

**CPP ANNUAL USE OF CAPITAL SURVEY - 2010**



NAME OF INSTITUTION  
(Include Holding Company Where Applicable)

RCB Financial Corporation

Point of Contact:	Connie J. Williams	RSSD: (For Bank Holding Companies)	3445901
UST Sequence Number:	1248	Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	8,900,000	FDIC Certificate Number: (For Depository Institutions)	58289
CPP/CDCI Funds Repaid to Date:		Credit Union Charter Number: (For Credit Unions)	
Date Funded (first funding):	June 19, 2009	City:	Rome
Date Repaid <sup>1</sup> :	N/A	State:	Georgia

<sup>1</sup>If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP/CDCI investment was deployed or how many CPP/CDCI dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

**What specific ways did your institution utilize CPP/CDCI capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP/CDCI funds were outstanding).**

**Increase lending or reduce lending less than otherwise would have occurred.**

Lending activities continued at the pace allowed by the economy and as needed by the community. Unfortunately, the level of lending dropped overall but only as a result of diminished demand rather than limited availability. Our loan-to-deposit ratio remained steady at approx 85%.

**To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).**

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Increase securities purchased (ABS, MBS, etc.).

Empty response box for 'Increase securities purchased (ABS, MBS, etc.).'

Make other investments.

Empty response box for 'Make other investments.'

Increase reserves for non-performing assets.

Empty response box for 'Increase reserves for non-performing assets.'

Reduce borrowings.

We continue to reduce the debt carried on the bank's books. Borrowed funds represented 12% of assets at YE 2009 and only 4% of assets at YE 2010.

Empty response box for 'Reduce borrowings.'

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Increase charge-offs.

Empty response box for 'Increase charge-offs.'

Purchase another financial institution or purchase assets from another financial institution.

Empty response box for 'Purchase another financial institution or purchase assets from another financial institution.'

Held as non-leveraged increase to total capital.

Capital ratios remain above well capitalized levels with the CPP funds providing the cushion for safety and soundness.

Empty response box for 'Held as non-leveraged increase to total capital.'

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

The CPP capital strengthened our capital position and regulatory capital ratios. It also allowed us to continue to aggressively work through our credit issues in a timely manner. If we had not received the CPP capital, we would likely have had to pro-actively reduce our balance sheet to protect or improve our regulatory capital ratios.

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

A large, empty rectangular box with a black border, intended for the respondent to provide detailed answers to the question above.

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

A large, empty rectangular box with a black border, intended for the respondent to provide a detailed description of actions taken with the capital infusion of CPP/CDCI funds.