



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Suburban Illinois Bancorp, Inc. / Suburban Bank and Trust

Person to be contacted regarding this report:	Wayne Pavlicek
UST Sequence Number:	1289
CPP Funds Received:	15,000,000
CPP Funds Repaid to Date:	0
Date Funded (first funding):	Jun 19, 2009
Date Repaid ¹ :	N/A

RSSD: (For Bank Holding Companies)	2327541
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	20443
City:	Elmhurst
State:	Illinois

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.	All though our numbers do not reflect increases in our lending activity (due to loss in our loan portfolio), the investment in Suburban Illinois has allowed us to push capital down to our Subsidiary, Suburban Bank and Trust and continue lending to our customers in the communities we serve.
<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.).	We are involved in consumer lending (Installment), Home Equity/Second mortgages, small business loans, owner occupied commercial real estate and multi family lending.
<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	Due to the continued decline in asset quality we have used a portion of the Capital Purchase Program funds to provide additional reserves for some of our problem assets.
<input checked="" type="checkbox"/>	Reduce borrowings	There was a small short term line at Suburban Illinois Bancorp that was retired with a portion of the Capital Purchase Program funds.
<input checked="" type="checkbox"/>	Increase charge-offs	See increased reserves for non-performing assets, although difficult to quantify what Capital Purchase Program funds were used for what purpose. The investment by the Treasury has allowed us to deal with problem assets in an aggressive and timely manner.
<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	There are still funds available to leverage, keep as a reserve in case of unforeseen asset quality issues or repay to the Treasury.

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

With the capital infusion from the Department of Treasury, we were able to remain a well capitalized financial institution while continuing to offer all the service that our customers have come to expect from Suburban Bank and Trust. The infusion of capital has given us time, and will continue to give us time to work out of some of our asset quality issue.

Without the infusion of funds we would have certainly needed to curtail certain investment and lending activity. Sale of assets may have been an option; but at some point there would have been an impact to the customers we serve, through limiting product availability on both the deposit and loan side.

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

As stated previously we were able to continue to offer all services that were offered prior to receipt of Capital Purchase Program funds. This may not have been possible without the infusion of these funds.

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

There were no other uses that have not been previously noted.

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.