



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Fidelity Bank and Fidelity Southern Corporation

Person to be contacted regarding this report:	Steve Brolly 404-240-1516
UST Sequence Number:	178
CPP Funds Received:	48,200,000
CPP Funds Repaid to Date:	0
Date Funded (first funding):	Dec 19, 2008
Date Repaid ¹ :	N/A

RSSD: (For Bank Holding Companies)	1081118
Holding Company Docket Number: (For Thrift Holding Companies)	--
FDIC Certificate Number: (For Depository Institutions)	21440
City:	Atlanta
State:	Georgia

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.	Our total loan production increased to \$1.6 billion in 2009, compared to \$844 million in 2008.
<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 largest increases in our loan production were in residential mortgage loans of over \$800 million and commercial loans of over \$80 million.
<input checked="" type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	During March 2009, we purchased \$128 million FNMA and GNMA MBS.

<input type="checkbox"/> Make other investments	
<input type="checkbox"/> Increase reserves for non-performing assets	
<input checked="" type="checkbox"/> Reduce borrowings	We were able to reduce our brokered deposits from \$190 million (13% of total deposits) at December 31, 2008 to \$99 million (6% of total deposits) at December 31, 2009.
<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?

Prior to receiving TARP-CPP funds, we were actively attempting to shrink the size of the Bank to reduce our risk-based assets and increase our regulatory capital ratios. An example is that we closed our Florida and Tennessee indirect automobile lending division. We have re-entered the Florida and Tennessee markets.

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

In January 2009, we hired 58 new employees in a major expansion of our mortgage division and continued to hire new employees throughout 2009. We hired additional lenders in our commercial, SBA, mortgage, consumer and private banking division and have entered into surrounding markets in other Southeastern states.

Because of the TARP-CPP funds, we began advertising again to build our deposit base in order to in turn fund loans.

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

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.