



**CDCI ANNUAL USE OF CAPITAL SURVEY - 2016**

**NAME OF INSTITUTION**

(Include Holding Company Where Applicable)

Guaranty Capital Corporation (Guaranty Bank & Trust Company)

Person to be contacted regarding this report:	B. Rich Knox
UST Sequence Number:	1233
CPP/CDCI Funds Received:	14,000,000
CPP/CDCI Funds Repaid to Date:	14,000,000
Date Funded (first funding):	Sep 25, 2009
Date Repaid <sup>1</sup> :	Dec 21, 2016

RSSD: (For Bank Holding Companies)	1096952
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	15953
Credit Union Charter Number: (For Credit Unions)	
City:	Belzoni
State:	Mississippi

<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).

<input checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	With the CDCI funds providing additional capital, Guaranty Bank & Trust Company (subsidiary bank of Guaranty Capital Corporation) was able to increase lending in our market areas by 10.3% (+\$44,925,333) since the last Use of Capital report at the end of 2015.
<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.).	Since the previous report at the end of 2015, Commercial Real Estate (+ \$ 11,280 & 8.2%), multi-family housing (+ \$16,637 & 153.0%) and construction loans (+ \$4,099 & 16.4%) had the largest increase in the loan portfolio. Commercial business loans increased by \$6,743 and 8.9% as well.
<input type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	

<input checked="" type="checkbox"/>	Make other investments	We have shown a commitment in two new communities by investing in new branch locations in excess of \$500,000. These new branch locations enable us to serve these communities and expand our reach to better serve the areas we influence.
<input type="checkbox"/>	Increase reserves for non-performing assets	
<input type="checkbox"/>	Reduce borrowings	
<input type="checkbox"/>	Increase charge-offs	
<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?

The infusion of capital has allowed us to increase our lending in our market areas and enabled us to better serve our markets. This has helped to increase business activity in these communities which has led to increase commercial business activity in these communities

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

We have continued to actively pursue opportunities to make good loans in our communities.

We have also purchased several local bond offerings that have been privately placed from our local communities which has allowed them to upgrade their infrastructures with less expense than if they were to place a full over the counter offering.

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

The CDCI funds enabled us to begin an ongoing Community Development department which has conducted many Financial Education programs in our Mississippi Delta communities. These classes have been well received and have been attended by a number of individuals, many who have turned their lives around and have great success stories because of the financial education. We have also been a partner with other organizations allowing them to use the program to help other people in need of financial education.

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.