

**CPP ANNUAL USE OF CAPITAL SURVEY - 2011**



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

CBB Bancorp

Point of Contact:	Richard E. Drews, Jr.	RSSD: (For Bank Holding Companies)	3236640
UST Sequence Number:	764	Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	4,397,000	FDIC Certificate Number: (For Depository Institutions)	35236
CPP/CDCI Funds Repaid to Date:		Credit Union Charter Number: (For Credit Unions)	
Date Funded (first funding):	February 20, 2009	City:	Cartersville
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.**

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**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.).**

Empty response area for increased lending.

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

Empty response area for increased securities purchased.

**Make other investments.**

Empty response area for other investments.

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**Increase reserves for non-performing assets.**

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

**Reduce borrowings.**

Empty response area for 'Reduce borrowings.'

**Increase charge-offs.**

Empty response area for 'Increase charge-offs.'

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

In 2011, we used a portion of the original UST CPP investment to increase our bank's capital so that we could purchase a failed bank in an adjacent town. That bank would have otherwise been closed by the FDIC, and the small town left without a strong community bank.

**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?**

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

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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?**

Our local core deposits continued to grow during 2011. Bank failures in our county in 2010 and 2011 created an environment where new out of state/out of area owners came into our market. The result was some apparent depositor dissatisfaction with the new owners' services, and a resulting increase in our deposits. While much of the increase could be offset by a purposeful decrease in our non-core funding sources, the CPP capital allowed us to maintain our strong capital ratios even in face of the growth.

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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 describe their actions.