



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Millennium Bancorp, Inc. and Millennium Bank

Person to be contacted regarding this report:	Dan Patten
CPP Funds Received:	\$7,260,000
CPP Funds Repaid to Date:	\$0
Date Funded (first funding):	4/3/2009
Date Repaid ¹ :	

RSSD: (For Bank Holding Companies)	3027811
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	57175
City:	Edwards
State:	Colorado

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.	The Bank has been able to maintain a posture of making loans to good borrowers, but loan demand in its markets has subsided considerably and therefore actual loan growth has not occurred. However lending would have reduced further without it.
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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>To the extent the loan volumes have been reduced, the bank has increased its investment in securities -- mainly GSE debt and MBS.</p>
<input checked="" type="checkbox"/>	<p>Make other investments</p>	<p>Most of the CPP proceeds were used to downstream to the Bank as primary capital.</p>
<input checked="" type="checkbox"/>	<p>Increase reserves for non-performing assets</p>	<p>The Bank has been able to react to deteriorating market conditions and adjust reserves for non-performing assets accordingly, while remaining well capitalized.</p>

<input checked="" type="checkbox"/> Reduce borrowings	The Holding Company reduced borrowings that were more senior to the CPP preferred stock investment.
<input type="checkbox"/> Increase charge-offs	
<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	The Bank has been able to maintain higher levels of regulatory capital to meet expectations of regulators.

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

The deterioration of market conditions did not significantly occur in our markets until after the Company received its infusion of CPP funds. The additional capital has allowed the Bank to avoid (1) eliminating lending activities altogether or (2) negatively impact its deposit operations and ability to serve its communities.

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

The capital has allowed the Bank more flexibility in dealing with its loan customers that have faced economic difficulty.

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

The Company has been able to pursue capital raising activities that may not have been available had its capital ratios been significantly lower.

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.