



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

CB Holding Corp

Person to be contacted regarding this report:	Dwight Reynolds, SVP
UST Sequence Number:	1204
CPP Funds Received:	4,114,000
CPP Funds Repaid to Date:	0
Date Funded (first funding):	N/A
Date Repaid ¹ :	N/A

RSSD: (For Bank Holding Companies)	3184901
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	35395
City:	Aledo
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). 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.	\$3114000 of the CPP funds were transferred to Country Bank to improve our capital position at the bank level. This created \$3 million in liquidity to make loans but more importantly it increased our capital level by \$3 million which we were able to leverage to increase loans by \$19.5 million.
<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.).	Consumer loans increased by \$4 million, Ag loans increased \$4 million and Commercial loans increased by \$11 million. The bank is extensively using SBA Guaranteed Loan Programs as well as USDA Guaranteed Loan Programs.
<input type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	

<input type="checkbox"/>	Make other investments	
<input type="checkbox"/>	Increase reserves for non-performing assets	
<input checked="" type="checkbox"/>	Reduce borrowings	As per a mutual agreement with our correspondent bank, CB Holding Corp reduced previous borrowings from our correspondent with \$1 million in proceeds from CPP funds.
<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 funds?

The bank did not have to discontinue lending to our customers.

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

The bank has been able to continue to lend money to our customers and remain well capitalized.

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