



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Marquette National Corporation

Person to be contacted regarding this report:	Paul Eckroth	RSSD: (For Bank Holding Companies)	1207486
CPP Funds Received:	\$35,500,000	Holding Company Docket Number: (For Thrift Holding Companies)	
CPP Funds Repaid to Date:	\$0	FDIC Certificate Number: (For Depository Institutions)	
Date Funded (first funding):	12/19/2008	City:	Chicago
Date Repaid ¹ :		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.	In 2009 the total volume of new loans originated was \$124 million. However, the new volume was not enough to offset the affects of loan repayments and prepayments. As a result, the balance of net loans declined \$19 million or 1.7% year-over-year.
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<input type="checkbox"/>	<p>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.).</p>	
<input checked="" type="checkbox"/>	<p>Increase securities purchased (ABS, MBS, etc.).</p>	<p>Funded primarily by strong deposit growth in 2009, the Bank purchased over \$380 million of new securities during the year. On a net basis, the balances of investment securities increased \$104 million.</p>
<input type="checkbox"/>	<p>Make other investments</p>	
<input checked="" type="checkbox"/>	<p>Increase reserves for non-performing assets</p>	<p>The increase in nonperforming loans noted above coupled with higher loan charge-offs in 2009 caused the Bank to increase its allowance for loan losses by \$7.5 million year-over-year.</p>

<input checked="" type="checkbox"/> Reduce borrowings	Total borrowed funds decreased \$75 million during 2009 funded by the deposit growth noted above. CPP Capital did not impact this change.
<input checked="" type="checkbox"/> Increase charge-offs	Net charge-offs increased \$5.6 million in 2009. A majority of the losses occurred in the construction and development loan portfolio.
<input checked="" type="checkbox"/> Purchase another financial institution or purchase assets from another financial institution	Neither the Company or the Bank purchased another financial institution or assets from another financial institution
<input checked="" type="checkbox"/> Held as non-leveraged increase to total capital	During the current economic crisis, the participation in CPP Capital Program has allowed the Company and the Bank to maintain capital ratios at levels sufficient to absorb actual and potential credit losses.

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

No specific actions were avoided as a result of receiving CPP funds.

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

No specific actions were taken as a result of receiving CPP funds.

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

None

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.