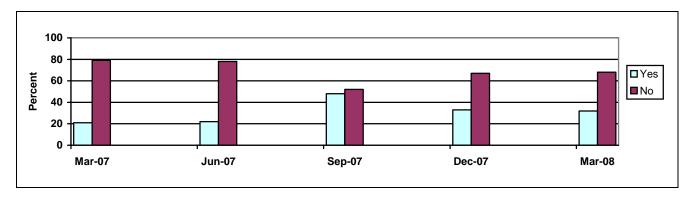
This survey is completed by bank examiners at the conclusion of each examination. First Quarter 2008 results are compiled from 28 responses.

LENDING

1. Since the last examination, has the institution <u>significantly</u> increased lending activity in any particular segment of the portfolio? "Significantly" means growth of 20% or more.



Of yes responses:

Loan Type	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08
RE/Const/Land Devel	29%	29%	17%	7%	23%
RE/Agricultural	6%	9%	8%	14%	14%
RE/Commercial/Indust	12%	19%	25%	24%	9%
RE/Residential	17%	14%	14%	7%	14%
Agricultural	6%	5%	11%	14%	17%
Commercial/Industrial	12%	19%	22%	20%	23%
Consumer	18%	5%	3%	14%	0%

2. Is the institution active in making the following types of loans?

	Jun-07		Sep-07		Dec-07		Mar-08	
	Yes 3%	No 97%	Yes 19%	No 81%	Yes 12%	No 88%	Yes 11%	No 89%
Of Yes Responses-Loan type								
Sub-prime/Predatory lending	0%		50%		25%		33%	
Dealer paper	0%		33%		25%		33%	
Low or No-doc bus. lending	0%		0%		0%		0%	
High LTV home eq. lending	100%		17%		50%		33%	

3. Is the bank offering below market interest rates or reduced fees to attract loans?

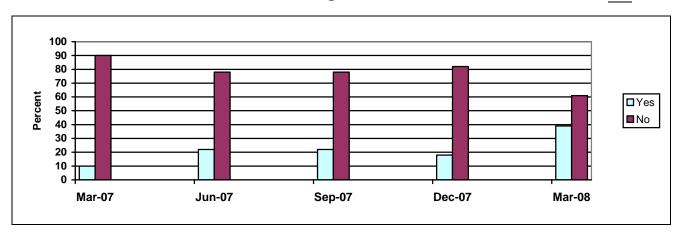
	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08
Yes	3%	3%	7%	12%	11%
No	97%	97%	93%	88%	89%

Examiner's Banking Practices Survey

4. Does the institution use credit scoring models for loan decisions?

	Jun-07		Sep-07		Dec-07		Mar-08	
	Yes 13%	No 87%	Yes 15%	No 85%	Yes 9%	No 91%	Yes 11%	No 89%
Of Yes Responses - Loan type								
Credit card	8%		14%		0%		0%	
Consumer	31%		21%		29%		38%	
Residential mortgage	31%		29%		42%		38%	
Small business	23%		21%		29%		24%	
Other	7%		15%		0%		0%	

5. Are there indications the bank is incurring "more-than-normal" risk to boost new loans?



Of yes responses:

	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08
Making collateral based loans?	37%	22%	31%	31%	24%
Reduced collateral margins?	25%	17%	19%	13%	16%
Not requiring cash flow projections?	13%	27%	25%	25%	16%
Liberal repayment terms? (reduced debt service ratios; interest only; deferred, extended, balloon or negative amortization payments)	25%	17%	19%	25%	32%
Waiving guarantees or other documentation?	0%	17%	6%	0%	88
Other	0%	0%	0%	6%	4%

6. Describe potential risk in <u>current</u> underwriting practices for:

	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08
Agricultural Loans					
Minimal	86%	84%	78%	76%	75%
Moderate	14%	16%	22%	21%	25%
Substantial	0%	0%	0%	3%	0%
Commercial Loans					
Minimal	59%	63%	52%	58%	43%
Moderate	38%	28%	37%	33%	46%
Substantial	3%	9%	11%	9%	11%
Consumer Loans					
Minimal	79%	888	78%	76%	68%
Moderate	21%	9%	11%	21%	28%
Substantial	0%	3%	11%	3%	4%
Residential Loans					
Minimal	72%	78%	82%	76%	64%
Moderate	24%	19%	18%	21%	32%
Substantial	4%	3%	0%	3%	4%

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Examiner's Banking Practices Survey

7. Differences between actual lending practices and written policies are:

	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08
Agricultural Loans					
Minimal	90%	97%	93%	85%	89%
Moderate	10%	3%	7%	15%	7%
Substantial	0%	0%	0%	0%	4%
Commercial Loans					
Minimal	72%	75%	74%	82%	54%
Moderate	21%	22%	22%	15%	39%
Substantial	7%	3%	4%	3%	7%
Consumer Loans					
Minimal	83%	91%	85%	88%	78%
Moderate	14%	9%	11%	12%	18%
Substantial	3%	0%	4%	0%	4%
Residential Loans					
Minimal	79%	84%	82%	85%	75%
Moderate	14%	16%	18%	15%	21%
Substantial	7%	0%	0%	0%	4%

8. With regard to agricultural loans, describe the potential risk the bank faces from:

Γ	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08
Carryover Debt					
Minimal	93%	88%	89%	79%	79%
Moderate	7%	12%	11%	21%	21%
Substantial	0%	0%	0%	0%	0%
Phase-out of Farm Subsidies					
Minimal	100%	94%	89%	79%	93%
Moderate	0%	6%	11%	21%	7%
Substantial	0%	0%	0%	0%	0%
Drop in Land Values					
Minimal	86%	84%	82%	70%	86%
Moderate	10%	13%	18%	27%	14%
Substantial	4%	3%	0%	3%	0%

9. Has the ratio of Total Adversely Classified Items/Tier 1 Capital & ALLL increased (+) or decreased (-) since the prior examination?

	Jun-07		Sep-07		Dec-07		Mar-08	
No. Banks with Inc/(Dec) in ratio (%)	+ 74%	- 26%	+ 78%	- 22%	+ 74%	- 26%	+ 82%	- 18%
Average Inc/(Dec)in Ratio	14.1	(7.0)	12.5	(5.0)	18.4	(17.2)	21.2	(10.2)
Cause of Increase								
Eased underwriting standards	7%		15%		2%		8%	
Deterioration in new loans	18%		18%		14%		14%	
Deterioration in older loans	43%		44%		47%		38%	
Participations or out-of-territory	5%		3%		7%		4%	
Economic conditions	7%		10%		28%		30%	
Changes in lending personnel	7%		5%		0%		0%	
New types of lending activity	2%		0%		0%		4%	
Other	11%		5%		2%		2%	

10. Estimate loan classifications at this examination into the following types:

Loan Type	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08
RE/Const/Land Development	19%	21%	33%	46%	43%
RE/Agriculture	6%	3%	2%	2%	3%
RE/Commercial/Industrial	38%	29%	24%	32%	31%
RE/Residential	23%	12%	15%	7%	10%
Agricultural	1%	1%	2%	1%	1%
Commercial/Industrial	8%	31%	18%	9%	7%
Consumer	5%	3%	6%	3%	5%

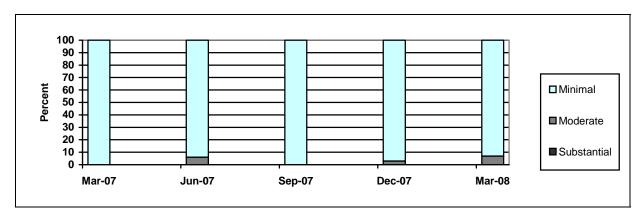
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INVESTMENTS

11. Since the last examination, has the institution purchased securities without understanding the characteristics of the issue?

	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08
Yes	0%	0%	0%	0%	4%
No	100%	100%	100%	100%	96%

12. Differences between actual investment practices and written policies are:



OTHER

13. Has the bank established a borrowing line with FHLB?

		Mar-07	Jun-07	Sep-07	Dec-07	Mar-08		
Yes		76%	82%	89%	82%	86%		
No		24%	18%	11%	18%	14%		
	If yes, does the bank actively borrow from the FHLB?							
Yes		73%	81%	71%	81%	67%		
No		27%	19%	29%	19%	33%		

14. Does the bank hold off-balance sheet derivatives?

	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08
Yes	0%	6%	11%	0%	4%
No	100%	94%	89%	100%	96%

15. List nontraditional activity the institution is engaged in.

	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08	
Yes	76%	81%	78%	88%	79%	
No	24%	19%	22%	12%	21%	
Of those that do:						
Nondeposit Investment Sales	12%	23%	16%	17%	19%	
Insurance Sales	8%	12%	7%	11%	6%	
Real Estate Loan Secondary Market Sales	37%	19%	28%	18%	24%	
Non-transactional Web Site	5%	6%	5%	11%	6%	
Transactional Web Site	35%	38%	44%	39%	43%	
Other	3%	2%	0%	4%	2%	

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