

PUBLIC DISCLOSURE

May 24, 1999

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

M&I FIRST AMERICAN BANK

RSSD Number: 820945

500 3rd Street
Wausau, Wisconsin 54402

FEDERAL RESERVE BANK
OF CHICAGO

230 South LaSalle
Chicago, Illinois 60604

Note: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

GENERAL INFORMATION

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

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **M&I First American Bank, Wausau, Wisconsin**, prepared by the **Federal Reserve Bank of Chicago**, the institution's supervisory agency, as of **May 24, 1999**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 228.

INSTITUTION'S RATING: This institution is rated Outstanding.

The bank's lending, service and investment efforts are consistent with its size, local competition and available lending and investment opportunities. A review of the bank's loan portfolio revealed a strong eight-quarter, loan-to-deposit ratio, despite a substantial increase in the bank's deposit base as a result of merger activity. A substantial majority of the bank's lending was originated within the assessment area. The distribution of loans within moderate-income census tracts reflect solid penetration, relative to the limited number of moderate-income census tracts within the assessment area. A review of loan originations also revealed strong loan penetration among low- and moderate-income borrowers and to businesses and farms with gross annual revenues of one million dollars or less.

The bank has a significant level of service delivery systems in place to make its services accessible within its assessment area. The bank also maintains a high level of community development services, as bank officers, directors and staff have taken leadership roles in community development organizations. The assessment area offers limited opportunities for qualified CRA investments and as a result, the bank has a limited level of investment activity.

The following table details the performance level of **M&I First American Bank, Wausau, Wisconsin** with respect to the lending, investment and service tests.

PERFORMANCE LEVELS	M&I FIRST AMERICAN BANK		
	PERFORMANCE TESTS		
	Lending Test	Investment Test	Service Test
Outstanding	X		X
High Satisfactory			
Low Satisfactory		X	
Needs to Improve			
Substantial Noncompliance			

*Note: The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

DESCRIPTION OF M&I FIRST AMERICAN BANK’S ASSESSMENT AREA:

Wausau is located in north central Wisconsin approximately 50 miles north of Stevens Point in Marathon County. The bank defines its assessment area as Marathon County, which corresponds to the Wausau Metropolitan Statistical Area (MSA) 8940. No changes have been made to the bank’s assessment area since the previous examination. There are a total of 27 census tracts in the bank’s assessment area; two of which are moderate-income tracts. The following table details demographic information for each census tract in the assessment area:

M&I FIRST AMERICAN BANK ASSESSMENT AREA CENSUS TRACTS					
Census Tract	Median Family Income	Number of Families	Census Tract	Median Family Income	Number of Families
1.00*	22,147	681	12.01	39,888	1,511
6.02*	26,547	1,127	12.02	36,514	1,296
2.00	34,844	867	14.00	41,532	1,193
4.00	32,442	1,443	15.00	38,298	1,110
5.00	31,406	925	16.00	32,042	1,323
6.01	29,007	673	17.00	30,703	894
7.00	29,821	1,249	18.00	32,865	1,160
8.00	39,500	1,030	19.00	34,098	1,531
9.00	31,571	664	20.00	33,255	854
10.00	41,792	1,090	21.00	33,937	1,586
11.02	37,990	955	22.00	28,192	862
11.03	36,336	1,086	23.00	31,812	1,623
11.04	33,378	1,289	13.00	43,838	1,687
3.00	43,171	1,381			

*Moderate-income census tract

Approximately 115,400 people reside in the assessment area based upon 1990 census data. Minorities comprise approximately 3% of the assessment area population, with Asian individuals of Hmong origin, comprising a substantial majority of the minority population. The assessment area median family income of \$34,988 is comparable to the State of Wisconsin median family income of \$35,082. The distribution of assessment area population by median family income level

in comparison to the State of Wisconsin, is presented in the following table:

M&I FIRST AMERICAN BANK- Distribution of Population based upon Median Family Income								
Census tracts	Low-income Families*		Moderate-income Families		Middle-Income Families		Upper-Income Families	
	#	%	#	%	#	%	#	%
Assessment Area – MSA 8940	5,187	16.7	5,942	19.1	8,679	27.9	11,284	36.3
State of Wisconsin	230,129	17.9	240,790	18.7	339,926	26.5	473,452	36.9

Approximately 36% of assessment area families are low- or moderate-income; 5.5 percent of assessment area families have incomes below the poverty level. Assessment area housing characteristics are detailed in the following tables:

M&I FIRST AMERICAN BANK Housing Characteristics- Occupancy		
Housing Type	Number of Units-Assessment Area	Percent of Total
Owner- Occupied Units	31,054	70.9
Rental Units	10,493	24.0
Vacant Units	2,227	5.1
Total Housing Units	43,774	100.0

M&I FIRST AMERICAN BANK Housing Characteristics-Housing Types				
Housing Type	Assessment Area		State of Wisconsin	
	#	%	#	%
Single family	32,332	73.9	1,341,491	65.3
2-4 units	5,444	12.4	327,996	16.3
Multi-family	3,200	7.3	258,847	12.6
Built pre-1950	16,544	37.8	757,204	36.8
Median Housing Value	\$54,643		\$62,141	

The assessment area housing stock is predominately owner-occupied (70.9%) and single-family (73.9%). In comparison, 59.1% of statewide housing is owner-occupied and 65.3% of statewide housing is single-family. The median housing values for the assessment area (\$54,643) reflect lower values in comparison to the statewide median housing value of \$62,141.

The Marathon County economy is supported by a number of diverse industries, including agriculture, service and manufacturing. The county’s production of dairy products, potatoes and ginseng make it one of the leading agricultural producers in the State of Wisconsin. The service industry is the leading employer in Marathon County. There are a total of 35,200 individuals (of the 70,900 comprising the labor force) employed in the service industry based upon 1996 U. S. Bureau of Labor Statistics information. Approximately 25% of the labor force is employed in the

manufacturing industry. The following table details Marathon County major manufacturing employers:

MARATHON COUNTY MAJOR MANUFACTURERS			
Employer	City	Number of Employees	Product/Service
SNE Enterprises, Inc.	Mosinee	1,700	Wooden Door and Windows
Kolbe & Kolbe Millwork Co., Inc.	Wausau	1,400	Wooden Doors and Windows
Greenheck Fan Corporation	Schofield	1,200	Ventilation Products
Marathon Electric Manufacturing Corporation	Wausau	875	Electrical Motors and Generators
Fiskars Incorporated	Wausau	800	Scissors, Cutlery
Wausau Paper Mills Corporation	Brokaw	750	Paper and Sulphite Pulp Processing
Mosinee Paper Corporation Pulp and Paper Division	Mosinee	550	Paper Processing
Wausau Metals	Wausau	452	Aluminum Windows and Wall Curtains

Marathon County’s January 1999 unemployment rate is slightly lower and has decreased more rapidly since January 1998 in comparison to State of Wisconsin and national unemployment levels. The following table details January 1998 and 1999 seasonally unadjusted unemployment rates for the assessment area in comparison to State of Wisconsin and national rates.

JANUARY 1999 and 1998 SEASONALLY-UNADJUSTED UNEMPLOYMENT RATES		
	January 1999	January 1998
Marathon County	4.0%	5.0%
State of Wisconsin	4.1%	3.9%
National	4.8%	5.2%

DESCRIPTION OF INSTITUTION

M&I First American Bank, with total assets of \$565,779,000, as of March 31, 1999, is an affiliate of Marshall & Ilsley Corporation, a Milwaukee-based, multi-bank holding company. The bank offers a full array of loan and deposit services from six branch offices located in Wausau, Rib Mountain, Mosinee and Schofield. The bank offers additional deposit services through two Wausau drive-up facilities (including one in downtown Wausau) and 10 automated teller machines (ATMs); of these, two are located in moderate-income tracts. In October 1997, the bank acquired and subsequently closed three additional branches (two in Wausau and one in Rothschild) through an affiliate merger with Security Bank. The branches closed had overlapped M&I First American Bank coverage areas. Among the bank’s primary local competitors are Associated Bank North, Peoples State Bank and branches of Firststar Bank Wisconsin (Madison). There are no legal impediments or financial restrictions limiting the bank’s ability to meet community credit needs.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS**LENDING TEST**

The bank's loan portfolio and loan originations were reviewed to evaluate the bank's overall lending volume, geographic distribution of lending, the distribution of lending by borrower characteristics, community development lending and the use of innovative and flexible lending practices.

Lending Volume

A review of the bank's March 31, 1999 Consolidated Report of Condition, revealed a loan-to-deposit ratio of 70.42% and a loan-to-asset ratio of 59.86%. Total net loans were \$338,675,000 while deposits totaled \$480,959,000 and total assets were \$565,779,000. The composition of the bank's loan portfolio as compared to peer according to the December 31, 1999 Uniform Bank Performance Report (UBPR) is detailed in the following table:

LOAN TYPE	BANK AVERAGE LOAN MIX (%)	PEER AVERAGE LOAN MIX (%)
REAL ESTATE LOANS		
Construction/Development	0.49	5.24
1 – 4 Family Residential	31.43	29.11
Other Real Estate	23.79	24.22
TOTAL REAL ESTATE LOANS	55.71	58.57
LOANS TO INDIVIDUALS	16.08	17.52
COMMERCIAL and INDUSTRIAL LOANS	26.99	19.09
AGRICULTURAL LOANS	0.65	1.69
MUNICIPAL LOANS	0.40	0.77
OTHER LOANS*	0.17	2.37
*Includes financial institution loans, acceptance of other banks, foreign office loans and leases, and lease financing receivables		

The bank's average loan-to-deposit ratio for the eight quarters ending March 31, 1999 was 72.13%; its loan-to-deposit ratio was slightly below those of its local competitors and national peer group of those insured commercial banks with assets between \$500 million and \$1 billion dollars. Eight-quarter loan-to-deposit ratios for the bank, its national peer group, and a sample of its local competitors are detailed in the following table:

COMPARATIVE LOAN-TO-DEPOSIT RATIOS- M&I FIRST AMERICAN BANK, NATIONAL PEER GROUP AND LOCAL COMPETITORS		
Institution	Asset Size (000)	8 Quarter Avg. Loan-to-deposit Ratio
M&I First American Bank	\$565,779	72.13%

Marathon Savings Bank	\$112,446	108.80%
Peoples State Bank	\$229,236	78.27%
Associated Bank North	\$1,326,957	77.57%
National Peer Group	\$500 million to \$1 billion	77.80%

The bank's average loan-to-deposit ratio still reflects a strong level of lending, although its ratio is slightly below its national and local peer group. An additional factor impacting the loan-to-deposit ratio, is the bank's acquisition of three Security Bank branches in December, 1997. Although the offices were subsequently closed, the bank acquired several million dollars in deposits, and retained only a portion of the loans; the affiliated M&I Marshall & Ilsley Bank retained the majority of the Security Bank loans.

Lending in Assessment Area

The bank's analysis reports of 1997 and 1998 real estate, small business and small farm originations were reviewed in order to evaluate lending in its assessment area. Small business loans are defined as commercial loans with original amounts of \$1,000,000 or less and small farm loans are defined as those agricultural loans with original amounts of \$500,000 or less. The following tables highlight lending in the assessment area as a percentage of overall 1997 and 1998 lending by product type:

M&I FIRST AMERICAN BANK- 1997 and 1998 Lending in its Assessment Area				
	1997		1998	
PRODUCT	NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
Real Estate-Purchase	219	86.22%	296	82.91%
Real Estate-Refinance	124	89.86%	897	87.08%
Home Improvement	104	91.23%	102	86.44%
Small Business	340	81.15%	357	79.87%
Small Farm	111	86.05%	49	81.67%
TOTALS	898	85.20%	1,701	84.91%

A review of the loan originations revealed a strong level of lending within the assessment area in 1997 and 1998. The bank extended a total of 1,054 new loans in 1997 and 2,007 new loans in 1998; approximately 85% of new loans for both years were extended within the assessment area as detailed in the previous table - reflecting a strong level of lending performance.

Geographic Distribution

The bank's analysis of 1997 and 1998 real estate, small business and farm originations was reviewed to assess the geographic distribution of the bank's lending within its assessment area. The following table highlights the geographic distribution of real estate, small business and small farm lending in moderate-, middle- and upper-income census tracts:

M&I FIRST AMERICAN BANK 1997 Geographic Distribution by Product Type in Moderate-, Middle-, and Upper-Income Census Tracts							
Product	Moderate-Income		Middle-Income		Upper-Income		Totals by Type
	#	%	#	%	#	%	
Real Estate	37	8.30%	342	76.50%	68	15.20%	447
Small Business	20	5.90%	264	77.60%	56	16.50%	340
Small Farm	2	1.80%	105	94.60%	4	3.60%	111
Census Tract Totals	59	6.60%	711	79.20%	128	14.30%	898

In addition, a review of 1997 and 1998 CRA aggregate data for all of the lenders reporting small business and small farm loans in Marathon County, revealed the bank’s lending in moderate-income census tracts to be generally consistent with aggregate lending levels. A review of aggregate 1997 and 1998 small business lending indicated that 10.47% and 8.33%, respectively, of all reported small business loans were made in moderate-income tracts. A review of aggregate 1997 and 1998 small farm lending indicated that 1.21% and 0.58%, respectively, of all reported small farm loans were made in moderate-income tracts.

M&I FIRST AMERICAN BANK 1998 Geographic Distribution by Product Type in Moderate-, Middle-, and Upper-Income Census Tracts							
Product	Moderate-Income		Middle-Income		Upper-Income		Totals by Type
	#	%	#	%	#	%	
Real Estate	48	3.70%	1,034	79.70%	215	16.60%	1,297
Small Business	34	9.50%	284	79.60%	39	10.90%	357
Small Farm	1	2.00%	48	98.00%	0	N/A	49
Census tract Totals	83	4.90%	1,366	80.20%	254	14.90%	1,703

In addition, a review of 1997 and 1998 aggregate data for all of the lenders reporting HMDA loans in the MSA, revealed the bank’s lending in moderate-income census tracts to be consistent with or exceed aggregate lending levels. A review of aggregate 1997 and 1998 HMDA-reportable lending indicated that 4.90% and 4.00%, respectively, of all reported HMDA-reportable loans were made in moderate-income census tracts.

Two of the twenty-seven census tracts comprising the assessment area, are moderate-income census tracts based upon 1990 census data. Although fairly well populated, moderate-income census tract 1.00 contains only 377 owner-occupied housing units. Moderate-income census tracts contains approximately 7 percent of the assessment area population. One of the moderate-income census tracts corresponds to downtown Wausau, with limited opportunity for home mortgage lending. The bank’s overall lending exhibits solid penetration in moderate-income census tracts, with consideration given to the number of moderate-income census tracts and the available lending opportunities.

Borrower Characteristics

The bank's origination of 1997 and 1998 real estate, small business and small farm loans was reviewed to assess the bank's lending with respect to low- and moderate-income borrowers and to small businesses and farms. Small business loans are defined in the regulation as those loans with original amounts of \$1 million or less and small farm loans are loans with original amounts of \$500,000 or less. An additional analysis of those small business and small farm loans made to firms with gross annual revenues of one million dollars or less, and for amounts of \$100,000 or less was also reviewed.

A review of the bank's 1997 and 1998 real estate loan analysis revealed the bank originated 446 real estate loans in 1997. A total of 193 or 43.3% were originated to low- or moderate-income borrowers. The 1998 interest rate environment led to an increase in the number of total real estate loans to 1,297. Although the percentage of total loans (24.6%) to low- or moderate-income borrowers decreased; the overall number of loans originated to low- or moderate-income borrowers increased to 315. The bank's loan originations for both years reflects strong performance with respect to low- and moderate-income borrowers, as approximately 36% of the families in the assessment area are low- or moderate-income based upon 1990 census data.

The bank's analysis of 1997 and 1998 small business and farm loan originations is summarized in the following tables:

M&I FIRST AMERICAN BANK- 1997 and 1998 Business and Farm Lending by Loan Amount						
Loan Type	\$100,000 or less		\$100,000-\$250,000		Over \$250,000	
	1997	1998	1997	1998	1997	1998
Small Business	249	222	60	81	31	54
Small Farm	106	43	3	5	2	0

M&I FIRST AMERICAN BANK- 1997 and 1998 Lending to Businesses and Farms with Gross Annual Revenues of \$1 million or less				
Loan Type	1997*		1998*	
	Number	% of Total	Number	% of Total
Small Business	282	82.9	311	87.4
Small Farm	111	100.0	49	100.0

*Percentage of total by type

A review of 1997 and 1998 loan originations revealed the bank's strengths as a provider of small business and small farm credit. Seventy-three percent of total 1997 small business lending, and 62% of 1998 business loan originations, were for amounts of \$100,000 or less; approximately 96% of 1997 and 88% of 1998 farm loan originations were for amounts of \$100,000 or less. A substantial majority of 1997 and 1998 small business and small farm lending was to businesses/farms with gross annual revenues of one million dollars or less as detailed in the table above.

Additionally, a review of 1997 and 1998 CRA aggregate data for all of the lenders reporting small business and small farm loans in Marathon County, revealed the bank's lending in amounts of \$100,000 to be consistent with aggregate lending levels. A review of aggregate 1997 and 1998 small business lending indicated that 81.33% and 75.27%, respectively, of all reported small business loans were made in amounts of \$100,000 or less. A review of aggregate 1997 and 1998 small farm lending indicated that 91.84% and 88.89%, respectively, of all reported small farm loans were made in amounts of \$100,000 or less.

In addition, a review of 1997 and 1998 CRA aggregate data for all of the lenders reporting small business and small farm loans in Marathon County, revealed the bank's lending to businesses or farms with revenues less than \$1 million to be consistent with aggregate lending levels. A review of aggregate 1997 and 1998 small business lending indicated that 63.36% and 67.47%, respectively, of all reported small business loans were made to firms with revenues less than \$1 million. A review of aggregate 1997 and 1998 small farm lending indicated that 97.88% and 98.54%, respectively, of all reported small farm loans were made to farms with revenues of \$1 million or less.

Innovative or Flexible Lending Practices

The bank continues to participate in flexible and innovative lending programs designed to meet the credit needs of low- and moderate-income individuals and residents of moderate-income census tracts. The bank continues to offer the M&I Neighborhood Home Loan Program (NHLP). There are no minimum loan amounts or fees associated with the program, which also features flexible underwriting standards (including higher debt-to-income, and loan-to-value ratios for single family and 2-4 family dwellings). The bank made 84 loans for \$5,271,000 under the program in 1997, 49 loans for \$3,164,000 in 1998, and 17 loans for \$1,187,000 through April 1999.

The bank continues to offer the HOME Program administered by the Wisconsin Housing & Economic Development Authority (WHEDA) although there has been a statewide decline in its use. In 1997, the bank extended 15 WHEDA loans for \$850,586 and in 1998 the bank made two WHEDA loans for \$22,560.

CONCLUSION

The bank's lending performance is considered strong. Although the eight-quarter average loan-to-deposit ratio is slightly below its national peer group, this was attributed to merger activity, which led to substantial deposit growth. A substantial majority of loans were originated within the assessment area. The bank's lending with respect to the limited number of moderate-income census tracts in the assessment area, reflected solid geographic distribution within the assessment area. The bank's lending to low- and moderate-income borrowers and to small businesses and small farms evidenced very strong performance. The bank is a leader among the aggregate of all CRA lending reporters in Marathon County. Although the bank did not have qualifying community development loans, the bank's use of flexible and innovative loan programs was strong.

INVESTMENT TEST

The bank's investment portfolio, donations and special programs that contribute to local community development efforts were reviewed. Qualified investments or grants were reviewed for innovativeness, responsiveness to credit and community development needs and the degree to which these investments are not routinely provided by private investors. Discussions with management and community representatives, revealed that investment opportunities within the assessment area are limited; no qualified investment activity was noted in the bank's investment portfolio. The community does not offer many opportunities for qualified investment according to bank management and discussions with community representatives.

Degree to Which Investments are not Provided by Private Investors

The bank provides a satisfactory level of investment in the form of grants, which support the operating expenses of nonprofit community organizations in its assessment area. A review of the bank's internal CRA files revealed that the bank made approximately \$13,000 in grants/donations to organizations such as Habitat for Humanity and Central Wausau Progress.

Responsiveness to Available Opportunities

As discussed previously, the bank's current level of investment reflects the limited opportunities for qualifying CRA investments within the bank's assessment area. Community representatives contacted during this and previous examinations indicate that the bank is responsive to the available CRA investment opportunities in its assessment area.

CONCLUSION

The bank's performance under the investment test is rated low satisfactory. The bank has an adequate level of CRA investment activity relative to the available investment opportunities in the assessment area.

SERVICE TEST

The bank's systems for delivering retail banking and community development services within its assessment area were reviewed for accessibility, innovativeness and responsiveness. The bank's network of alternative service delivery systems was also analyzed. Additionally, the distribution of bank branches, record of opening and closing branch offices and community development service activity was reviewed.

Retail Banking Services

M&I First American Bank is a full-service bank with six branches, two drive-up facilities and ten ATMs located in Marathon County. The bank provides a full array of loan and deposit services to consumers, businesses, governments and organizations, and has a variety of investment and cash management services available through M&I Brokerage Services.

Distribution of Branches Among Census tracts

The bank has defined its assessment area as Marathon County. The following chart illustrates the

bank’s branch locations and hours:

M&I FIRST AMERICAN BANK- FACILITY LOCATIONS AND HOURS				
OFFICE	HOURS OF SERVICE	DAYS OF SERVICE	CENSUS TRACT	INCOME LEVEL
Wausau Main Office 500 3rd St.	8:00am-5:00pm	Monday-Friday	1.00	Moderate
Wausau Auto Drive and Business Lobby, 2 nd and Scott Street	7:30am-6:00pm 7:30am-7:00pm 8:30am-12:00pm	Monday-Thursday Friday Saturday	1.00	Moderate
Cedar Creek Office and Drive-up 10208 Park Plaza, Mason* * Mosinee mailing address	7:30am-6:00pm 7:30am-7:00pm 8:30am-12:00pm	Monday-Thursday Friday Saturday	11.02	Middle
Mason Office and Drive-up 101 Main Street, Mosinee	8:30am-5:00pm 8:30am-6:00pm 8:30am-12:00pm	Monday-Thursday Friday Saturday	12.01	Middle
Rib Mountain Office and Drive-up 5211 Rib Mountain Drive	7:30am-6:00pm 7:30am-7:00pm 8:30am-12:00pm	Monday-Thursday Friday Saturday	13.00	Upper
Plaza Drive Auto Bank (Wausau) South 28 th Ave., and Plaza Drive	7:30am-6:00pm 7:30am-7:00pm 8:30am-12:00pm	Monday-Thursday Friday Saturday	14.00	Middle
29 Super East Banking Office (Schofield – supermarket) 2806 Schofield Ave	9:00am-7:00pm 9:00am-6:00pm 9:00am-3:00pm	Monday-Friday Saturday Sunday	11.03	Middle
Country Market Banking Office (Wausau – supermarket) 220 South 18th Ave	9:00am-7:00pm 9:00am-6:00pm 9:00am-3:00pm	Monday-Friday Saturday Sunday	6.01	Middle

Record of Opening and Closing Offices

The bank’s record of opening and closing branches has not had a negative impact on its ability to provide its services within its assessment area, including moderate-income census tracts. The bank has its main office and drive-up facility in a moderate-income census tract, and a supermarket branch (Wausau) which borders the only other moderate-income census tract in the assessment area. As previously discussed under the lending test, the October, 1997 merger of M&I Marshall and Ilsley Bank with Security Bank, resulted in the closing of two former Security Bank offices in Wausau, and one in Rothschild (near the bank’s Schofield and Mosinee branches). The bank also removed an ATM from the Mosinee area (located in a middle-income census tract), because of proximity to another M&I First American facility. These closings did not have a negative impact upon the bank’s ability to deliver its services within the assessment area due to the proximity to other bank branches.

Alternative Systems for Delivering Retail Banking Services

The bank operates 10 full-service proprietary ATMs located within its assessment area in its efforts to make banking services accessible within the assessment area. ATM locations and the

income levels of the communities in which they are located are listed in the following chart:

M&I FIRST AMERICAN BANK- ATM LOCATIONS			
ATM LOCATION	CITY	CENSUS TRACT	INCOME LEVEL
M&I First American Bank 10208 Park Plaza,	Mason*	11.02	Middle-Income
29 Super Market West 110 S. 17th Ave.	Wausau	5.00	Middle-Income
Country Market 220 South 18 th Ave.	Wausau	6.01	Middle-Income
29 Super Market East, 2806 Hwy. 29	Schofield	11.03	Middle-Income
M&I First American Bank 28th Ave. & Plaza Drive	Wausau	14.00	Middle-Income
Wausau Hospital 333 Pine Ridge Blvd.	Wausau	14.00	Middle-Income
M&I First American Bank 500 3rd St.	Wausau	1.00	Moderate-Income
M&I First American Bank 500 3rd St.-Drive-up	Wausau	1.00	Moderate-Income
M&I First American Bank 5211 Rib Mountain Drive	Wausau	13.00	Upper-Income
Wausau Center Mall	Wausau	1.00	Moderate-Income

*Mosinee is the mailing address for this facility

Additionally, the bank provides account information and banking services through M&I Line, a toll-free telephone number, staffed 24-hours, seven days a week. The bank also offers the Mortgage Assistance Helpline, an on-call program to provide after-hours information for Realtors (Monday through Friday from 5:00pm to 9:00pm) and Internet banking by personal computer.

Community Development Services

The bank provides a high degree of community development services within the assessment area through the community involvement of its officers, directors and staff. Officers and staff particularly, are involved in organizations that support community development through technical assistance, counseling and workshops and seminars.

The bank has targeted the Hmong community for service needs and previously developed homebuyer brochures in the Hmong language, and hired a Hmong Loan Originator. Since the previous examination, the bank has trained another Hmong individual to work as a full-service personal banker, and hired five Hmong customer service representatives. One of the Hmong lenders is a part of the bank’s involvement with Habitat for Humanity; conversations with senior management indicated that Habitat has now been able to expand its work developing homes for

low- and moderate-income Hmong individuals/families.

Additionally, review of the bank's internal CRA files revealed that officers, directors and staff are involved in organizations that provide direct and indirect support of local community development. Bank senior management continues to devote considerable time and expertise to organizations such as Wausau Area In-house Network (WIN) and the Marathon County Economic Development Corporation. Management also continues the practice of allowing, whenever possible, officers and staff to attend meetings during working hours.

Range and Accessibility of Services Provided within Census tracts

Each of the bank's branches are full-service offices (including the Wausau auto-bank location) offering products designed to meet community credit needs, including low- and moderate-income individuals and residents of moderate-income census tracts. The bank offers low-fee deposit products, such as Basic Checking, which has no minimum balance requirements, bilingual services available at certain branch locations, and special government-insured, guaranteed loan programs, such as Small Business Administration (SBA) and WHEDA.

CONCLUSION

The bank's performance under the service test is strong. The bank has delivery systems and products, which are accessible within the assessment area, and available in moderate-income census tracts and to low- and moderate-income individuals. The bank's branching activity since the previous examination has not negatively impacted its ability to deliver services within the assessment area. The bank's community development service activity is strong, and demonstrates initiative and a high degree of responsiveness in addressing local community development priorities.

GENERAL

The bank is in compliance with the substantive provisions of antidiscrimination laws and regulations, including the Equal Credit Opportunity and Fair Housing Acts.