



CPP ANNUAL USE OF CAPITAL SURVEY - 2014

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

CENTRUE FINANCIAL CORPORATION

Person to be contacted regarding this report:	DANIEL R. KADOLPH, CFO
UST Sequence Number:	248
CPP/CDCI Funds Received:	32,668,000
CPP/CDCI Funds Repaid to Date:	32,668,000
Date Funded (first funding):	N/A
Date Repaid ¹ :	Jan 27, 2014

RSSD: (For Bank Holding Companies)	1206591
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	
Credit Union Charter Number: (For Credit Unions)	
City:	OTTAWA
State:	Illinois

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.	The Company implemented a capital strategy to reduce balance sheet risk, through a reduction of loans. Without CPP funds, all new lending activities would have been significantly reduced, if not suspended.
<input checked="" 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.).	The Company's loans increased \$9.7 million from the end of 2013 through the first quarter of 2014. (Note: Treasury auctioned remaining portion of its preferred stock January 27, 2014.)
<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	CPP fund allowed the Company to take and retain a conservative stance in evaluating non-performing assets for impairment and established appropriate reserves. This has provided the Company with greater flexibility in managing the downward swings in real estate value.
<input type="checkbox"/>	Reduce borrowings	
<input checked="" type="checkbox"/>	Increase charge-offs	Allowed the Company to swiftly move through problem credits in an effort to quickly address deteriorating loans and reduce substandard assets.
<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?

Preserve sufficient liquidity levels and prevent a severe curtailment in lending activities.

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

Allowed the Company to work with and restructure consumer, residential, farm and small business loans prior to them reaching a non-performing status and avoid the liquidation or foreclosure that would have otherwise resulted. Allowed the Company to adopt a more conservative interpretation of FAS 5 in determining the adequacy of the allowance for loan losses. Allowed us to offset losses in prior years. Provided the Company the luxury of making loans that would have not have otherwise made. Allowed the Company to maintain a greater degree of flexibility in assisting troubled borrowers and, in some instances, avoiding complete liquidation. For borrowers unable or unwilling to work with the Company's Bank Subsidiary, the CPP funds have provided the flexibility to swiftly exit these relationships and liquidate the related collateral.

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

As the economy improves and real estate values have stabilized, the CPP fund have allowed us to return to lending activities. New lending opportunities: consumer, residential, farm, small business and commercial increased at a moderate rate during the first quarter of 2014. (Note: Treasury auctioned remaining portion of its preferred stock January 27, 2014.)

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