Bank	662 Commercial Park Avenue	Rathdrum	ID	83858
Washington Trust Bank	16102 Highway 41	Rathdrum	ID	83858
Wells Fargo Bank, N.A.	16234 N. Highway 41	Rathdrum	ID	83858
Citizens Community Bank	452 N. 2nd East	Rexburg	ID	83440
Keybank, N.A.	110 E. Main Street	Rexburg	ID	83440
The Bank of Commerce	184 E. 2nd North	Rexburg	ID	83440
The Bank of Commerce	859 S. Yellowstone Hwy, Suite 2001	Rexburg	ID	83440
U.S. Bank, N.A.	77 E. Main	Rexburg	ID	83440
Washington Federal Savings & Loan	80 N. 2nd East	Rexburg	ID	83440

Financial Institutions Operating in Idaho[3]

Institution Name	Address	City	State	Zip
Assoc.				
Wells Fargo Bank, N.A.	39 E. Main Street	Rexburg	ID	83440
Zions First National Bank	149 W. Main Street	Rexburg	ID	83440
The Bank of Commerce	463 Rigby Lake Drive	Rigby	ID	83442
U.S. Bank, N.A.	183 S. State	Rigby	ID	83442
Wells Fargo Bank, N.A.	127 N. State Street	Rigby	ID	83442
Zions First National Bank	219 E. Main Street	Rigby	ID	83442
Sterling Savings Bank	402 S. Main Street	Riggins	ID	83549
The Bank of Commerce	386 Main Street	Ririe	ID	83443
D. L. Evans Bank	418 S. Oneida Street	Rupert	ID	83350
First Federal Savings Bank of Twin Falls	701 Seventh Street	Rupert	ID	83350
U.S. Bank, N.A.	612 Fifth Street	Rupert	ID	83350
Wells Fargo Bank, N.A.	602 E. Street	Rupert	ID	83350
Bank of America, N.A.	603 Shoup Street	Salmon	ID	83467
U.S. Bank, N.A.	501 Main Street	Salmon	ID	83467
Wells Fargo Bank, N.A.	116 N. Andrews Street	Salmon	ID	83467
AmericanWest Bank	605 5th Avenue	Sandpoint	ID	83864
Bank of America, N.A.	405 N. Second Avenue	Sandpoint	ID	83864
Mountain West Bank	1319 Highway 2	Sandpoint	ID	83864
Panhandle State Bank	231 N. Third Avenue	Sandpoint	ID	83864
Panhandle State Bank	414 Church Street	Sandpoint	ID	83864
U.S. Bank, N.A.	201 Main Street	Sandpoint	ID	83864
Washington Trust Bank	515 Pine Street, Suite D	Sandpoint	ID	83864
Wells Fargo Bank, N.A.	320 N. Fourth Avenue	Sandpoint	ID	83864
The Bank of Commerce	270 S. Emerson Avenue	Shelley	ID	83274
U.S. Bank, N.A.	201 W. Pine Street	Shelley	ID	83274
Wells Fargo Bank, N.A.	103 S. Birch Street	Shoshone	ID	83352
Ireland Bank	98 W. 2nd South	Soda Springs	ID	83276
U.S. Bank, N.A.	189 S. Main	Soda Springs	ID	83276
Inland Northwest Bank	31845 N. 5th Avenue	Spirit Lake	ID	83869
Bank of Idaho	135 N. Bridge Street	St. Anthony	ID	83445
Keybank, N.A.	30 W. Main	St. Anthony	ID	83445
Wells Fargo Bank, N.A.	40 S. Bridge Street	St. Anthony	ID	83445
AmericanWest Bank	1500 Main	St. Maries	ID	83861
U.S. Bank, N.A.	138 N. Eighth Street	St. Maries	ID	83861
Wells Fargo Bank, N.A.	729 Main Avenue	St. Maries	ID	83861
Idaho Independent Bank	90 S. Star Road	Star	ID	83669
Wells Fargo Bank, N.A.	Boardwalk Mall	Sun Valley	ID	83353
The Bank of Commerce	1098 E. 1500 North	Terreton	ID	83450
Sterling Savings Bank	424 S. Main Street	Troy	ID	83871
Bank of America, N.A.	1040 Shoshone Drive	Twin Falls	ID	83301
Banner Bank	1340 Blue Lakes Boulevard, North	Twin Falls	ID	83301
D. L. Evans Bank	215 Blue Lakes Boulevard, North	Twin Falls	ID	83301
D. L. Evans Bank	222 Main Avenue, South	Twin Falls	ID	83301
D. L. Evans Bank	906 Blue Lakes Boulevard, North	Twin Falls	ID	83301
First Federal Savings Bank of Twin Falls	110 Falls Avenue	Twin Falls	ID	83301
First Federal Savings Bank of Twin Falls	148 Eastland Drive	Twin Falls	ID	83301
First Federal Savings Bank of Twin Falls	383 Shoshone Street North	Twin Falls	ID	83301
First Federal Savings Bank of Twin Falls	886 Blue Lakes Boulevard, North	Twin Falls	ID	83301

Financial Institutions Operating in Idaho[3]

Institution Name	Address	City	State	Zip
JP Morgan Chase Bank, N.A.	705 Blue Lakes Boulevard, North, Suite G	Twin Falls	ID	83301
Keybank, N.A.	103 Main Avenue, East	Twin Falls	ID	83301
Panhandle State Bank	113 Main Avenue West	Twin Falls	ID	83301
Panhandle State Bank	1715 Poleline Road, East	Twin Falls	ID	83301
The Farmers National Bank of Buhl	1097 Blue Lakes Boulevard, North	Twin Falls	ID	83301
The Farmers National Bank of Buhl	341 Pole Line Road	Twin Falls	ID	83301
U.S. Bank, N.A.	241 Shoshone Street North	Twin Falls	ID	83301
U.S. Bank, N.A.	748 Blue Lakes Boulevard North	Twin Falls	ID	83301
Washington Federal Savings & Loan Assoc.	494 Blue Lake Boulevard, North	Twin Falls	ID	83301
Wells Fargo Bank, N.A.	102 Main Avenue South	Twin Falls	ID	83301
Wells Fargo Bank, N.A.	1303 Addison Avenue East	Twin Falls	ID	83301
Wells Fargo Bank, N.A.	1329 Filer Avenue East	Twin Falls	ID	83301
Wells Fargo Bank, N.A.	1864 Blue Lakes Boulevard North	Twin Falls	ID	83301
Zions First National Bank	1863 Blue Lakes Boulevard, North	Twin Falls	ID	83301
Zions First National Bank	1913 Addison Avenue	Twin Falls	ID	83301
The Farmers National Bank of Buhl	890 Shoshone Street	Twin Falls	ID	83303
Keybank, N.A.	1665 Blue Lakes Boulevard North	Twin Falls	ID	83303
U.S. Bank, N.A.	138 N. Main Street	Victor	ID	83455
AmericanWest Bank	806 Bank Street	Wallace	ID	83873
U.S. Bank, N.A.	528 Cedar Street	Wallace	ID	83873
Wells Fargo Bank, N.A.	419 Sixth Street	Wallace	ID	83873
Bank of the West	34 E. Main Street	Weiser	ID	83672
Panhandle State Bank	440 E. Main Street	Weiser	ID	83672
Wells Fargo Bank, N.A.	407 State Street	Weiser	ID	83672
Zions First National Bank	606 State Street	Weiser	ID	83672
The Farmers National Bank of Buhl	Main and Idaho Streets	Wendell	ID	83355
U.S. Bank, N.A.	15 S. Idaho Street	Wendell	ID	83355
Zions First National Bank	315 Avenue A	Wilder	ID	83676

EXHIBIT IV

STATE OF IDAHO
STATE-CHARTERED CREDIT UNIONS
COMPARATIVE STATEMENT
Close of Business 12/31/09 and 12/31/08

	2009	2008	% Change
ASSETS			
Cash and Cash Equivalents	184,601,894	108,704,105	69.82%
Unsecured Credit Cards	55,075,682	48,670,120	13.16%
All Other Unsecured Loans	32,717,505	29,985,861	9.11%
New Auto Loans	279,562,731	279,179,351	0.14%
Used Auto Loans	486,986,414	429,548,990	13.37%
First Mortgage Real Estate Loans	501,705,395	451,285,947	11.17%
Other Real Estate Loans	136,372,558	138,117,529	-1.26%
Other Loans (Includes Loans Held for Sales)	132,803,078	129,671,355	2.42%
Total Loans	$1,625,223,363	$1,506,459,153	7.88%
Less: Allowance for Loan and Lease Losses	-9,863,168	-6,871,694	43.53%
Loans Held For Sale	5,772,134	771,501	648.17%
Available for Sale Securities	39,930,250	18,619,234	114.46%
Held-to Maturity	23,484,697	16,575,456	41.68%
Deposits in Commercial Banks, Savings & Loans, Savings Banks	67,109,425	55,611,230	20.68%
Loans to, Deposits in, and Investments in Natural Person Credit Unions	2,331,375	3,193,055	-26.99%
Membership Capital and Paid-in Capital at Corporate Credit Unions	1,487,527	10,282,094	-85.53%
All Other Investments in Corporate Credit Unions	217,847,366	166,335,598	30.97%
All Other Investments	2,637,145	2,029,527	29.94%
Total Investments	$354,827,785	$272,646,194	30.14%
Other Real Estate Owned	0	0	0.00%
Land and Building (Net of Dep)	73,009,319	69,681,729	4.78%
Other Fixed Assets	10,625,444	11,469,918	-7.36%
Shares Insurance Capitalization Deposit	16,265,140	9,027,510	80.17%
Other Assets	7,769,861	7,997,898	-2.85%
Total Other Assets	$14,530,738	$14,771,201	-1.63%
TOTAL ASSETS	$2,275,956,574	$1,987,338,170	14.52%
LIABILITIES, SHARES AND EQUITY			
Promissory and other Notes Payable	103,195,746	7,231,253	1327.08%
Dividends / Interest Payable	4,602,304	5,985,836	-23.11%
Accounts Payable & Liabilities	20,218,919	20,218,945	0.10%
Total Liabilities	$128,016,969	$33,416,034	283.10%
Share Drafts	260,302,334	227,495,627	14.42%
Regular Shares	401,841,213	365,444,271	9.96%
All Other Shares and Deposits	1,302,520,663	1,187,662,493	9.67%
Total Shares And Deposits	$1,964,664,210	$1,780,602,391	10.34%
Undivided Earnings	127,411,964	117,600,356	8.34%
Regular Reserves	61,748,519	58,487,585	5.58%
Other Reserves	269,367	939,431	-71.33%
Unrealized Gain/Loss A-F-S SEC	-46,290	60,991	-175.90%
Other Comprehensive Income	-6,108,165	-3,768,618	-62.08%
Total Equity	$183,275,395	$173,319,745	5.74%
Total Savings And Equity	3,450,460,268	3,141,584,629	9.83%
TOTAL LIABILITIES AND EQUITY	$2,275,956,574	$1,987,338,170	14.52%

STATE OF IDAHO
STATE-CHARTERED CREDIT UNIONS
TOTAL ASSETS

Name	City	State	12/31/2009	12/31/2008	% Change
Idaho State-Chartered Credit Unions					
A+ Credit Union	Idaho Falls	ID	16,020,731	15,369,697	4.24%
Boise Fire Department Credit Union	Boise	ID	6,515,646	5,596,009	16.43%
Boise Valley Credit Union	Boise	ID	1,078,134	834,953	29.13%
Cassia County Education Association Credit Union	Burley	ID	2,837,668	2,819,182	0.66%
Clearwater Credit Union	Lewiston	ID	23,116,953	24,067,385	-3.95%
Cornerstone Credit Union	Caldwell	ID	23,421,650	25,712,292	-8.91%
E.S.A. Credit Union	Boise	ID	5,119,922	5,280,909	-3.05%
East Idaho Credit Union	Idaho Falls	ID	227,463,018	205,327,723	10.78%
Health Care Idaho Credit Union	Boise	ID	8,757,210	8,601,422	1.81%
Idadiv Credit Union	Nampa	ID	47,630,143	42,830,359	11.21%
Idahy Credit Union (now known as Icon)	Boise	ID	135,304,912	126,700,206	6.79%
Idaho Advantage Credit Union	Boise	ID	52,864,180	44,588,815	18.56%
Idaho Central Credit Union	Pocatello	ID	919,641,924	721,003,052	27.55%
Idaho United Credit Union	Boise	ID	22,748,205	20,537,694	10.76%
Jefferson County Public Employees Credit Union	Menan	ID	404,184	394,933	2.34%
Kamiah Community Credit Union	Kamiah	ID	40,713,628	34,446,325	18.19%
Lewis Clark Credit Union	Lewiston	ID	39,108,253	36,743,860	6.43%
Lewiston Catholic Credit Union	Lewiston	ID	355,643	379,506	-6.29%
M.A.P. Credit Union	Burley	ID	1,937,719	1,891,892	2.42%
Members Preferred Credit Union	Idaho Falls	ID	27,502,070	27,336,505	0.61%
Mini-Cassia Employees Credit Union	Burley	ID	564,047	568,811	-0.84%
Mountain Gem Credit Union	Nampa	ID	13,868,384	14,492,087	-4.30%
Northwest Christian Credit Union	Nampa	ID	30,174,706	27,487,400	9.78%
Payette River Credit Union	Emmett	ID	6,598,069	6,283,242	5.01%
Pine Tree Credit Union	Grangeville	ID	27,120,106	23,554,718	15.14%
Pocatello Simplot Credit Union	Pocatello	ID	32,624,083	32,125,043	1.55%
Potelco United Credit Union (Includes merged ICE)	Pocatello	ID	57,472,924	57,875,253	2.18%
Public Employees	Coeur d'Alene	ID	8,608,232	8,173,097	5.32%
Shell-Fir Credit Union	Shelley	ID	970,675	879,153	10.41%
Shoshone County School Employees Credit Union	Wardner	ID	880,374	879,618	0.09%
SIMCOE Credit Union	Burley	ID	5,456,942	5,316,717	2.64%
Simplot Employees Credit Union	Caldwell	ID	18,985,468	18,215,332	4.23%
St. Joe Valley Credit Union	St. Maries	ID	7,192,639	7,681,849	-6.37%
St. Alphonsus Medical Credit Union	Boise	ID	6,276,914	5,918,286	6.06%
Times- News Employees Credit Union	Twin Falls	ID	212,922	196,615	8.29%
Tribune Credit Union	Lewiston	ID	742,586	733,175	1.28%
Valley Community Credit Union	Nampa	ID	8,679,075	8,121,281	6.87%
Westmark Credit Union	Idaho Falls	ID	439,067,154	410,562,648	6.94%
White Pine Credit Union	Pierce	ID	7,919,481	7,811,126	1.39%
Total Idaho State-Chartered Credit Unions			2,275,956,574	1,987,338,170	14.52%
Other State-Chartered Credit Unions Operating in Idaho					
Global Credit Union	Spokane	WA	40,587,770	45,747,327	-11.28%
Horizon Credit Union	Spokane	WA	82,166,495	76,444,570	7.49%
Numerica Credit Union	Spokane	WA	67,539,129	70,295,218	-3.92%
Spokane Teachers Credit Union	Spokane	WA	41,246,287	27,610,939	49.38%
Silverado Credit Union	Angwin	CA	1,076,263	897,628	19.90%
Total Other State-Chartered Credit Unions			232,615,944	220,995,682	5.26%
Total State-Chartered Credit Unions			2,508,572,518	2,208,333,852	13.60%

EXHIBIT VI

SECURITIES BUREAU SANCTIONS REPORT

I. CIVIL ENFORCEMENT ACTIONS INITIATED OR COMPLETED UNDER THE IDAHO UNIFORM SECURITIES ACT / IDAHO COMMODITY CODE

July 20, 2009 and December 16, 2009

DALE E. LOWELL; LUKE D. LOWELL; Sandpoint, ID - On July 20, 2009, the Department filed a civil lawsuit in Bonner County District Court alleging Dale Lowell sold unregistered investment contracts to at least 23 investors. The Department also alleged that Lowell misrepresented and omitted material facts about the investments. On December 16, 2010, the Court entered a default Judgment and Permanent Injunction against Mr. Lowell and ordered him to pay $2,038,376 in restitution to investors affected by his conduct. He was also permanently enjoined from selling investment securities in Idaho.

Luke Lowell, who was alleged to have benefitted by receiving more than $300,000 in transfers from his father, Dale Lowell, agreed to settle the matter with the Department and the case is closed.

July 23, 2009 and January 28, 2010

IDAHO DEVELOPMENT GROUP, INC., JEREMIAH CHRISTIAN YANCY aka JEREMY CHRISTIAN GLAUB aka JEREMIAH CHRISTIAN GLAUB aka JEREMIAH C. YANCEY (YANCY), formerly of Ada County, ID – The Department filed a civil lawsuit against Yancy and his company, Idaho Development Group, in 2009 alleging violations of the Idaho Uniform Securities Act, the Idaho Commodity Code and the Idaho Residential Mortgage Practices Act. The complaint alleged that Yancy engaged in an extensive series of frauds that resulted in more than $600,000 in investor and consumer losses. Among other things, Yancy was alleged to have used his connections as a lay pastor in a local church to gain the trust of fellow members and others. Yancy represented that he would purchase properties, build "skinny houses" and sell them for a profit. He advised some investors they could make up to a 100 percent return. While Yancy purchased some properties, he failed to follow through on promised improvements and used some investor funds to pay his own personal expenses.

On January 28, 2010, the Court entered a default judgment against Yancy and his company after neither appeared to defend the lawsuit.

The Court found Yancy and Idaho Development Group violated the laws as alleged in the Department's complaint, enjoined them from engaging in future violations and ordered restitution of more than $600,000 as well as penalties of more than $450,000.

October 19, 2009 and June 22, 2010

SHEILA LEA JONES aka SHEILA LEA JOHNSON aka SHEILA LEA KILBORN, Meridian, ID - The Department filed a civil lawsuit in 2009 which alleged that Sheila Jones, the owner of Vitruvian Investment Group, solicited investors to pool their money for investment in a real estate fund managed by Jones. The fund purportedly invested in short-term construction and development loans, as well as conventional real estate transactions. Jones was alleged to have raised more than $3.7 million from at least 40 investors. The Department's complaint alleged violations of the anti-fraud provisions of the Idaho Securities Act and the Idaho Financial Fraud Prevention Act. Vitruvian Investment Group filed for chapter 7 bankruptcy protection in November 2008.

On June 2, 2010, the defendant consented to the entry of a Judgment and Permanent Injunction, conceding that sufficient evidence existed for the State to prove its case. Jones was ordered to pay restitution in the amount of $1.2 million and was permanently barred from selling securities in Idaho.

December 29, 2009

GENE E. HINSLEY and GALAXY COIN, LLC, Idaho Falls, ID – In resolution of the case against them filed in April, 2009, the defendants consented to the Court's entry of a judgment and permanent injunction barring them from selling securities in Idaho and an order directing them to make restitution to injured investors in the amount of $903,000.

The Department's complaint had alleged that the defendants sold investment contract securities in violation of the registration and anti-fraud provisions of the Idaho Uniform Securities Act. Specifically, the complaint alleged that the defendants promised annualized investment returns of nearly 80 percent while a) misrepresenting that the investment was safe or otherwise backed by silver or other precious metals, b) misrepresenting that investor funds would be applied to the purchase and resale of silver when significant funds were used to make ponzi payments to earlier investors, and c) failing to tell investors that the defendants produced falsely inflated bi-monthly account statements to investors.

February 4, 2010

JERRY FRANCIS WARD individually and dba MED-LIFE, filed in Ada County, ID – The Department's complaint alleged that the defendant violated the registration and anti-fraud provisions of the

Idaho Uniform Securities Act. Defendant is alleged to have offered investors higher-than-market returns on purported "insured certificates of deposit" that were neither FDIC insured nor issued by a financial institution, as well as by promoting a fictitious development of a senior housing facility in northern Idaho. In June, 2009, the Department had ordered Ward to Cease and Desist these fund-raising efforts, but the Department alleges Ward continued to raise money.

February 7, 2010

DEREK F.C. ELLIOTT; SUN VILLAGE JUAN DOLIO ASSOCIATES, INC., Dominican Republic; JAMES B. CATLEDGE; DAVID BRIMLEY; BARBARA NAGEL; IMPACT, INC.; IMPACT NET WORTH, LLC, Henderson, NV; STEVE CABEZUD, Santa Rosa, CA; JOHN THOMPSON, Orem, UT; TREVOR WALKER, Idaho Falls, ID – A civil securities lawsuit was filed against these defendants in February of 2009 alleging that they sold, or materially aided in the offer or sale of investment contract securities in violation of the registration and anti-fraud provisions of the Idaho Uniform Securities Act.

The Department's complaint alleges that the defendants offered and sold over $3 million in various types of unregistered Dominican Republic resort-related securities to Idaho investors. More specifically, various defendants are alleged to have a) misrepresented that the investments were safe, b) misrepresented that investors would receive a fee simple deeded title to their portion of the resort property, c) misrepresented the terms of an allegedly fixed-term income investment that was actually a 45 year resort time-share interest, and d) violated the mortgage loan originator licensing provisions of the Idaho Residential Mortgage Practices Act (IRMPA).

During this fiscal year, the Department obtained a default judgment against defendant David Brimley who was alleged to have solicited and accepted mortgage application forms in Idaho while unlicensed. The Court found Brimley to have violated the IRMPA and entered a default judgment and permanent injunction prohibiting future violations of the IRMPA. The Department was awarded $25,000 in civil penalties and $1,000 in attorney fees. The case continues against the remaining defendants.

March 20, 2009 and February 17, 2010

JAMISON POTTER; Boise, ID; ADAM BENTLEY; CHRISTOPHER DRISCOLL, Saint George, UT; NORTH AMERICAN CAPITAL TRUST, LLC; PACIFIC PARTNERS, LLC; Nampa, ID; NORTH AMERICAN CAPITAL GROUP, LLC; AND SILVERSTONE EQUITY GROUP, LLC, Silver Springs, NV – The Department filed a civil securities lawsuit against these defendants in 2009 alleging that they sold investment contract

securities in violation of the registration and anti-fraud provisions of the Idaho Uniform Securities Act.

The Department's complaint alleged that the defendants misrepresented to investors that their investment proceeds would be used to purchase life settlement policies. In addition to other allegations, the Department alleged that the defendants never purchased life insurance polices and instead forwarded invested funds to out-of-state promoters, who in turn sent the money to Panama.

Defendant Potter consented to the entry of a judgment and permanent injunction on February 17, 2010 and was ordered to pay restitution of $5,373,464 to investors. Defendant Driscoll was dismissed from the complaint. Default judgments were entered against the remaining defendants with Bentley, North American Capital Trust, Pacific Partners and Silverstone Equity Group being permanently enjoined from selling securities in Idaho, assessed a penalty of $200,000 and ordered to pay restitution to investors of $5,373,464.

II. ADMINISTRATIVE SANCTIONS & ORDERS ISSUED UNDER THE IDAHO UNIFORM SECURITIES ACT

Dates: Various

AUCTION RATE SECURITIES (ARS) GLOBAL/STATE SETTLEMENTS – Administrative Consent Orders – In the time leading up to the credit market dislocations of 2008, ARS were, in many instances, marketed nationally as a very safe and liquid alternative to money market mutual funds or other cash-type investments. Liquidity in nearly all of the ARS market ceased in February 2008 when the brokerage firms that supported ARS liquidity auctions ceased to provide support. Both retail and institutional investors were left with no reasonable liquidation mechanism and, in some cases, potentially significant losses to principle.

Idaho participated in a multi-state task force comprised of state securities regulators in a comprehensive review of potential securities violations. These coordinated investigations resulted in the negotiation of global settlement terms that were then adapted to settlement orders executed with each state regulator. Beyond findings that violations had occurred and the imposition of penalties, the most important aspect of these settlements was the provision that the broker-dealers provide a liquidity mechanism to ARS buyers, including offers to refund or repurchase ARS securities from small businesses, retail clients, and others. The Department estimates that more than $125 million in rescission was or will be offered to Idaho investors that purchased auction rate securities. The Department continues to work

with other broker-dealers that participated in the ARS market and other settlements are anticipated during Fiscal 2011.

	Name of Firm	*Penalty Paid*
July 30, 2009	JP Morgan Chase & Co.	$51,435.00
July 14, 2009	RBC Capital Markets	$21,432.00
April 27, 2010	Goldman Sachs & Co.	$47,235.00
April 18, 2010	Deutsche Bank Securities, Inc.	$30,000.00
April 27, 2010	UBS Securities LLC and UBS Financial Services, Inc.	$389,032.00
May 5, 2010	Morgan Stanley & Co., Inc.	$109,002.00

July 26, 2009 **DAREN PALMER; TRIGON GROUP, INC., Idaho Falls, ID** – Consent Order To Cease and Desist and Acknowledgment – The Order found that since at least January 2007, Palmer accepted funds from Idaho residents to purportedly be invested by him on behalf of investors. Palmer told some investors that the funds would be used to buy and sell large futures contracts involving commodities or securities, including, but not limited to, the S&P 500 Index. Palmer told other investors that their funds were pooled in a hedge fund and that he directed the hedge fund's investments to create profits for investors. Although some funds may have been pooled and invested in futures contracts, a substantial amount of investors' funds were used for other purposes not disclosed to or authorized by investors. These uses include paying fictitious returns to other investors and Palmer's personal expenses, including the construction of a new home.

Palmer and Trigon agreed to permanently cease and desist from violating the Idaho Uniform Securities Act, including the immediate cessation of selling or accepting funds for any of the investments described above or any other investment. They also acknowledged that the Department of Finance may initiate further actions against them once its investigation is completed.

December 3, 2009 **HEGEMONY PARTNERS LP; INTERFUND CAPITAL CORP.; DAVID D. HEPWORTH, Ketchum, ID** – Agreement and Order – The Order alleges the Respondents offered and sold securities in the form of limited partnership interests in the Hegemony Fund to raise investment capital to invest in certain securities ("TALF fund"). The securities were offered to investors pursuant to Regulation D Rule 506.

Respondents, through an agent, issued a press release regarding the launch of the TALF fund. Rule 506 prohibits the use of any advertising or general solicitation. The Department alleged that because the Rule 506 "safe harbor" was not available to them, Respondents sold unregistered securities. Shortly after receiving notice of this issue from the Department, investors were given their investment funds back (less third party fees).

In resolution of this matter, a) Respondent Hepworth agreed to pay a civil penalty of $5,000, b) Respondent Interfund Capital agreed to pay a civil penalty of $2,000, and c) the Respondents agreed to comply with the Idaho Uniform Securities Act in any future securities activities.

January 4, 2010

PETER A. SIMON dba FINANCIAL PLANNING SOLUTIONS, Boise, ID –Consent Order to Cease and Desist – Respondent Simon, an Idaho licensed insurance agent, entered into a producer sales agreement with a third party life settlement issuer. Life settlement contracts are securities under Idaho law. Respondent sold approximately $2 million in life settlement investments to at least nine Idaho investors at a time when he was not registered to sell securities.

In resolution of the matter, Simon a) admitted the violations, b) agreed to pay a $15,000 fine and c) agreed not to provide investment advice or sell securities in the state of Idaho without proper registration.

March 1, 2010

WALTER WESLEY WATTS, Boise, ID - Agreement and Order – The Order alleged that while working as a registered securities agent for Raymond James Financial Services, Watts sold $250,000 in unregistered investment interests in Capital Ventures, LLC. Capital Ventures purportedly leveraged investor funds and invested those funds in international investments such as letters of credit, hard money loans, overnight banking and certificates of deposit. Watts failed to disclose to the investor that Raymond James had not approved the Capital Ventures investment. Additionally, the Order alleged that Watts misled an investor regarding the risk associated with the Capital Ventures investment.

In resolution of this matter, Watts agreed to pay restitution and agreed to not now, or in the future, provide any investment advice or offer or sell securities in or from Idaho. Watts neither admitted nor denied the allegations contained in the Order.

May 20, 2010

C&C CAPITAL, LLC; CHAD E. LONGSON; MCCORD CHRISTENSEN, Eagle, ID – Agreement and Order – Respondent C&C is primarily engaged in the businesses of real estate investing,

lending and inventory financing. Among its sources of funding was the issuance of promissory notes to investors. The promissory notes issued by C&C are securities. These securities were not registered. Longson and Christensen are each the managing member of a 50% owner of C&C. Neither Longson nor Christensen were registered or exempt from registration in Idaho as an agent pursuant to Idaho Code 30-14-402. Between April 2005 and July 2008, C&C sold promissory notes in the amount of approximately $11.3 million. All proceeds were used in C&C's businesses.

Respondents admitted the violations alleged by the Department, agreed to comply with the Idaho Uniform Securities Act in the future and paid a fine of $15,000.

May 27, 2010

JAMES C. STONE DBA JCS ADVISORY, Post Falls, ID – Consent Order To Cease And Desist – The Order found that Mr. Stone a) acted as an unlicensed investment advisor, b) omitted material information in connection with the offer or sale of securities, and c) that he engaged in acts practices or a course of business that operated as a fraud or deceit in connection with providing investment advisory services. Stone allegedly failed to inform investors of his past criminal history and personal bankruptcies.

Mr. Stone consented to the entry of the order and agreed to cease any investment advisory or securities sales activities in or from the state of Idaho unless properly licensed to do so. Mr. Stone acknowledged the Department's ability to continue to investigate the matter and to pursue additional sanctions if necessary.

EXHIBIT VI

I. ORDERS ISSUED UNDER THE IDAHO CREDIT CODE

May 11, 2010

LOANPOINTE LLC; and EASTBROOK LLC, also dba ECASH AND GETECASH (Orem, Utah) – On May 11, 2010, the Director of the Idaho Department of Finance issued an Order to Cease and Desist against LoanPointe LLC and Eastbrook LLC, also dba Ecash and GeteCash (GeteCash), a Utah payday lender. The Order alleged that GeteCash engaged in unlicensed payday lending activities in Idaho in violation of the Idaho Credit Code and the Idaho Payday Lending Act. The Order also alleged that GeteCash, after extending a payday loan to an Idaho resident, served a wage garnishment on that resident's employer which represented that GeteCash was authorized by federal law to garnish a debtor's wages without complying with Idaho collection statutes, which was false.

The Order required GeteCash and its agents or employees to immediately cease and desist from engaging in payday lending activities without the licenses required by the Idaho Credit Code and Idaho Payday Lending Act. The Order further required GeteCash and its agents or employees to immediately cease and desist from engaging in fraudulent acts, to include garnishing a debtor's wages in violation of the Idaho Credit Code and the Idaho Payday Lending Act.

II. ORDERS ISSUED UNDER THE IDAHO COLLECTION AGENCY ACT

August 17, 2009

SUNRISE CREDIT SERVICES, INC. (Farmingdale, New York) – On August 17, 2009, the Idaho Department of Finance and Sunrise Credit Services, Inc. (Sunrise) entered into a consent order addressing Sunrise's acts of operating a collection agency business in Idaho without the license required by the Idaho Collection Agency Act (the Act).

Under the terms of the consent order, Sunrise admitted to the allegations contained in the consent order, agreed to pay to the Department an administrative penalty of $5,000 and attorney fees and investigative costs in the amount of $500.

Sunrise applied for and was granted an Idaho collection agency license and agreed to abide by all provisions of the Act and rules promulgated thereunder at all times in the future.

September 10, 2009 **ACTION COLLECTION SERVICES, INC., dba INTERSTATE COLLECTIONS OF IDAHO, ACTION COLLECTION, FINANCIAL MANAGEMENT, CHECK-A-CHECK, and ACS** (Boise, Idaho) – On September 10, 2009, the Director of the Idaho Department of Finance and Action Collection Services, Inc., dba Interstate Collections of Idaho, Action Collection, Financial Management, Check-A-Check, and ACS (Action Collection) agreed to the entry of a consent order to cease and desist (Order) for the purpose of bringing Action Collection into compliance with the trust provisions of the Idaho Collection Agency Act (the Act).

The order required that Action Collection properly deposit client funds in a trust account, that it remain current with its trust obligations, and that it properly handle its trust account.

As a condition of settlement Action Collection engaged an accountant, approved by the Department, to undergo a comprehensive review of its trust accounts. Thereafter, Action Collection established business practices and procedures to comply with the requirements of the Act.

On December 2, 2010, the Department and Action Collection entered into a consent order as a follow-up to the Order, concluded that Action Collection had corrected its "out of trust" situation. Under the terms of the consent order the Department will monitor Action Collection's business activities through calendar year 2011 to ensure continued compliance. The consent order also required Action Collection to pay the Department $8,000 in attorney fees and investigative expenses.

September 21, 2009 **VICTOR J. CARLINO, DBA IDAHO CAPITAL GROUP** (Hayden, Idaho) – On September 21, 2009, the Idaho Department of Finance and Victor J. Carlino, dba Idaho Capital Group entered into a consent order addressing the company's contracting with an Idaho resident to modify the mortgage on her residence, while it failed to maintain a debt or credit counselor license as required by the Idaho Collection Agency Act (the Act).

Under the terms of the consent order, the company admitted to the allegations contained in the consent order, and agreed to pay to the Department an administrative penalty of $500 and attorney fees and investigative costs in the amount of $500. The company also agreed to pay restitution in the amount of $1,120 to the Idaho resident who contracted with the company for its services. The company further agreed to abide by all provisions of the Act and rules promulgated thereunder at all times in the future.

December 8, 2009 **WASHINGTON COLLECTORS TRI-CITIES, INC., dba SPOTCHECK, and dba SPOTCHECK, A DIVISION OF WASHINGTON COLLECTORS TRI-CITIES, INC.** (Pasco, Washington) – On December 8, 2009, the Idaho Department of Finance and Washington Collectors Tri-Cities, Inc., dba Spotcheck, and dba Spotcheck, A Division of Washington Collectors Tri-Cities entered into a consent order addressing the company operating a collection agency business in Idaho without the license required by the Idaho Collection Agency Act (the Act).

Under the terms of the consent order, the company admitted to the allegations contained in the consent order, and agreed to pay to the Department an administrative penalty of $1,000 and attorney fees and investigative costs in the amount of $500.

The company applied for and was granted an Idaho collection agency license and agreed to abide by all provisions of the Act and rules promulgated thereunder at all times in the future.

December 10, 2009 **6:10 SERVICES, INC., dba DEBT-FREE AMERICA** (San Diego, California) – Upon determination that the Idaho-licensed debt/credit counselor was no longer in business, the Idaho Department of Finance concluded that the company no longer wished to maintain its Idaho debt/credit counselor license, which was still active.

On November 24, 2009, the Department sent the company's president a letter notifying him of the Department's intent to deem the company's Idaho debt/credit counselor license relinquished if the Department received no response from the company by December 10, 2009.

The Department did not receive any communication from the company and on December 11, 2009 the company's Idaho debt/credit counselor license was deemed relinquished and terminated.

December 14, 2009 **CONTEGO LAW, P.C.** (Newport Beach, California) – On December 14, 2009, the Idaho Department of Finance and Contego Law, P.C. (Contego) entered into a consent order addressing Contego's contracting with thirty-seven (37) Idaho residents to provide debt management services to such consumers, withoutwithout the license required by the Idaho Collection Agency Act (the Act).

Under the terms of the consent order, Contego admitted to the allegations included in the consent order and paid to the Department an administrative penalty of $1,000, and attorney fees and investigative costs in the amount of $500. Contego also paid its Idaho clients $69,699.10 in restitution. Contego further agreed to abide by all provisions of the Act and rules promulgated thereunder at all times in the future.

December 16, 2009 **BROWN AND JOSEPH, LTD.** (Rolling Meadows, Illinois) – On December 16, 2009, the Idaho Department of Finance and Brown and Joseph, Ltd. entered into a consent order addressing the company's operating a collection agency business in Idaho without the license required by the Idaho Collection Agency Act (the Act).

Under the terms of the consent order, the company admitted to the allegations contained in the consent order, and agreed to pay to the Department an administrative penalty of $1,000 and attorney fees and investigative costs in the amount of $500.

The company applied for and was granted an Idaho collection agency license and agreed to abide by all provisions of the Act and rules promulgated thereunder at all times in the future.

December 17, 2009 **CAMBRIDGE ASSET MANAGEMENT, LLC** (North Salt Lake, Utah) – On December 17, 2009, the Idaho Department of Finance and Cambridge Asset Management, LLC entered into a consent order addressing the company's acts of operating a collection agency business in Idaho without the license required by the Idaho Collection Agency Act (the Act).

Under the terms of the consent order, the company admitted to the allegations contained in the consent order, and agreed to pay to the Department an administrative penalty of $3,000 and attorney fees and investigative costs in the amount of $750.

The company applied for and was granted an Idaho collection agency license and agreed to abide by all provisions of the Act and rules promulgated thereunder at all times in the future.

December 30, 2009 **FREEDOM DEBT SOLUTIONS, LLC** (Euless, Texas and Roanoke, Texas) – On December 30, 2009, the Idaho Department of Finance and Freedom Debt Solutions, LLC (FDS) entered into a consent order addressing the company's contracting with fifty-three (53) Idaho consumers to provide debt and credit counseling services without the debt or credit counselor license required by the Idaho Collection Agency Act (the Act).

Under the terms of the consent order, FDS neither admitted nor denied the allegations contained in the consent order. The company agreed to pay to the Department an administrative penalty of $5,000 and attorney fees and investigative costs in the amount of $1,000. FDS also agreed to pay its Idaho clients restitution in the amount of $55,607.98. FDS further agreed not engage in any activity in Idaho which requires a debt and credit counselor license without the required license to do so, and to abide by all provisions of the Act and rules promulgated thereunder at all times in the future.

February 8, 2010 **FLATIRON FINANCIAL SERVICES, INC., dba PEAK5** (Continental, Colorado) – On February 8, 2010, the Idaho Department of Finance issued a Complaint for Revocation of Collection Agency License against Flatiron Financial Services, Inc., dba Peak5 (Flatiron), alleging violations of the Idaho Collection Agency Act. Flatiron had closed its collection agency business without meeting the requirements set forth in the Act that apply to closure or discontinuance of a collection agency business.

Flatiron failed to timely file an answer to the Department's complaint. On February 8, 2010, the Department issued a default order revoking Flatiron's Idaho collection agency license.

February 22, 2010 **CONTINENTAL CREDIT ASSOCIATION, INC.** (Portland, Oregon) – On February 22, 2010, the Director of the Idaho Department of Finance issued an Order to Cease and Desist against Continental Credit Association, Inc. (Continental), an Oregon collection agency that conducted collection activities in Idaho without the license required by the Idaho Collection Agency Act (the Act). In the order, the Director found that Continental had contracted with an Idaho fitness company to collect on its behalf. Despite the fact that Continental did not maintain a collection agency license as required by the Act, it attempted to collect against at least one Idaho resident, and in doing so made numerous threats, including the threat of filing legal action if the debt remained unpaid.

March 8, 2010 **PAUL & ASSOCIATES LAW OFFICES, PLLC dba PAUL LAW OFFICES** (Salt Lake City, Utah) – On March 8, 2010, the Idaho Department of Finance and Paul & Associates Law Offices, PLLC dba Paul Law Offices entered into a consent order addressing the company's collecting against Idaho residents on delinquent debt purchased by Arches Financial, LLC, a debt buyer, while it failed to hold the license required by the Idaho Collection Agency Act (the Act) to do so.

Under the terms of the consent order, the company admitted to the allegations contained in the consent order, which included engaging in collection activity in Idaho without a license since approximately 2002, and agreed to pay to the Department an administrative penalty of $20,000 and attorney fees and investigative costs in the amount of $1,000. The company also agreed to cease and desist from engaging in any and all collection activities in Idaho until it becomes licensed under the Act, and to abide by all provisions of the Act and rules promulgated thereunder at all times in the future.

March 9, 2010 **CREDITONE, L.L.C.** (Metairie, Louisiana) – On March 9, 2010, the Idaho Department of Finance and Credit One, L.L.C. (CreditOne) entered into a consent order addressing the company's unlicensed collection activity in Idaho. CreditOne neither admitted nor denied the allegations contained in the consent order.

Under the consent order, CreditOne agreed to pay to the Department the sum of $5,000 in settlement of the Department's allegations contained in the consent order, and attorney fees and investigative costs in the amount of $1,000.

CreditOne applied for and was granted an Idaho collection agency license and agreed to abide by all provisions of the Act and rules promulgated thereunder at all times in the future.

April 6, 2010 **THOMAS G. LANDIS, dba LAW OFFICE OF THOMAS LANDIS** (Bensalem, Pennsylvania) – On April 6, 2010, the Idaho Department of Finance and Thomas G. Landis, dba Law Office of Thomas Landis entered into a consent order addressing the company's collecting against Idaho residents without the license required by the Idaho Collection Agency Act (the Act).

Under the terms of the consent order, the company admitted to engaging in collection activity in Idaho since approximately 2002 and making material misstatements in an application for an Idaho collection agency license. The company agreed to pay to the Department an administrative penalty of $15,000 and attorney fees and investigative costs in the amount of $1,000. Further, the company agreed to abide by all provisions of the Act and rules promulgated thereunder at all times in the future.

The company applied for and was issued an Idaho collection agency license.

April 8, 2010 **FREEDOM DEBT RELIEF, LLC** (San Mateo, California) – On June 17, 2009, the Director of the Idaho Department of Finance issued an order denying Freedom Debt Relief, LLC's (FDR) application for an Idaho debt/credit counselor license. The denial order was based on FDR's failure to cure the deficiencies in its license application; its failure to fully disclose regulatory actions taken against it and orders entered against it in other states; and its acts of engaging in business practices that demonstrated a lack of fitness to engage in business activities authorized for a licensee under the Idaho Collection Agency Act.

FDR filed a motion for reconsideration of that order. A hearing was held before the Department of Finance on December 17, 2009.

On April 8, 2010, the hearing officer issued Findings of Fact, Conclusions of Law, and a Preliminary Order upholding the denial order.

III. ORDERS ISSUED UNDER THE IDAHO RESIDENTIAL MORTGAGE PRACTICES ACT-Mortgage Companies

September 17, 2009 **APS NORTHWEST IDAHO LLC, DBA HOMEMODIFIER** (Post Falls, Idaho) –During the time period between November 2008 and June 2009, APS engaged in mortgage modification activity in Idaho, which activity constituted debt or credit counseling under the Idaho Collection Agency Act (the Act), while APS failed to maintain the license required by the Act.

After a law change occurred on July 1, 2009, APS's business activities were subject to the requirements of the Idaho Residential Mortgage Practices Act. APS continued to operate in Idaho without a license under the Idaho Residential Mortgage Practices Act.

After applying for a license to engage in mortgage modification activity in Idaho on April 22, 2009, one of APS's members/partners informed the Idaho Department of Finance that APS did not have sufficient capital to continue its operations. Based on such information, the Director of the Idaho Department of Finance concluded that APS lacked the character and financial fitness to warrant the belief that it would conduct business in an honest and fair manner.

On September 17, 2009, the Director issued an order denying the application for a mortgage broker license APS filed with the Department.

December 10, 2009 **INTERNATIONAL CO-OP LLC** (Meridian, Idaho) – On October 6, 2009, the Director of the Idaho Department of Finance issued an Order to Cease and Desist against International Co-Op LLC (International), a company that offered to assist Idaho borrowers in the modification of their residential mortgage loans while it failed to hold the license required by the Idaho Residential Mortgage Practices Act and the Idaho Collection Agency Act. The Order alleged that International entered into contractual relationships with Idaho borrowers to modify their residential mortgage loans for a fee, but failed to modify such borrowers' loans despite being paid in advance for such services. The Order also alleged that International collected at least $4,500 in fees from at least three (3) Idaho borrowers without providing the service it promised to provide.

The Order required International and its agents or employees to immediately cease and desist from engaging in mortgage modification activities in Idaho without a license, in violation of the Idaho Residential Mortgage Practices Act.

Following the issuance of the Order to Cease and Desist, International entered into discussions with the Department, along with the Office of the Attorney General concerning a related matter. On December 10, 2009, the Department and International entered into a consent order whereby

International agreed to pay restitution to its Idaho clients in the amount of $12,400, constituting fees such Idaho clients had paid to International as well as $500 in attorney fees. Further, International agreed not to participate in any activity in Idaho that falls within the jurisdiction of the Department, to include loan modification activity, at any time in the future, without first applying for and being issued the appropriate license for such activity.

The Office of the Attorney General also entered into a consent order with the company, relying on the company's payment of restitution through the Department's consent order.

IV. CIVIL ENFORCEMENT ACTIONS INITIATED OR COMPLETED UNDER THE IDAHO RESIDENTIAL MORTGAGE PRACTICES ACT-Mortgage Companies

February 9, 2010

ACCESS MORTGAGE COMPANY, INC. (Seattle, Washington) In June of 2005, the Idaho Department of Finance received information indicating that Access Mortgage Company, Inc. (Access), a Seattle-based mortgage broker/lender, had engaged in unlicensed mortgage brokering/lending activity in Idaho.

On July 26, 2005, Access and the Department entered into an Agreement and Order addressing the unlicensed activity. Access admitted the unlicensed activity and paid a $15,000 administrative penalty to the Department.

In January of 2008, the Department received a consumer complaint from an Idaho resident alleging that Access had misrepresented terms of a mortgage loan. The Department conducted an investigation of the company, which resulted in the filing of an administrative complaint against Access on September 23, 2008.

Access was uncooperative in resolving the issues contained in the administrative complaint. As a result, on March 19, 2009, the Department filed a civil action in the Ada County District Court against Access. The Department's complaint included allegations that Access violated state and federal mortgage laws and regulations, as well as Idaho laws relating to financial fraud; that Access engaged in unlicensed loan origination activity in Idaho; obstructed the Department's investigation into the company's business activities; violated an order of the Department; and that Access knowingly falsified the income and assets of a retired Boise couple living on a limited income in a loan application submitted to a mortgage lender.

On December 22, 2009, the Department filed a motion for partial summary judgment against Access seeking the Court's findings that Access violated state and federal laws, rules, and regulations, and also sought the Court's entry of a money judgment for the amounts the Department established as penalties, restitution, attorney fees, and investigative expenses resulting from Access's violations.

On February 9, 2010, at the hearing held on the Department's motion, the Court verbally granted the motion for partial summary judgment as to all counts alleged in the Department's memorandum. A hearing was scheduled to establish exact amounts owed by Access to be included in a money judgment entered by the Court against the company.

The Ada County District Court entered a Judgment and Permanent Injunction against Access on August 4, 2010. The Judgment included a penalty against Access of $1,055,000.00 for numerous violations of law, including, (i) submitting a false mortgage loan application to a lender; (ii) violating an order previously issued against Access by the Department; (iii) misrepresenting information Access had provided to the Department; (iv) refusing to provide the Department with information requested during an investigation of the company's activities in Idaho; and (v) originating mortgage loans in Idaho through unlicensed mortgage loan originators on 405 occasions.

The Judgment also, (i) ordered Access to pay restitution in the amount of $27,322.18 on behalf of the Idaho couple injured by the company's violations, and (ii) permanently enjoined Access from committing further violations of the Idaho Residential Mortgage Practices Act and the Idaho Financial Fraud Prevention Act.

April 7, 2010

RELIEF LAW CENTER, also known as USA LOAN AUDITORS (Irvine, California) – On April 7, 2010, the Director of the Idaho Department of Finance issued an Order to Cease and Desist against Relief Law Center, also known as USA Loan Auditors, a California mortgage modification company that engaged in acts or practices which violated the Idaho Residential Mortgage Practices Act, the Rules Pursuant to the Idaho Residential Mortgage Practices Act, and the Idaho Financial Fraud Prevention Act. In the order, the Director found that the company had solicited at least three (3) Idaho residents to modify their residential mortgage loans without the license required by the Idaho Residential Mortgage Practices Act to do so in Idaho. The Director also found that the company's solicitations to Idaho residents contained misrepresentations regarding their mortgage lenders, and that the company's solicitations were deceptive, misleading, and confusing.

V. ORDERS ISSUED UNDER THE IDAHO RESIDENTIAL MORTGAGE PRACTICES ACT—Loan Originators

November 3, 2009 **RICHARD DALE MILLWARD** (Salt Lake City, Utah) – On September 21, 2009, the Director of the Idaho Department of Finance issued an order denying Richard Dale Millward's application for a mortgage loan originator license. The denial order was based on the fact that Mr. Millward failed to disclose material information on his license application, to include a stipulated order suspending Mr. Millward's Utah real estate broker's license. The Director concluded that Mr. Millward's failure to disclose such information demonstrated that Mr. Millward was not fit to hold the license he sought.

Mr. Millward contested the denial order and on November 3, 2009 a Consent Order was entered into between Mr. Millward and the Department resolving the issues alleged in the denial order. Under the terms of the consent order, Mr. Millward admitted that he failed to disclose information on his application for a mortgage loan originator license; admitted to the suspension of his Utah real-estate broker's license; and agreed to disclose all requested information on future Idaho licensing applications.

Mr. Millward then reapplied for and was issued an Idaho mortgage loan originator license.

November 17, 2009 **DARIN ANDREW STUBBS** (Boise, Idaho) – On September 1, 2009, the Director of the Idaho Department of Finance issued an order denying Darin Andrew Stubbs' application for a mortgage loan originator license. The denial order was based on the fact that Mr. Stubbs failed to disclose material information and provided false information in his application for licensure. The denial order was also based on the fact that Mr. Stubbs had several outstanding tax liens and civil judgments against him. The Director concluded that such history demonstrated that Mr. Stubbs was not fit to hold the license he sought.

Mr. Stubbs contested the denial order and on November 17, 2009 a Consent Order was entered resolving the issues alleged in the denial order. Under the terms of the consent order, Mr. Stubbs admitted that he failed to disclose information on his application for a mortgage loan originator license; agreed not to reapply for any license issued by the Department at least until January 1, 2011; agreed to abide by laws administered by the Department, to include participating in mortgage loan origination activity

only if properly licensed to do so; and agreed to disclose all requested information on future Idaho licensing applications.

VI. CIVIL ENFORCEMENT ACTIONS INITIATED OR COMPLETED UNDER THE IDAHO RESIDENTIAL MORTGAGE PRACTICES ACT-Loan Originators

February 8, 2010 **DAVID BRIMLEY** (Holladay, Utah) – On February 8, 2010, a default judgment was entered against David Brimley in the Fourth Judicial District Court, Ada County, Idaho. The default order included findings that Mr. Brimley had engaged in at least 19 instances of unlicensed mortgage loan origination activity in Idaho in violation of the Idaho Residential Mortgage Practices Act (the Act). The order enjoined Mr. Brimley from further violations of the Act. Mr. Brimley was ordered to pay $26,000 to the Department to include civil penalties in the amount of $25,000, and attorney fees and investigative costs in the amount of $1,000.

VII. ORDERS ISSUED UNDER THE IDAHO LOAN BROKER ACT

September 15, 2009 **HILLSIDE FINANCIAL GROUP** (Orlando, Florida) – On September 15, 2009, the Director of the Idaho Department of Finance issued an Order to Cease and Desist against Hillside Financial Group (Hillside), a loan broker claiming to be located in Orlando, Florida. The Order alleged that Hillside offered to resolve an Idaho resident's financial difficulties with a personal loan for an upfront fee. The Order also alleged that Hillside collected at least $4,220 in advance fees in exchange for a $10,000 loan that it never provided.

The Order required Hillside and its agents or employees to immediately cease and desist from engaging in lending activities, to include arranging for personal loans for Idaho residents requiring an advance fee, and from any other conduct constituting a violation of the Idaho Loan Broker Act.

September 16, 2009 **OUTSOURCE CREDIT SOLUTIONS** (Jacksonville, Florida) – On September 16, 2009, the Director of the Idaho Department of Finance issued an Order to Cease and Desist against Outsource Credit Solutions (Outsource), a loan broker claiming to be located in Jacksonville, Florida. The Order alleged that Outsource offered to resolve an Idaho resident's financial difficulties by extending a personal loan for an upfront fee. The Order also alleged that Outsource collected nearly $5,700 in advance fees in exchange for a $20,000 loan that it never provided.

The Order required Outsource and its agents or employees to immediately cease and desist from engaging in lending activities, to include arranging for personal loans for Idaho residents requiring an advance fee, and from any other conduct constituting a violation of the Idaho Loan Broker Act.

DEPARTMENT OF FINANCE STAFF – December 2010

ADMINISTRATION

Gavin M. Gee	Director of Finance
Shirley A. Whitney	Administrative Assistant 2

SUPPORTING SERVICES BUREAU

David L. Jensen	Supporting Services Bureau Chief
David S. Wentland	IT Systems Integration Analyst, Sr.
Homero P. Rodriguez	Web Developer
Dan J. Hoard	IT Database Analyst
Angela M. Baker	Personnel Technician
Jill R. Peterson-Pate	Financial Specialist
Caroline C. Dickson	Office Specialist 2

FINANCIAL INSTITUTIONS BUREAU

Mary E. Hughes	Financial Institutions Bureau Chief
Nancy G. Page	Administrative Assistant 1
Bryce C. J. Baertsch	Financial Institutions Examiner, Commissioned Sr.
George L. Baker	Financial Institutions Examiner, Commissioned Sr.
Brad P. Bergquist	Financial Institutions Examiner, Commissioned Sr.
Bruce M. Eames	Financial Institutions Examiner, Commissioned Sr.
Mark W. Boschulte	Financial Institutions Examiner, Commissioned
Connie D. Newgard	Financial Institutions Examiner, Commissioned
Richard D. Sherrick	Financial Institutions Examiner, Commissioned
Sam F. Blake	Financial Institutions Examiner, Commissioned
Andrew C. Forth	Financial Institutions Examiner, Commissioned
Krista M. H. Bolt	Financial Institutions Examiner 3*
Honalee R. Thomas	Financial Institutions Examiner 3*
Geoffrey L. Coonce	Financial Institutions Examiner 2*
Jeffrey C. Reinhardt	Financial Institutions Examiner 2*
James J. Tunca	Financial Institutions Examiner 1*
Gordon E. Titus	Financial Institutions Examiner 1*
Michael W. Worthington	Financial Institutions Examiner 1*

*underfilling Financial Institutions Examiner, Commissioned

CONSUMER FINANCE BUREAU

Mike Larsen	Consumer Finance Bureau Chief
Audrey L. Bath	Administrative Assistant 1
Karen A. Carlyle	Administrative Assistant 1
Martha (Marti) L. Cooper	Administrative Assistant 1
Carol A. Berenger	Office Specialist 2
Linda J. Tennyson	Office Specialist 2
Anthony T. Polidori	Financial Examiner/Investigator 4
Karlyne C. (K.C.) Schaler	Financial Examiner/Investigator 4
Jo Ann Lanham	Consumer Affairs Officer
Rich A. Dekker	Financial Examiner/Investigator 2*
Billie K. Havery	Financial Examiner/Investigator 2*
Dan D. Kline	Financial Examiner/Investigator 2*
Jan L. Kochan	Financial Examiner/Investigator 2*
Tom S. Little	Financial Examiner/Investigator 2*
Erin J. Van Engelen	Financial Examiner/Investigator 2*
Tom Nate	Financial Examiner/Investigator 2*

*underfilling Financial Examiner/Investigator 3

DEPARTMENT OF FINANCE STAFF - Continued

SECURITIES BUREAU

Marilyn T. Chastain	Securities Bureau Chief
Katy M. Witt	Administrative Assistant 1
Ginnie L. Sorensen	Securities Technician
Mary J. Harper	Technical Records Specialist 1
James A. Burns	Financial Examiner/Investigator 4
Patricia R. Highley	Financial Examiner/Investigator 4
Nancy C. Ax	Financial Examiner/Investigator 3
Walter L. Bitner	Financial Examiner/Investigator 3
Coleen F. Hodson	Financial Examiner/Investigator 3
Timothy D. Martin	Financial Examiner/Investigator 3
Kurt V. Merritt	Financial Examiner/Investigator 2*

*underfilling Financial Examiner/Investigator 3

LEGAL STAFF

A. Rene Martin	Deputy Attorney General (on assignment from AG)
Joseph B. Jones	Deputy Attorney General (on assignment from AG)
Alan Conilogue	Deputy Attorney General (on assignment from AG)
Rita Jensen	Paralegal (on assignment from AG)

YEARS OF STATE SERVICE AS OF JUNE 30, 2010

Recognizing Over 600 years of Combined Service to the State of Idaho

Shirley A. Whitney	40.6	Years of Service
Gavin M. Gee	35.2	Years of Service
Nancy G. Page	33.7	Years of Service
Bryce C. J. Baertsch	33.7	Years of Service
Brad P. Bergquist	29.6	Years of Service
George L. Baker	27.5	Years of Service
Ginnie L. Sorensen	25.8	Years of Service
Katy M. Witt	26.3	Years of Service
Marilyn T. Chastain	22.8	Years of Service
James A. Burns	22.8	Years of Service
Tim D. Martin	21.1	Years of Service
Patricia R. Highley	20.5	Years of Service
Mary E. Hughes	20.0	Years of Service
Marti L. Cooper	19.0	Years of Service
Jo Ann Lanham	18.4	Years of Service
Coleen F. Hodson	17.4	Years of Service
Bruce M. Eames	16.5	Years of Service
Mike Larsen	14.7	Years of Service
Mary J. Harper	13.3	Years of Service
Billie K. Havery	13.3	Years of Service
Jill R. Peterson-Pate	13.2	Years of Service
K. C. Schaler	12.2	Years of Service
Nancy C. Ax	12.1	Years of Service
Anthony T. Polidori	9.5	Years of Service
Mark W. Boschulte	9.0	Years of Service
Walt L. Bitner	8.9	Years of Service
Karen A. Carlyle	7.7	Years of Service
Sam F. Blake	7.8	Years of Service
Connie D. Newgard	6.5	Years of Service
Rick J. Sherrick	6.7	Years of Service
Andy C. Forth	5.8	Years of Service
Jan L. Kochan	5.7	Years of Service
David L. Jensen	5.5	Years of Service
Daniel D. Kline	5.2	Years of Service
Erin J. Van Engelen	4.8	Years of Service
Rich A. Dekker	4.8	Years of Service
David S. Wentland	4.7	Years of Service
Angela M. Baker	4.1	Years of Service
Tom S. Little	3.7	Years of Service
Daniel J. Hoard	3.6	Years of Service
Honalee R. Thomas	3.1	Years of Service
Linda J. Tennyson	2.6	Years of Service
Carol A. Berenger	2.5	Years of Service
Audrey L. Bath	2.2	Years of Service
Kurt V. Merritt	2.0	Years of Service
Geoff L. Coonce	1.9	Years of Service
Caroline C. Dickson	1.8	Years of Service
Krista M. H. Bolt	1.5	Years of Service
Tom H. Nate	1.4	Years of Service
Jeffrey C. Reinhardt	0.8	Years of Service
Gordon E. Titus and Michael W. Worthington	0.3	Years of Service

EXHIBIT VIII

AMERICANS WITH DISABILITIES ACT COMPLIANCE

It is the policy of the Idaho Department of Finance to comply with Title II of the Americans With Disabilities Act which mandates that no qualified individual shall be excluded from participation, denied benefits, services, or access to programs or activities, or be subjected to discrimination by any public entity.

The Department of Finance does not discriminate on the basis of disability in access to, admission to, or operation of its programs, services, or activities or in its hiring or employment practices.

Individuals who need accessible communication or other accommodations in order to participate in programs and services of the Department of Finance are invited to make their needs and preferences known to the ADA Compliance Coordinator.

Questions, concerns, complaints, or requests for additional information should be forwarded to:

ADA COMPLIANCE COORDINATOR
DEPARTMENT OF FINANCE
800 Park Blvd., Suite 200
P O BOX 83720
BOISE ID 83720-0031

Phone: (208) 332-8001
Fax: (208) 332-8098
TDD to Voice Relay: 1-800-377-3529

This notice is also available audibly from the ADA Compliance Coordinator.

EXHIBIT IX

CIVIL RIGHTS GRIEVANCE PROCEDURES

The Idaho Department of Finance presents the following grievance procedure for the quick and fair investigation of discrimination complaints. Persons who feel they may have been discriminated against under conditions prohibited by law may file a complaint. The laws are those relating to nondiscrimination in the use of any of the Department's public facilities, programs or activities. These laws include protected classes of race, color, national origin, age, disability, sex and religion.

Complaints should be addressed to:

DIRECTOR OF FINANCE
DEPARTMENT OF FINANCE
P O BOX 83720
BOISE ID 83720-0031

1. A complaint may be filed in writing or by cassette tape and should be submitted with the signature of the complainant.

2. The complaint should contain the name, address and telephone number of the complainant, the date of the alleged discrimination, and a description of what happened.

3. The complaint shall be filed within 90 days from the date of the alleged discrimination.

4. The Department will contact the complainant in writing within 10 working days of receiving the complaint to acknowledge receipt and relate what action the Department has taken or will take in an attempt to resolve the complaint.

5. An investigation will be conducted within 30 working days of the date the Department receives the complaint. Investigations are authorized by the Director and may be conducted by a designee. The complainant or complainant's representative may submit evidence to support the complaint.

6. The Director or the Director's designee will send a written response to the complainant regarding the results of the investigation within 30 working days of the time the investigation began.

7. If dissatisfied with the results of the investigation, the complainant may request that the case be reconsidered. The request for reconsideration shall be made in writing or by tape to the Director of the Department of Finance within 10 days of the receipt of the Department's resolution letter.

8. The complainant may also file a complaint with the following state and federal agencies:

IDAHO HUMAN RIGHTS COMMISSION
1109 MAIN STREET
BOISE ID 83720-0040

THE OFFICE FOR EQUAL OPPORTUNITY
U S DEPARTMENT OF THE INTERIOR
WASHINGTON DC 20240

9. The Supporting Services Bureau within the Department of Finance will maintain the files and records relating to complaints for a period of three years.

EXHIBIT X

Annual Report Credits

Project Management, Compilation, Layout, and Design……...David Jensen

Compilation of Financial Institutions Section……Connie Newgard, Krista Bolt, Rick Sherrick, Nancy Page, Brad Bergquist, Mary Hughes

Compilation of Securities Section……..……..Marilyn Chastain, Jim Burns

Compilation of Consumer Finance Section……..…..…Anthony Polidori, Mike Larsen, K.C. Schaler, Rene' Martin, Rita Jensen

Compilation of Department Financial Report……..……Jill Peterson-Pate

Director……..……..…..Gavin M. Gee

Financial Institutions Bureau Chief ……..…….….Mary E. Hughes

Securities Bureau Chief……...….…….……..…Marilyn Chastain

Consumer Finance Bureau Chief…….……..…Mike Larsen

Supporting Services Bureau Chief……..……..David Jensen

About The Cover:

2010 was a remarkable year for the Idaho Department of Finance. In addition to being our 105th year of continuous financial regulation, the Idaho State Capitol was opened for business after a multiyear refurbishment.

Photo Credit:

Gary Daniel - Idaho Capitol Commission