

CPP ANNUAL USE OF CAPITAL SURVEY - 2010

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

MoneyTree

Person to be contacted regarding this report:	Mark Hackney	RSSD: (For Bank Holding Companies)	3387832
UST Sequence Number:	901	Holding Company Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	9,516,000	FDIC Certificate Number: (For Depository Institutions)	4947
CPP/CDCI Funds Repaid to Date:	0	Credit Union Charter Number: (For Credit Unions)	
Date Funded (first funding):	Mar 13, 2009	City:	Lenoir City
Date Repaid ¹ :	N/A	State:	Tennessee

¹If 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).

<input checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	Participating in the CPP program has insured that we have funds available for lending. However, loan demand in our market area has been and remains extremely weak.
<input type="checkbox"/>	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.).	
<input type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	

<input type="checkbox"/>	Make other investments	
<input checked="" type="checkbox"/>	Increase reserves for non-performing assets	Our reserves for non-performing assets increased 11%.
<input checked="" type="checkbox"/>	Reduce borrowings	During 2010, we have eliminated all outstanding Brokered deposits and FHLB borrowings.
<input checked="" type="checkbox"/>	Increase charge-offs	CPP funds have given us the flexibility to aggressively deal with problem assets by recognizing losses quickly and disposing of assets before valuations deteriorated further.
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	
<input type="checkbox"/>	Held as non-leveraged increase to total capital	

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

CPP funds gave us the flexibility to aggressively deal with problem assets. We could avoid carrying impaired assets for an extended period of time subjecting these assets to further deterioration of asset values. The CPP capital prevented us from being required to divest ourselves of quality assets due to legal lending limitations.

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

CPP capital allowed us the flexibility to fund loans that enhanced the diversification of our loan portfolio. These funds also gave us the ability to aggressively address assets quality issues preventing further deterioration in asset valuations

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

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.