



**ANNUAL USE OF CAPITAL SURVEY - 2009**

**NAME OF INSTITUTION**

(Include Holding Company Where Applicable)

Farmers Enterprises Inc

Person to be contacted regarding this report:	Steve Dobratz
UST Sequence Number:	1237
CPP Funds Received:	12,000,000
CPP Funds Repaid to Date:	0
Date Funded (first funding):	6/19/2009
Date Repaid <sup>1</sup> :	N/A

RSSD: (For Bank Holding Companies)	1055155
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	
City:	Great Bend
State:	Kansas

<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). 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.	total loans grew from 316M at the time we received the CPP funds to 328M at year end
<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.).	Between 5/31/9 and 12/31/9 Real Estate Loans increased 10M and Commercial Loans increased 2M
<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	Our loan loss reserve was increased from 6.4M at 5/31/9 to 11.3M at year end
<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 checked="" type="checkbox"/>	Held as non-leveraged increase to total capital	While our loan loss reserve was increased by 5M between 5/31/9 and 12/31/9, capital was increased from 57M to 68M, giving stability to the Bank as it worked through it's loan problems

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

Capital needed to be built in the Bank, without the CPP funds it is likely that the Bank would have chosen to reduce its size, which most likely would have restricted our lending ability

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

Maintain our primary banking focus of commercial lending

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