CAPITAL PURCHASE PROGRAM (CPP) LENDING REPORT

Name of institution: NorStates Bank
Person to be contacted about this report: Kathleen Ciecko
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RSSD (for Bank Holding Companies): 1210589
Holding Company Docket Number (for Thrift Holding Companies):
FDIC Certificate Number (for depository institutions): 18626

LENDING ACTIVITY (Thousands $)	2009 FEB	2009 MAR	Key	Comments
1. Loan Balances				
a. Average Consumer Loans	$97,548	$96,774		
b. Average Commercial Loans	$384,068	$380,476		
c. Total Loans (sum of lines a and b)	$481,616	$477,250		

2. General Market Commentary (optional)

The change in average loans is due to the decrease in loan demand, scheduled loan payments and the transfer of $1.6 million to Other Real Estate Owned through foreclosure. In May, 2009, in an effort to help our customers meet their home mortgage needs, the bank will be offering a home mortgage promotion.