



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Guaranty Bancorp, Inc. / Woodsville Guaranty Savings Bank

Person to be contacted regarding this report:	Lawrence P. Corey
UST Sequence Number:	480
CPP Funds Received:	6,920,000
CPP Funds Repaid to Date:	0
Date Funded (first funding):	Feb 20, 2009
Date Repaid ¹ :	N/A

RSSD: (For Bank Holding Companies)	2637820
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	18031
City:	Woodsville
State:	New Hampshire

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.	In spite of the economic recession, we were able to increase lending because of the acceptance of CPP funds.
<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.).	Total loans increased \$21.2 million or 7.88% during the period from 3/1/09 through 12/31/09. Commercial loans increased 8.24% while consumer loans increased 7.64% for the same period. These numbers represent an increase of \$14.5 million over the same period of the prior year.
<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	Borrowings were reduced by \$6.2 million during 2009.
<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	We did not deploy an investment leverage strategy with the CPP funds.

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

The infusion of CPP funds allowed the Bank to avoid a curtailment of our lending activity. In September 2008 the Bank suffered impairment losses on Fannie Mae and Freddie Mac preferred stock. The Bank remained well capitalized after the impairment losses and the CPP funds provided higher capital ratios allowing the Bank to continue to meet the credit needs of the consumer and commercial borrowers in our market area.

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

The infusion of CPP funds allowed us to continue to meet the needs of our consumer and commercial customers during an uncertain and declining economic environment.

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

The Board of Directors and management felt that the acceptance of CPP funds would serve as insurance against future unanticipated