



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Blue River Bancshares, Inc.

Person to be contacted regarding this report:	Patrice M Lima
UST Sequence Number:	850
CPP Funds Received:	5,000,000
CPP Funds Repaid to Date:	0
Date Funded (first funding):	Mar 6, 2009
Date Repaid ¹ :	N/A

RSSD: (For Bank Holding Companies)	2684011
Holding Company Docket Number: (For Thrift Holding Companies)	H3082
FDIC Certificate Number: (For Depository Institutions)	29761
City:	Shelbyville
State:	Indiana

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). To answer that question, Treasury is seeking responses that describe generally how the CPP 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 investment was deployed or how many CPP 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 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 funds were outstanding).

<input checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	On November 5, 2008, Blue River Bancshares, Inc. (the "Company") filed an application with the Office of Thrift Supervision to participate in the TARP Capital Purchase Program (the "TARP CPP"). (Please see additional information in the last section box of this document).
<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.).	As a community bank, the majority of SCB Bank's loans are to family and individually owned small businesses. The typical customer of SCB Bank is a company with sales or revenue of less than \$7 million. (Please see additional information in the last section box of this document).
<input checked="" type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	SCB Bank has purchased \$ 16,368,000 of municipal securities issued in the Bank's home state of Indiana. More importantly, SCB Bank has invested in its local community by making the following loans: (Please see additional information in the last section box of this document).

<input checked="" type="checkbox"/>	Make other investments	SCB Bank increased its mortgage origination capacity by hiring, in October, 2009, the employees of W.R. Clouse and Associates, Inc. (Please see additional information in the last section box of this document).
<input checked="" type="checkbox"/>	Increase reserves for non-performing assets	Since January 1, 2009, SCB Bank has provided over \$4,500,000 toward its loan loss reserve.
<input type="checkbox"/>	Reduce borrowings	
<input checked="" type="checkbox"/>	Increase charge-offs	Since January 1, 2009, SCB Bank has charged off \$2,604,000.
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	
<input checked="" type="checkbox"/>	Held as non-leveraged increase to total capital	SCB Bank has increased its Risk Based Capital from 10.28%, on December 31, 2008 to 11.05%, as of March 31, 2010.

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

Based upon certain assumptions of management about the market, capital levels and the local economy, SCB Bank has, as a result of the CPP funds, been able to avoid reducing the volume of commercial and residential loans made as well as having to seek capital through higher cost, private sources. Further, SCB Bank has been able to avoid a general reduction in the level and variety of services provided to the communities which it serves.

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

SCB Bank was able to continue to serve the local community, as many large regional banks were reducing their service to their clients in our market; SCB Bank obtained several quality clients as a result. Further, SCB Bank provided three large loans to local schools and a local sewage works facility, which saved these projects interest cost and provided liquidity when cash was difficult to obtain. Simultaneously, SCB Bank was aggressive in providing loan loss reserves, primarily for its HELOC portfolio and certain commercial credits.

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

(Continuation of Lending information): Based upon initial feedback on the application, the Company and SCB Bank anticipated receiving