CPP ANNUAL USE OF CAPITAL SURVEY - 2010

NAME OF INSTITUTION
(Include Holding Company Where Applicable)

Wintrust Financial Corporation

Point of Contact:	David Dykstra	RSSD: (For Bank Holding Companies)	2260406
UST Sequence Number:	222	Docket Number: (For Thrift Holding Companies)	N/A
CPP/CDCI Funds Received:	250,000,000	FDIC Certificate Number: (For Depository Institutions)	N/A
CPP/CDCI Funds Repaid to Date:	250,000,000	Credit Union Charter Number: (For Credit Unions)	N/A
Date Funded (first funding):	December 19, 2008	City:	Lake Forest
Date Repaid[1]:	12/22/2010	State:	Illinois

[1]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).

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

During 2010, the Company originated approximately $9 billion of loans including funding of new loans, advances on prior commitments and renewals of maturing loans. See further detailed discussions later in this document.

X 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.).

The increased lending by major type of loan is discussed below in the response section titled "What actions were you able to take that you may not have taken without the capital infusion of CPP/CDCI funds?"

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[X] **Increase securities purchased (ABS, MBS, etc.).**

The level of the Company's securities was not substantially changed during 2010.

[ ] **Make other investments.**

[X] **Increase reserves for non-performing assets.**

The Company's reserves for loan losses increased approximately $15.6 million during 2010 indicating a general increase in reserves related to growth in loans and for non-performing loans. CPP capital helped offset the negative impact of the higher reserves during adverse credit cycle.

[X] **Reduce borrowings.**

During 2010, the Company reduced its subordinated debt by $10 million as it made required principal payments.

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X **Increase charge-offs.**

We had a decrease in its net charge-offs in 2010 relative to 2009. CPP capital allowed the Company to be more aggressive in liquidating problem loans. Without the CPP capital, we may have marketed the assets over a more extended period of time in an attempt to achieve higher valuations.

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

During 2010, the Company acquired the assets and assumed the liabilities of 3 failed banks from the FDIC with total assets of approximately $700 million, and acquired a small branch banking operation including loans, a building and the assumption of deposits & certain other liabilities.

☐ **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?

Without the CPP Capital, the Company's prudent management philosophy and strict underwriting standards likely would have required the Company to restrain/avoid lending and preserve capital during these uncertain economic conditions. The Capital Purchase Program funds allowed us to continue to lend during this period.

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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?

The Company held CPP capital through December 22, 2010. Due to the proximity of the preferred stock repurchase to the end of Wintrust's fiscal year, all amounts reported below relate to the full year 2010 rather than the portion of the year Wintrust held CPP capital.As noted in the response to Question No. 1 above, the Company was able to significantly expand lending as a result of the capital infusion of CPP funds that most likely would not have occurred as alternate sources of capital to support the growth were either not available at the time or were excessively expensive. Additionally, CPP facilitated the Company’s ability to bid on failed bank transactions. During 2010, the Company originated approximately $9 billion of loans including funding of new loans, advances on prior commitments and renewals of maturing loans and, net of sales of loans in to the secondary market, pay-downs and charge-offs, increased its loans from December 31, 2009 until December 31, 2010. Specifically, the Company increased mortgages held for sale from $275.7 million as of December 31, 2009 to $371.4 million as of December 31, 2010, an increase of $95.7 million. Loans, excluding covered loans, increased from $9.0 billion as of December 31, 2009 (inclusive of approximately $600 million of loans which were securitized in 2009 and not included in the December 2009 balances) to $9.6 billion as of December 31, 2010, an increase of about $600 million. Finally, the Company added $334.4 million of covered loans acquired in FDIC-assisted transactions during 2010.Specific growth in outstanding loans by major category in 2010 were as follows:a) Commercial and Commercial Real Estate loans increased from$5.040 billion at 12/31/09 to $5.387 billion at 12/31/10.b) Home Equity and Residential Real Estate loans increased from $1.237 billion at 12/31/09 to $1.268 billion at 12/31/10.c) Commercial Premium Finance Receivables decreased slightly from $1.330 billion at 12/31/09 to $1.265 billion at 12/31/09 (assuming the $600 million of loans securitized in 2009 were included on the balance sheet at 12/31/09). These loans are generally made to small businesses to finance insurance premiums related to their business operations. The decline is generally due to the borrower's premium levels for insurance being less resulting in a smaller required loan amount.d) Life Insurance Premium Finance Receivables increased from $1.198 billion at 12/31/09 to $1.522 billion at 12/31/10.

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