CPP **ANNUAL USE OF CAPITAL SURVEY - 2012**

NAME OF INSTITUTION
(Include Holding Company Where Applicable)

Citizens First Corporation - Citizens First Bank, Inc.

Person to be contacted regarding this report:	Dawn Forbes	RSSD: (For Bank Holding Companies)	2750952
UST Sequence Number:	339	Holding Company Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	8,779,000	FDIC Certificate Number: (For Depository Institutions)	35022
CPP/CDCI Funds Repaid to Date:	2,212,308	Credit Union Charter Number: (For Credit Unions)	
Date Funded (first funding):	December 19, 2008	City:	Bowling Green
Date Repaid[1]:	February 16, 2011	State:	Kentucky

[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).

☒	Increase lending or reduce lending less than otherwise would have occurred.	The CPP funds allowed the Bank to increase lending while maintaining a strong capital position. The Bank's loan portfolio increased to $298.8 million at December 31, 2012 from $294.4 million at December 31, 2011.
☒	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.).	Commercial real estate loans increased from $144.02 million as of 12/31/2011 to $164.65 million as of 12/31/2012.
☐	Increase securities purchased (ABS, MBS, etc.).	

☐	Make other investments	
☐	Increase reserves for non-performing assets	
☐	Reduce borrowings	
☐	Increase charge-offs	
☐	Purchase another financial institution or purchase assets from another financial institution	
☒	Held as non-leveraged increase to total capital	A portion of the original CPP funds were held as non-leveraged capital. 25% of the original CPP funds were repaid in February 2011. An additional 50% of the remaining balance was repaid February 2013.

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

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

CPP funds allowed the Bank to continue lending while maintaining our capital position. During 2011 we were also able to complete a branch acquisition in our local market. Because the Bank was able to continue lending without pressure on capital, the Bank performance for 2012 continued to improve. 2012 was a record year of earnings for Citizens First Bank. Because of the improvement in earnings, Citizens First was able to repay 50% of the remaining CPP funds on February 13, 2013.

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.