

PUBLIC DISCLOSURE

April 7, 1999

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

M & I BANK OF BURLINGTON

RSSD Number: 519548

200 So. Pine Street
Burlington, Wisconsin 53105

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 Bank of Burlington, Burlington, Wisconsin**, prepared by the **Federal Reserve Bank of Chicago**, the institution's supervisory agency, as of **April 7, 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 **Satisfactory**.

The bank's lending efforts promote economic growth in a manner consistent with its asset size, local competitors and available lending and investment opportunities. Lending activities and initiatives reviewed during the examination reflect bank efforts to support and foster community development. The bank's loan-to-deposit ratio and lending in its assessment area evidence strong overall lending performance. The distribution of real estate purchase, refinance, small business and small farm originations also reflects a reasonable penetration within its assessment area. The bank's real estate, small business and small farm lending also reflects a strong level of lending to low- and moderate-income borrowers, and to those small businesses and small farms with gross annual revenues of \$1 million or less. The bank offers programs that have flexible underwriting criteria that target the credit needs of low- and moderate-income borrowers.

The assessment area offers limited opportunities for community development lending and investment. An acceptable level of access to banking services through the main bank, its branches and its affiliate relationships is available within the assessment area. Bank officers and staff are active within those organizations promoting community development, where they frequently take leadership roles and provide financial expertise.

The following table details the performance level of **M&I Bank of Burlington, Burlington, Wisconsin**, with respect to lending, investment and service tests. Based on the component test ratings for large banks, the assigned ratings are shown in the following table.

M&I BANK OF BURLINGTON			
PERFORMANCE TESTS			
Performance Levels	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		X
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 BANK OF BURLINGTON ASSESSMENT AREA

Burlington, Wisconsin is located in Racine County, approximately 25 miles west of the City of Racine. The bank's assessment area includes a total of 17 census tracts in Racine, Kenosha and Walworth counties and includes a portion of the Racine MSA (6600) and the Kenosha MSA (3800).

M&I BANK OF BURLINGTON CENSUS TRACT DEMOGRAPHIC INFORMATION						
Census Tract/ County	Population	Total Families	1990 Median Family Income	Total Households	Income Level % of MSA Income	MSA
22.00/Racine	628	0	0	24	0.0	6600
27.00/Kenosha	3,968	1,158	\$40,844	1,410	114.6	3800
28.00/Kenosha	5,986	1,621	\$37,930	2,003	106.4	3800
29.01/Kenosha	6,025	1,672	\$34,280	2,185	96.1	3800
29.02/Kenosha	5,561	1,544	\$39,628	1,968	111.1	3800
30.00/Kenosha	6,407	1,760	\$40,404	2,273	113.3	3800
20.00/Racine	5,501	1,500	\$43,466	1,842	114.4	6600
21.00/Racine	2,995	792	\$36,964	984	97.3	6600
24.01/Racine	4,971	1,449	\$41,510	1,871	109.3	6600
24.02/Racine	4,775	1,192	\$37,090	1,807	97.6	6600
26.00/Racine	4,635	1,295	\$38,585	1,624	101.6	6600
27.00/Racine	6,438	1,821	\$41,137	2,250	108.3	6600
28.00/Racine	3,373	939	\$41,454	1,179	109.1	6600
1.00/Walworth	6,425	1,700	\$38,833	2,211	128.2	N/A
2.00/Walworth	5,079	1,408	\$36,868	1,656	121.7	N/A
TOTALS	72,767	19,581	\$39,346	25,287	106.2	

Approximately 72,700 individuals and 20,000 families live in the assessment area as noted in the preceding table. The median family income for the assessment area is approximately \$39,300. In comparison, the median family incomes for the Racine and Kenosha MSAs and for all non-metropolitan areas within the state are \$38,000, \$35,700 and \$30,300 respectively.

Approximately 11.8% of the families in the assessment area were low-income while 16.6% of them were moderate-income, based upon 1990 census data. Less than 4% of the families within the assessment area have incomes below the poverty level.

Single family units comprise 80.8% of the housing units within the assessment area. The following table details housing characteristics for the assessment area, MSAs and the State of Wisconsin.

M&I BANK OF BURLINGTON ASSESSMENT AREA HOUSING CHARACTERISTICS							
	Total Housing Units	Owner-Occupied Units		Rental Units		Median Housing Value	Median Housing Age (years)
		#	%	#	%		
Assessment Area	29,767	19,812	66.6	5,573	18.7	\$74,628	31
MSA 3800	51,262	32,368	63.1	14,661	28.6	\$64,588	45
MSA 6600	66,945	43,555	65.1	20,181	30.1	\$63,507	43
Walworth County	36,937	18,467	50.0	9,153	25.2	\$68,744	29
State of Wisconsin	2,055,774	1,215,324	59.1	606,794	29.5	\$62,141	47

Housing stock in the assessment area is significantly newer than that of the Racine and Kenosha MSAs and the State of Wisconsin. The median housing value in the assessment area also is higher than those of the Racine or Kenosha MSAs or the State. The assessment area’s 14.7% vacancy rate is well above those of the Racine and Kenosha MSAs’ and the State of Wisconsin and reflects a large concentration of vacant properties in the area including vacation homes.

The assessment area’s economy is supported by a variety of light industries, recreation and agriculture. The following table highlights the largest manufacturing employers in the assessment area.

ASSESSMENT AREA MAJOR MANUFACTURING EMPLOYERS			
Company	Employees	City/Town	Product
Nestle Chocolate & Confections	550	Burlington	Chocolate Candy/Confections
Lynch Diversified Vehicle	200	Burlington	Commercial/Municipal Trucks
Echo Lake Farm Produce Company	75	Burlington	Egg Processing
Lavelle Industries	00	Burlington	Molded Rubber Products
NEL Frequency Controls, Inc.	62	Burlington	Quartz Crystals & Oscillators
HY PRO Inc.	50	Waterford	Precision Machining
E.S. Plastic Products, Inc.	90	Waterford	Plastic Injection Molding
Golden Books Publishing	1,000	Racine	Book Printing
Ganton Technologies Incorporated-Racine Division	876	Sturtevant	Aluminum Die Castings
Five Star Fabricating, Inc.	50	Twin Lakes	Aluminum/Steel Fabrication

Burlington’s proximity to other population centers such as Milwaukee, Racine, Kenosha and Lake Geneva increase the numbers and types of employment opportunities. Many Burlington residents commute to work in these cities.

The following table details January seasonally unadjusted unemployment rates for the counties in the assessment area, and compares them with state and national unemployment percentages.

1998 and 1999* UNEMPLOYMENT RATES BY COUNTY		
	Percent Unemployed January 1998	Percent Unemployed January 1999
Racine County	4.3%	5.8%
Kenosha County	3.3%	4.0%
Walworth County	3.2%	3.4%
State of Wisconsin	3.9%	4.1%
United States	5.2%	4.8%

*Seasonally unadjusted unemployment rates

Although the unadjusted rates for the assessment area counties are higher than the State and the nation, Wisconsin State Workforce Development Department analysis partially attributed the variances to seasonal fluctuations in certain industries, such as construction, caused by harsh weather conditions in December 1998 and January of this year. Seasonally adjusted December 1998 unemployment rates of 4.1% for Racine and 3.8% for Kenosha also reflect the overall strength of the area's economy.

DESCRIPTION OF INSTITUTION

M&I Bank of Burlington, with total assets of \$224 million as of December 31, 1998 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 its main office in downtown Burlington and through its branch network. The bank operates full-service branches in Salem, Twin Lakes and Waterford as well as four proprietary Automated Teller Machines (ATMs) in Burlington, Waterford and Salem. No apparent factors -- legal impediments, size or financial capacity -- impact the bank's performance nor are there any area economic conditions that would prevent the bank from meeting the community's credit needs.

The bank's main competitors are First Banking Center and Walworth State Bank. Additional competition is provided by branches of Bank One, Wisconsin (branch of Milwaukee); North Shore Bank, FSB (Brookfield); Associated Bank Milwaukee (branch of Milwaukee) and State Financial Bank-Waterford (Waterford).

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The bank's loan portfolio was reviewed to analyze its overall lending volume, geographic distribution, distribution by borrower income and community development lending.

Lending Volume

The bank's average, quarterly loan-to-deposit ratio was 82.41% for the six quarters ending December 31, 1998. The following table details the bank's and specific competitors' ratios.

BANK/COMPETITOR LOAN-TO-DEPOSIT RATIOS		
Institution	Asset Size (000)	Six-Quarter-Average Loan-to-Deposit Ratio
M&I Bank of Burlington	\$224,625	82.41%
First Banking Center	\$368,597	90.47%
Walworth State Bank	\$108,992	70.64%
National peer group	\$100,000-\$300,000	70.66%

The bank's six-quarter loan-to-deposit ratio is slightly above its national peer group. The bank evidences solid lending performance for its size and market.

The bank's overall small business and small farm lending has declined from 1996 to 1998. Both the number and dollar amount of small business and small farm loans have declined during the period.

M&I BANK OF BURLINGTON TRENDS IN SMALL BUSINESS AND SMALL FARM LENDING				
	Total Small Business Lending		Total Small Farm Lending	
	#	\$	#	\$
1996	370	27,166	59	4,338
1997	273	22,385	41	4,620
1998	236	24,173	36	2,941

The composition of the bank's loan portfolio as compared with its peer based upon the December 31, 1998 Uniform Bank Performance Report (UBPR), is illustrated in the following table:

BANK/PEER LOAN PORTFOLIO COMPARISONS		
Loan Type UBPR Categories	Bank Average Loan Mix (%)	Peer Average Loan Mix (%)

BANK/PEER LOAN PORTFOLIO COMPARISONS		
Loan Type UBPR Categories	Bank Average Loan Mix (%)	Peer Average Loan Mix (%)
Real Estate Loans		
Construction/development	3.11	7.54
1- to 4-family residential	41.63	27.17
Home equity	6.90	3.10
Other real estate	23.63	27.96
Total Real Estate	75.28	65.77
Loans To Individuals	4.74	12.30
Commercial and Industrial Loans	16.91	18.56
Agricultural Loans	2.20	1.68
Municipal Loans	0.49	0.47
Other Loans*	0.38	1.23
Total	100.00	100.00

*Other loans includes all other loans and financial institution loans, acceptance of other banks, foreign office loans and leases and lease financing receivables.

Lending in the Assessment Area

The examination also included a review of the bank's analysis of 1998 real estate, small business and small farm lending to measure overall lending activity within its assessment area. The following table details 1998 real estate purchases, refinancings, home improvement loans, small business and small farm lending.

M&I BANK OF BURLINGTON 1998 TOTAL LENDING IN THE ASSESSMENT AREA			
	Lending in Assessment Area		
Loan Type	#	\$ (000)	% of the Number
Real Estate Purchase	154	16,946	63
Real Estate Refinance	324	33,299	82
Home Improvement	20	540	74
Small Business	236	24,173	88
Small Farm	36	2,941	97
TOTAL	770	77,899	79

*Percent of total number of loans in the assessment area

Approximately 79% of 1998 lending (770 of 971 real estate, small business and small farm originations) was within the bank's assessment area. Loan distribution reflects a solid performance in extending credit to area individuals, businesses and farms.

Geographic Distribution

The geographic distribution of 1997 and 1998 real estate, small business and small farm loans was reviewed to assess the bank's lending strength within its assessment area. The assessment area includes a total of 17 census tracts in Racine, Kenosha and Walworth counties. Of these, only one tract is low-income, 22.00 part of MSA 6600, has no owner-occupied housing units, families or a median family income.

A review of real estate home purchase and refinance lending revealed that the bank originated loans in 14 of the 17 assessment area census tracts in 1997 and 15 of 17 census tracts in 1998. The bank extended commercial loans to businesses located in 16 of 17 census tracts in 1997 and 1998; no loans were extended within tract 22.00.

Borrower Characteristics

The examination included a review of the bank's analysis of its 1997 and 1998 lending to low- and moderate-income individuals and to small businesses and farms. Loans to businesses and farms with gross annual revenues under \$1 million and loans with original amounts of less than \$100,000 were also reviewed. The following tables detail the bank's 1997 and 1998 real estate originations to low- and moderate-income individuals.

1997 REAL ESTATE LENDING BY BORROWER INCOME LEVEL								
Loan Type	Low-income		Moderate-income		Middle-income		Upper-income	
	#	%	#	%	#	%	#	%
Home Purchase	4	3	20	15	41	31	67	51
Refinance	5	6	19	21	20	22	45	51
Home Improvement	1	5	3	16	6	32	9	47
Total	10	4	42	18	67	28	121	50

1998 REAL ESTATE LENDING BY BORROWER INCOME LEVEL								
Loan Type	Low-income		Moderate-income		Middle-income		Upper-income	
	#	%	#	%	#	%	#	%
Home Purchase	7	5	18	12	39	26	88	58
Refinance	14	4	44	14	91	29	171	53
Home Improvement	0	N/A	5	25	7	35	8	40
Total	21	4	67	14	137	28	267	54

Approximately 22% of all real estate loans originated in 1997 and 18% in 1998, were to low- or moderate-income borrowers. In comparison, 19% of all 1996 real estate originations were to low- or moderate-income borrowers.

A further review of bank lending included a review of the affiliated M&I Mortgage Corp lending activity in the bank's assessment area. A combined review of the bank's and the mortgage corp. lending in the assessment area indicates that 19%, 22% and 18% of loan originations in 1996, 1997 and 1998, respectively, were to low- or moderate-income borrowers. A review of the 1997 aggregate mortgage lending data of all reporters in the Kenosha and Racine MSAs indicate that 21% and 28%, respectively, of all originations were to low- or moderate-income borrowers.

The following three tables detail the bank's 1997 and 1998 small business and farm lending, based upon the original loan amount and the firm's annual revenues:

1997 SMALL BUSINESS AND SMALL FARM LENDING BY LOAN AMOUNT						
Loan Type	\$100,000 or Less		\$100,001-\$250,000		Greater than \$250,000	
	#	\$ (000)	#	\$ (000)	#	\$ (000)
Small Business	205	7,676	50	7,338	18	7,371
Small Farm	27	999	8	1,259	6	2,362
Total	232	8,675	58	8,597	24	9,733

1998 SMALL BUSINESS AND SMALL FARM LENDING BY LOAN AMOUNT						
Loan Type	\$100,000 or Less		\$100,001-\$250,000		Greater than \$250,000	
	#	\$ (000)	#	\$ (000)	#	\$ (000)
Small Business	163	6,056	48	7,872	25	10,245
Small Farm	24	850	10	1,341	2	750
Total	187	6,906	58	9,213	27	10,995

Approximately 74% in 1997 and 69% in 1998 of small business and small farm loans were made in amounts of \$100,000 or less. In addition, the bank made a substantial majority of its commercial and agricultural loans -- 80% in 1997 and 82% in 1998 -- to businesses and farms with gross annual revenue of \$1 million or less.

1997 AND 1998 LENDING TO BUSINESSES/FARMS WITH GROSS ANNUAL REVENUES <=\$1

MILLION				
Loan Type	Total Loans 1997		Total Loans 1998	
	#	\$ (000)	#	\$ (000)
Small Business	212	14,110	186	14,557
Small Farm	40	3,970	36	2,941
Total	252	18,080	222	17,498

A review of 1997 business and farm aggregate lending for CRA lending reporters in the Racine and Kenosha MSAs revealed the bank to be one of the leading providers of small business loans in Kenosha County. The bank extended a total of 176 loans for \$14,927,000 in Kenosha County; of these, 128 loans totaling \$8,831,000, were made to those businesses with gross annual revenues of \$1 million or less. M&I Bank of Burlington was second in the number of originations to Bank One Wisconsin in Racine County. In comparison, Bank One extended 215 loans for \$28,331,000; of those, approximately 55.8% were made to those businesses with gross annual revenues of less than or equal to \$1 million. M&I Bank of Burlington generated 140 loans during 1997 totaling \$12,284,000 in Racine County, of those, 112 loans totaling \$7,983,000 were made to those small businesses with revenues of less than or equal to \$1 million.

The bank's overall lending to low- and moderate-income borrowers and to small businesses including those with revenues of less than \$1 million is strong.

Community Development Lending

Reviews of the bank's internal CRA files, prior CRA examination reports and discussions with management indicate that the bank actively seeks opportunities to participate in this type of lending. Nevertheless, the bank had no qualifying loans in this category due to the limited number of opportunities to participate in community development lending in its assessment area.

Flexible or Innovative Lending Practices

The bank participates in the M&I Neighborhood Home Loan Program, which offers flexible underwriting criteria and as well as low fees and down payments (97% loan-to-value ratio for single-family residence; 95% for 2-4 family residences). The bank originated two NHLP loans totaling \$97,000 in 1997. The bank also offers Wisconsin Housing and Economic Development Authority (WHEDA) HOME loans. During 1997 and 1998, the bank made seven WHEDA loans totaling \$561,000.

CONCLUSION

The bank's overall lending performance in its assessment area is considered strong, based upon

its total loan volume; high percentage of lending and distribution of loans within its assessment area. The bank's real estate lending to low- and moderate-income borrowers reflects solid performance. A substantial majority of small business and farm lending was for \$100,000 or less, and to businesses/farms with gross annual revenue of \$1 million or less. The bank is a leader among CRA lending data reporters in the Racine and Kenosha MSAs.

INVESTMENT TEST

The examination included a review of the bank's investment portfolio, donations and programs that support community development. Discussions with management and community representatives indicated that the bank's predominately rural assessment area offers limited opportunities for qualifying investments. Discussions with management and community representatives, revealed that investment opportunities within the assessment area are limited; no qualified investment securities activity was noted in the bank's investment portfolio. Similarly, the bank has made few contributions or grants of money that would qualify under the Investment Test. The bank does support the activities of various community organizations that do not qualify.

Contributions/Grants/Investments

A review of the bank's 1997 and 1998 contributions and discussions with management, indicated that the following donations met the requirements of the regulation:

Columbus Park Housing Corporation. This non-profit organization acquires and renovates housing in Columbus Park and then rents it as affordable housing to low- and moderate-income residents. The bank, for example, sold this organization a home for \$25,000 on March 26, 1999. The bank previously had the property appraised at \$47,000, and its market value at the time was estimated to be \$35,000.

Kenosha Area Business Alliance. The bank made three separate contributions in 1997 (\$850) and 1998 (\$1,000) totaling \$1,850.

Racine County Fair. Contributions of \$250 in both 1997 and 1998 were made to the Racine County Fair. The money was earmarked for a special award fund for children from small farms who exhibit animals at the fair. According to bank management, large farms tended to dominate the competition while the livestock from small farms often was not recognized. Monetary awards from this fund are awarded to initial non-winners after a subsequent evaluation of livestock.

Service organizations. The bank made contributions, totaling \$1,680 in 1997 and \$640 in 1998, to service organizations including the Lions, Kiwanis and Rotary clubs. These groups generally serve low- and moderate-income individuals in the community in a variety of ways. While none of the bank's contributions is targeted for special purposes, it is reasonable to believe that a significant portion of the funds benefits low- and moderate-income individuals.

CONCLUSION

The bank’s performance under this category is considered adequate, based upon the nature of its assessment area and the limited number of opportunities to make qualified investments including grants/donations.

SERVICE TEST

The examination included a review of the bank’s retail banking delivery system and community development services. The services were evaluated for range, accessibility, innovation and responsiveness. Alternative delivery systems for providing these services also were reviewed. In addition, the examination included a review of the distribution of the bank’s branches, record of opening and closing branch offices and community development service activity.

Retail Banking Facilities

M&I Bank of Burlington is a full-service institution which operates four offices and four ATMs. The bank provides a wide range of deposit and loan products to consumers, businesses, community organizations and governmental units. In addition, the bank offers a broad variety of mortgage loan products through its affiliate, M&I Mortgage Corp.

Distribution of Branches Among Census Tracts

The following chart lists the bank’s branch locations. All are located in middle-income census tracts. The four ATMs operated by the bank are full-service machines with 24-hour access. One ATM is located at each of the bank’s Burlington, Waterford and Paddock Lake offices. In addition, an ATM is available in a Burlington supermarket.

BANK FACILITIES AND HOURS OF OPERATION				
Branch Name/Address	County	Census Tract No.	Hours of Operation	
			Lobby	Drive-Up
Main Office 200 S. Pine St. Burlington, WI 53105	Racine	0024.02	Mon - Thu: 8:30 a.m. - 5 p.m. Fri: 8:30 a.m. - 6 p.m. Sat: 8:30 a.m. - noon	Mon - Thu: 8 a.m. - 5 p.m. Fri: 8 a.m. - 7 p.m. Sat: 8 a.m. - noon
Paddock Lake Office 24616 75 th St. Paddock Lake, WI 53168	Kenosha	0029.02	Mon - Thu: 9 a.m. - 5 p.m. Fri: 9 a.m. - 6 p.m. Sat: 9 a.m. - noon	Mon - Thu: 8 a.m. - 5 p.m. Fri: 8 a.m. - 7 p.m. Sat: 8 a.m. - noon
Twin Lakes Office 124 E. Main Street Twin Lakes, WI 53181	Kenosha	0030.00	Mon - Thu: 9 a.m. - 5 p.m. Fri: 9 a.m. - 6 p.m. Sat: 9 a.m. - noon	Mon - Thu: 8 a.m. - 5 p.m. Fri: 8 a.m. - 7 p.m. Sat: 8 a.m. - noon

BANK FACILITIES AND HOURS OF OPERATION				
Branch Name/Address	County	Census Tract No.	Hours of Operation	
			Lobby	Drive-Up
Waterford Office 300 N. Milwaukee St. Waterford, WI 53185	Racine	0027.00	Mon - Thu: 9 a.m. – 5 p.m. Fri: 9 a.m. – 6 p.m. Sat: 9 a.m. – noon	Mon - Thu: 8 a.m. - 5 p.m. Fri: 8 a.m. - 6:30 p.m. Sat: 8 a.m. – noon

Record of Opening and Closing Offices

The bank opened, and subsequently closed, an office in Kenosha, since the most recent CRA examination of April 18, 1996. A branch initially opened August 11, 1997 in a low-income census tract in Kenosha's central business district. The assessment area for this new branch included another low-income census tract and five moderate-income tracts, plus middle- and upper-income tracts. With this new location and the related expansion of its assessment area, the bank increased its assessment area. At the same time, the bank obtained greater access to low- and moderate-income census tracts and individuals pertinent to CRA. Subsequently, in April 1998 the Marshall Ilsley Corporation acquired the Advantage Bank group, which was headquartered in and operated multiple branches in Kenosha. As a result of this acquisition, the M&I Bank of Burlington's Kenosha branch closed in April 1998 and its accounts were transferred to the other former Advantage Bank offices; they, in turn, became branches of M&I Marshall & Ilsley Bank, Milwaukee. Thus the closing of the Kenosha branch did not have an adverse effect on the ability of area residents to access banking services; M&I continues to serve its market through its Milwaukee affiliate.

Advantage Bank also had a branch in Paddock Lake, within a mile of the M&I Bank of Burlington branch. When Marshall & Ilsley acquired Advantage Bank in April 1998, the deposit accounts of its Paddock Lake branch were transferred to M&I Bank of Burlington and the Paddock Lake of Advantage Bank was then closed. Advantage Bank's loan accounts were transferred to M&I Marshall & Ilsley Bank in Milwaukee. This closing did not have a negative impact on the ability of the residents of this market to have access to banking services; M&I Bank of Burlington continues to have a physical presence in Paddock Lake.

Range and Accessibility of Services Provided to Census tracts

All of the bank's offices offer products and services to meet the needs of its assessment area residents, including low- and moderate-income individuals. Banking services include:

- **Basic Checking:** This low-cost account features no minimum balance, a small monthly maintenance fee and a monthly limit of five free debits. This account targets low- and moderate-income customers and others with minimal check-writing needs.
- **Banking for Young Adults:** This package of accounts focuses on students and young adults up to age 24, and offers low fees with no minimum balance requirement.

- No-Cost Checking Account for Social Security Recipients: The bank's Personal Checking product is available without fees or a minimal monthly balance requirement, if social security benefits are deposited directly into the account.
- Small Business Checking: This low-activity checking account is designed for small businesses, non-profit organizations and governmental units. It requires a low, average-collected-account balance, and offers 25 free checks per month with low fees.

Alternative Systems for Delivering Retail Banking Services

The bank's alternative delivery systems allow customers access to account information and other M&I services. Mi-Line, an automated 24-hour-a-day voice response system, is a bank-by-phone service that allows customers to receive confidential information on their personal accounts as well as current interest rate information. Mi-Direct is a PC banking service that provides customers with 24-hour banking access through the use of a personal computer. In addition, the Marshall & Ilsley Corporation maintains a website where anyone with Internet access can obtain information about M&I deposit accounts, loan accounts and other services. Furthermore, all M&I customers can use any other M&I bank affiliate's ATMs without charge. The M&I ATM network includes more than 200 locations throughout Wisconsin.

Community Development Services

The bank provides community development services and support for various organizations within its combined assessment area. These services and support are provided through employee, officer and director involvement in these organizations, including service as officers and directors. Included among these organizations are the Racine County Economic Development Corporation, the Salvation Army, the Burlington Downtown Redevelopment Committee, the Twin Lakes Chamber of Commerce and the Memorial Hospital Foundation. Representatives of the bank also have provided education to students at three area high schools on money management, loan qualifications/procedures, and banking careers.

CONCLUSION

The bank's performance under the service test is considered strong, based upon the variety of its delivery systems and its efforts to expand services into low- and moderate-income communities. The bank's system of delivering services, including alternative delivery systems, makes all products and services accessible to residents of its assessment area. The bank's record of closing branches has not adversely affected the accessibility of the bank's delivery systems. Additionally, bank's efforts to open a branch in a low-income census tract in Kenosha indicate its willingness to serve all assessment area sectors. Business hours and services in the assessment area are reasonable. The bank's level of community development services activity; however, is low in its assessment area due in large part to the limited number of opportunities.

GENERAL

Management has implemented policies and procedures to support nondiscrimination in lending. The bank is in compliance with the substantive provisions of anti-discriminatory laws and regulations, including the Fair Housing and Equal Credit Opportunity Acts.