



**ANNUAL USE OF CAPITAL SURVEY - 2009**

**NAME OF INSTITUTION**

(Include Holding Company Where Applicable)

GulfSouth Private Bank

Person to be contacted regarding this report:	Tony Atkins
UST Sequence Number:	1243
CPP Funds Received:	7,500,000
CPP Funds Repaid to Date:	0
Date Funded (first funding):	Sep 25, 2009
Date Repaid <sup>1</sup> :	N/A

RSSD: (For Bank Holding Companies)	
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	58073
City:	Destin
State:	Florida

<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.	Continued lending when appropriate.
<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.).	Construction and development loans; 1-4 family residential, commercial real estate
<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	
<input type="checkbox"/>	Reduce borrowings	
<input checked="" 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 capital infusion provided by this program avoided restricting or reducing loan commitments on some development or construction loans so these projects could be completed. Completion of certain development or construction projects allowed investors and developer an additional possible solution to the disposition of their investments in these challenging times. In some cases completed projects may provide a more favorable outcome for the investors and developers than liquidating an uncompleted project. In addition, some projects once completed would generate additional cash flows so loans could be repaid.

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

The capital infusion of CPP funds provided the bank with an additional source of liquidity and capital to continue lending, working out of non-performing loans and serving our community in this distressed market. The capital provided by this program also allowed the bank to grow and continue to accept deposits which it may not have otherwise. The increased capital levels have assisted in retaining certain sources of liquidity such as other borrowings and lines of credit.

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

None.