



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Liberty Financial Services, Inc.

Person to be contacted regarding this report:	LeRoy Watts	RSSD: (For Bank Holding Companies)	283438
UST Sequence Number:	551	Holding Company Docket Number: (For Thrift Holding Companies)	
CPP Funds Received:	5,645,000	FDIC Certificate Number: (For Depository Institutions)	20856
CPP Funds Repaid to Date:	0	City:	New Orleans
Date Funded (first funding):	Feb 6, 2009	State:	Louisiana
Date Repaid ¹ :	N/A		

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.	Liberty Bank increased its lending by 11.65% from December 2008 if CPP were not available lending may have increase by 5%.
<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.).	Lending increase of 11.65% were spread across various categories: other construction lending up by 65%; residential mortgage loans up by 60%; Nonfarm nonresidential mortgages loans 16% and consumer lending up 49%.
<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 type="checkbox"/>	Reduce borrowings	
<input type="checkbox"/>	Increase charge-offs	
<input checked="" type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	During 2009 Liberty Bank and Trust purchase United Bank and Trust and Home Federal Saving Bank. United Bank head office was located in New Orleans La and employed 17 and all employee were retained. Home Federal Saving Bank head office was located in Detroit MI 13 employee were retain.
<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?

Liberty Bank actions plan for 2009 did not include any CPP funds and Liberty did not change its strategy upon receipt of the CPP funding.

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

None

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

Liberty Bank purchase two institution during 2009 and the CPP fund enable Liberty Bank to retained all employee from both bank.

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.