

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION
(Include Holding Company Where Applicable)

Guaranty Bancorp, Inc.

Point of Contact:	Lawrence P. Corey	RSSD: (For Bank Holding Companies)	2637820
UST Sequence Number:	480	Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	6,920,000	FDIC Certificate Number: (For Depository Institutions)	18031
CPP/CDCI Funds Repaid to Date:		Credit Union Charter Number: (For Credit Unions)	
Date Funded (first funding):	February 20, 2009	City:	Woodsville
Date Repaid ¹ :	N/A	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) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI 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/CDCI investment was deployed or how many CPP/CDCI 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/CDCI 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/CDCI funds were outstanding).

Increase lending or reduce lending less than otherwise would have occurred.

In spite of the continuing economic recession, we were able to increase lending because we had additional capital for support.

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 \$17.3 million or 6.02% during 2010. Commercial loans increased 3.88%, Commercial Real Estate loans increased 9.3% while Residential Real Estate increased 6.15% for the same period.

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Increase securities purchased (ABS, MBS, etc.).

Empty text box for details regarding securities purchased.

Make other investments.

Empty text box for details regarding other investments.

Increase reserves for non-performing assets.

The loan loss provision was increased 18.33% over the prior year.

Empty text box for additional details regarding the increase in reserves.

Reduce borrowings.

Borrowings were reduced by \$6.6 million.

Empty text box for additional details regarding the reduction in borrowings.

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Increase charge-offs.

The bank did experience a significant charge-off on one specific commercial loan.

Purchase another financial institution or purchase assets from another financial institution.

Held as non-leveraged increase to total capital.

We did not deploy a leverage strategy with the CPP funds.

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

Continuing to hold the CPP funds allowed the Bank to avoid curtailment of our lending activity. The Bank has worked hard to balance the needs of our small business and residential mortgage clients during a very severe and prolonged economic recession.

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

The CPP funds allowed the Bank to continue to meet the credit needs of our consumer and commercial customers during uncertain economic times.

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

The CPP funds have allowed the Bank to absorb a higher level of charge-off's as compared to previous years.