



**ANNUAL USE OF CAPITAL SURVEY - 2009**

**NAME OF INSTITUTION**

(Include Holding Company Where Applicable)

Security Bancshares of Pulaski County, Inc.

Person to be contacted regarding this report:	Carl E. Boone
UST Sequence Number:	474
CPP Funds Received:	2,152,000
CPP Funds Repaid to Date:	0
Date Funded (first funding):	Feb 13, 2009
Date Repaid <sup>1</sup> :	N/A

RSSD: (For Bank Holding Companies)	2250180
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	13547
City:	St. Robert
State:	Missouri

<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.	CPP funds allowed SBPC to increase lending by 5.5 % overall.
<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.).	Consumer loan totals are up 11.0 % from prior year end. Residential lending is up 6 %. Loans to farmers on land and production loans are up almost 21 %. Business, Commercial Real Estate, and Development loans when combined are stable, with variations between categories.
<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	Loan loss reserves were increased to a level of 1.38 % from 1.09 at prior year end on a larger loan portfolio.
<input type="checkbox"/>	Reduce borrowings	
<input checked="" type="checkbox"/>	Increase charge-offs	Charge off's in the amount of 350,000 were funded in 2009.
<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	Tier 1 Capital Ratio increased from 7.62% to 9.13 % Risk based Capital Ratio increased from 10.89 % to 12.54 % Both ratios allowed SBPC to continue growth and increase lending in our market.

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

To continue to grow and lend in the local market, SBPC would have needed to raise Capital. CPP funds allowed us to continue growth, provide services and meet the needs of the community. Without the CPP funds, we would have curtailed new lending to maintain capital levels.

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

Adequate capital allowed the bank to meet the needs of our service area by continuing to lend to the segments of the market that other financial institutions have withdrawn from. These projects are viable and vital to the continued economic well being of the community.

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.