Quarterly Banking Profile Third Quarter 2012

INSURED INSTITUTION PERFORMANCE

- ***Net Income of $37.6 Billion Is Highest in Six Years***
- ***Higher Revenues, Lower Loss Provisions Combine to Boost Earnings***
- ***Loan Balances Increase for Fifth Time in Last Six Quarters***
- ***Twelve Failures Are Fewest Since Fourth Quarter 2008***

Quarterly Profits Continue to Improve

Reduced expenses for loan losses and rising noninterest income helped lift insured institutions' earnings to $37.6 billion in third quarter 2012. This quarterly net income represents a $2.3 billion (6.6 percent) improvement over third quarter 2011, and is the highest quarterly total reported by the industry since third quarter 2006. The average return on assets (ROA) rose to 1.06 percent, from 1.03 percent a year earlier. More than half of all institutions (57.5 percent) reported higher earnings than a year ago, and only 10.5 percent reported negative net income for the quarter. This is the lowest proportion of unprofitable institutions in more than five years (since second quarter 2007).

Revenue Growth Picks Up

Net operating revenue (net interest income plus total noninterest income) increased by $4.9 billion (3 percent), the largest year-over-year increase in quarterly revenue in almost three years (since fourth quarter 2009). The greatest contribution to the year-over-year improvement in quarterly revenue came from noninterest income, which was $4.2 billion (7 percent) higher than in third quarter 2011. Gains on asset sales were $5 billion above the level of a year ago. Almost half of all institutions (47.8 percent) reported year-over-year improvement in income from asset sales. Gains on sales of loans were $3.9 billion (227.5 percent) above the level of a year earlier. Losses on sales of other real estate owned were $932 million (81.8 percent) less than a year ago. Sales of other assets yielded $186 million more in income. Trading revenue was $3.3 billion (38.9 percent) lower, reflecting a $3 billion year-over-year decline in income from trading credit derivatives.

Chart 1

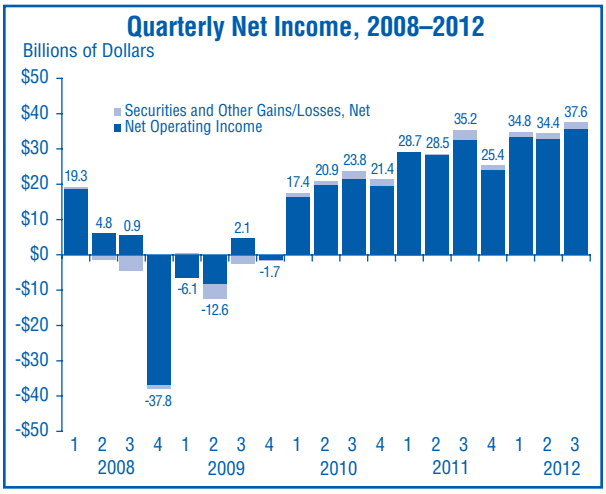
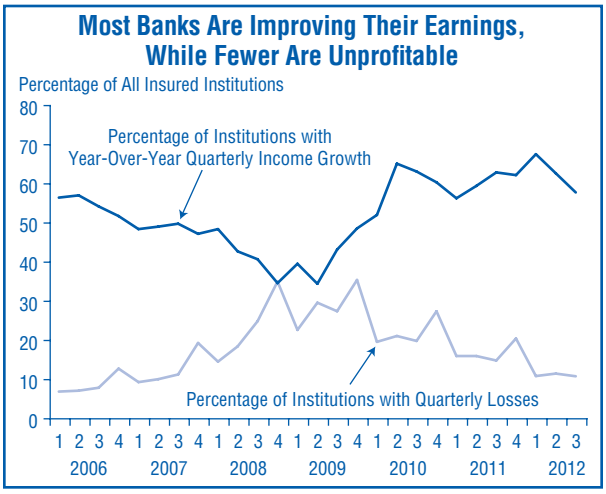


Chart 2



Growth in Earning Assets Offsets Narrower Margins

Net interest income was $746 million (0.7 percent) higher than a year ago, even though the average net interest margin (NIM) fell from 3.56 percent to 3.43 percent. The increase in net interest income was made possible by a 4.6 percent increase in interest-earning assets. Two out of every three insured institutions (67.8 percent) reported year-over-year NIM declines, as average asset yields declined faster than average funding costs.

Expenses for Bad Loans Fall Again

Provisions for loan losses declined year over year for a 12th consecutive quarter, falling by $3.8 billion (20.6 percent). Banks set aside $14.8 billion in the third quarter, down from $18.6 billion in third quarter 2011. Slightly more than half of all institutions (50.4 percent) reduced their provisions from year-earlier levels. Loss provisions represented 8.7 percent of net operating revenue, compared with 11.3 percent in third quarter 2011.

Loan Losses Decline Across Most Loan Categories

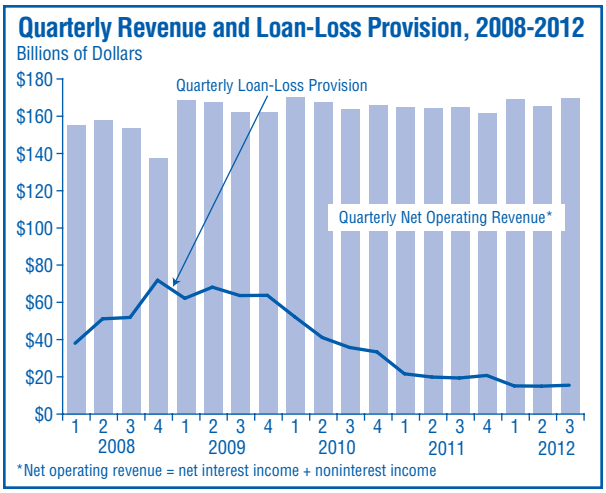
For the ninth quarter in a row, net charge-offs (NCOs) were lower than a year earlier. Banks charged off $22.3 billion (net) during the quarter, $4.4 billion (16.5 percent) less than in third quarter 2011. The largest NCO declines occurred in credit cards (down $2.8 billion, or 30.4 percent), and in real estate construction loans (down $1.4 billion, or 61 percent). Charge-offs declined in all major loan categories except 1-4 family residential real estate loans, where NCOs were $1.3 billion (15.5 percent) higher than a year earlier. This increase was the result of new accounting and reporting guidelines applicable to national banks and federal savings associations concerning the reporting of restructured loans.[1]

Noncurrent Loan Balances Are Almost Unchanged

The amount of loans and leases that were noncurrent (90 days or more past due or in nonaccrual status) declined by only $100 million (0.03 percent) during the third quarter. This marks the tenth consecutive quarter that noncurrent loan balances have declined, but it is the smallest decline registered during that time. Noncurrent real estate construction loan balances fell by $3.4 billion (14.6 percent) during the quarter, noncurrent real estate loans secured by nonfarm nonresidential properties declined by $1.8 billion (5.2 percent), and noncurrent loans to commercial and industrial (C&I) borrowers fell by $1.4 billion (9.1 percent). The same accounting guidance that produced the increase in 1-4 family residential real estate loan NCOs also contributed to a $6.9 billion (3.6 percent) rise in reported noncurrent 1-4 family residential real estate loans.

[1] See Topic 2A., "Troubled Debt Restructurings," in OCC's *Bank Accounting Advisory Series*, June 2012; http://www.occ.treas.gov/publications/publications-by-type/other-publications-reports/baas.pdf.

Chart 3



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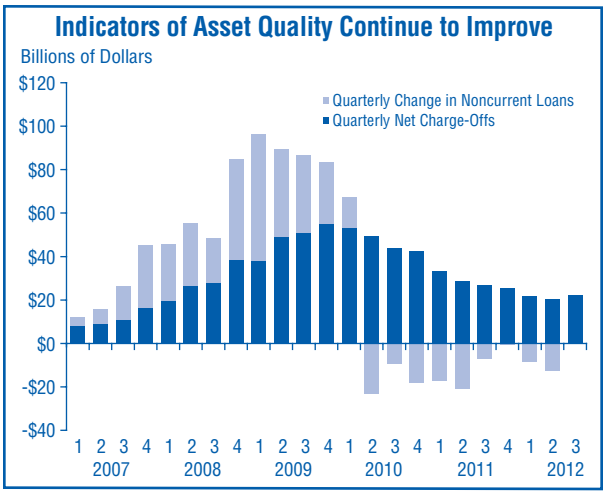


Large Banks Reduce Their Reserves Further

Insured institutions reduced their reserves for loan losses by $9.6 billion (5.4 percent) during the quarter, as net charge-offs of $22.3 billion exceeded loss provisions of $14.8 billion. This is the tenth consecutive quarter that the industry's reserves have declined. Much of the total reduction in reserves was concentrated among larger institutions. The ten largest banks together reduced their reserves by $7.3 billion (8.1 percent) during the quarter. Overall, a majority of institutions (53.5 percent) added to their reserves during the quarter. The combination of sizable reserve reductions with smaller reductions in noncurrent loan balances meant that the industry's "coverage ratio" of reserves to noncurrent loans declined from 60.4 percent to 57.2 percent during the quarter. More than half of all institutions (53.4 percent) increased their coverage ratios, but their increases were outweighed by larger declines at many of the biggest banks.

Equity Capital Receives a Boost From Higher Retained Earnings

Higher retained earnings combined with improved values in securities portfolios helped lift the industry's equity capital by $30.5 billion (1.9 percent) in the third quarter. This is the largest quarterly increase in equity capital in three years. Retained earnings totaled $17.2 billion, the highest quarterly total in six years, and an increase of $1.7 billion (11.3 percent) from third quarter 2011. Banks declared $20.4 billion in dividends in the third quarter, an increase of $594 million (3 percent) over third quarter 2011. A 38.3 percent increase in unrealized gains on available-for-sale securities added $12.5 billion to equity during the quarter.

Loan Balances Rise for Second Consecutive Quarter

Total assets increased by $192.1 billion (1.4 percent) between June 30 and September 30, with loan balances rising for the fifth time in the last six quarters. Total loans and leases increased by $64.8 billion (0.9 percent), as C&I loans rose by $31.8 billion (2.2 percent). Residential mortgage loans increased by $14.5 billion (0.8 percent). Loans to individuals increased by $13.1 billion (1 percent), led by auto loans (up $7.4 billion, or 2.4 percent). The largest net declines in loan balances occurred in home equity lines of credit (down $12.9 billion, or 2.2 percent) and in real estate construction and development loans (down $6.9 billion, or 3.2 percent). This is the 18th consecutive quarter in which construction loan balances have fallen. At the end of the quarter, they were $421.4 billion (66.7 percent) below the peak level of $631.8 billion at the end of first quarter 2008. Insured institutions' securities holdings rose by $49.1 billion during the quarter, while Fed funds sold and reverse repos increased by $39 billion (8.3 percent). Assets in trading accounts increased by $30.6 billion (4.4 percent).

Chart 5

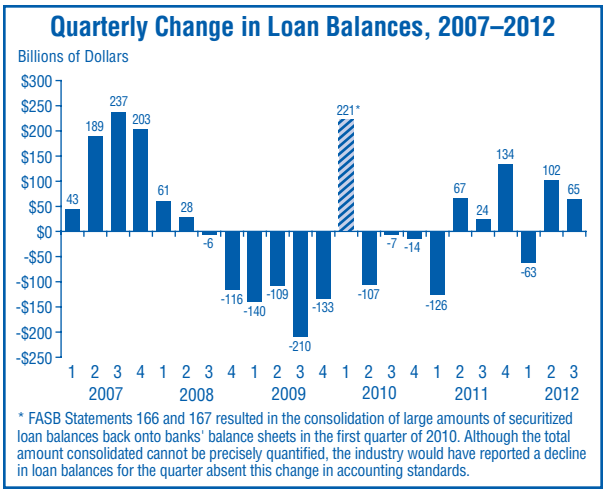
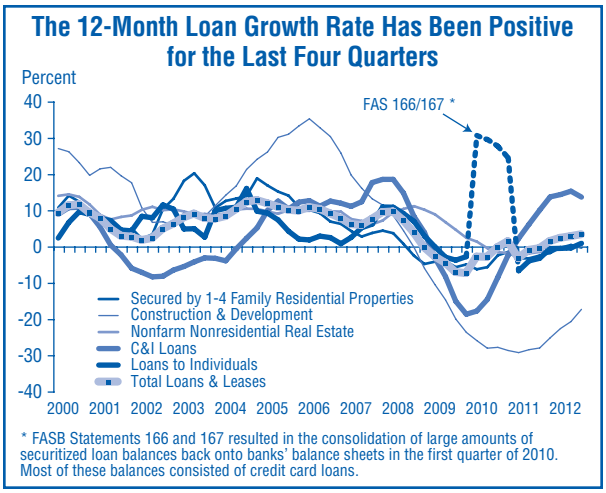


Chart 6



Deposits Post Strong Growth

Most of the increase in assets was funded by deposit growth, as total deposits increased by $181.7 billion (1.8 percent). Deposits in foreign offices rose by $35.2 billion (2.5 percent), while domestic office deposits increased by $146.5 billion (1.6 percent). More than three-quarters of the increase in domestic deposits ($110.9 billion) consisted of balances in noninterest-bearing transaction deposits that exceeded the basic FDIC coverage limit of $250,000 but have temporary full FDIC insurance coverage until the end of 2012. Nondeposit liabilities declined by $20.2 billion (1 percent). At the end of September, deposits funded 73.9 percent of banking industry assets, the highest proportion since the end of 1993.

Failures Fall to Lowest Level Since the End of 2008

The number of insured institutions reporting financial results declined from 7,245 to 7,181 in the quarter. Mergers absorbed 49 insured institutions, and 12 institutions failed. This is the smallest number of failures in a quarter since fourth quarter 2008. For a fifth consecutive quarter, no new charters were added. The last time a start-up bank opened was in fourth quarter 2010. The number of institutions on the FDIC's "Problem List" fell from 732 to 694, while assets of "problem" banks declined from $282.4 billion to $262.2 billion. This is the smallest number of "problem" institutions since third quarter 2009. The number of full-time equivalent employees at insured financial institutions declined by 2,352 (0.1 percent) from the previous quarter.

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Chart 7

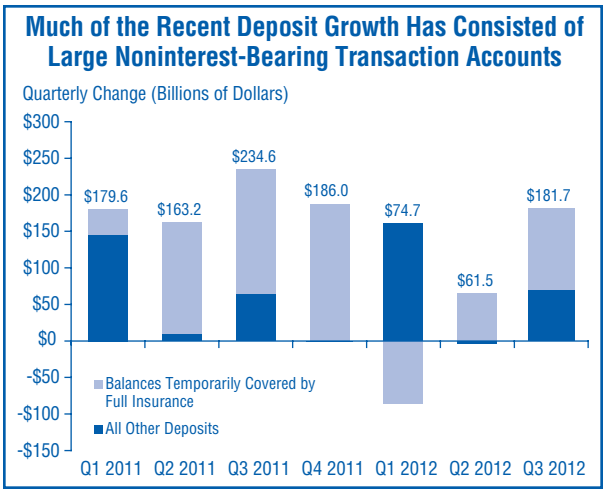

Chart 8

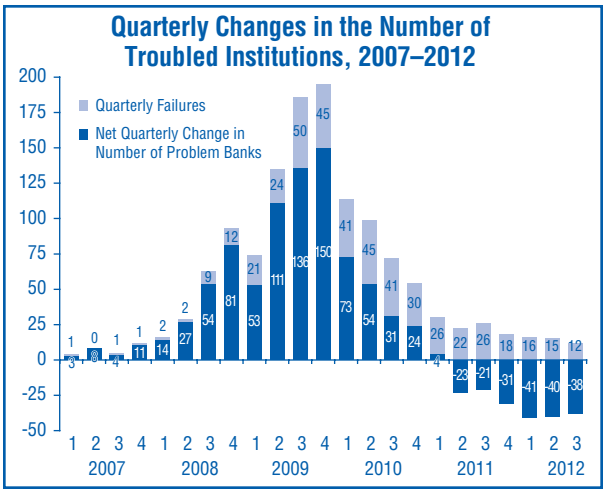

TABLE I-A. Selected Indicators, All FDIC-Insured Institutions*

	2012**	2011**	2011	2010	2009	2008	2007
Return on assets (%)	1.02	0.92	0.88	0.65	-0.08	0.03	0.81
Return on equity (%)	9.02	8.18	7.80	5.85	-0.73	0.35	7.75
Core capital (leverage) ratio (%)	9.28	9.17	9.07	8.89	8.60	7.47	7.97
Noncurrent assets plus other real estate owned to assets (%)	2.36	2.66	2.60	3.11	3.37	1.91	0.95
Net charge-offs to loans (%)	1.15	1.61	1.55	2.55	2.52	1.29	0.59
Asset growth rate (%)	2.98	3.28	4.30	1.77	-5.45	6.19	9.88
Net interest margin (%)	3.46	3.61	3.60	3.76	3.49	3.16	3.29
Net operating income growth (%)	13.57	51.34	43.64	1594.96	-155.98	-90.71	-27.59
Number of institutions reporting	7,181	7,437	7,357	7,658	8,012	8,305	8,534
Commercial banks	6,168	6,352	6,291	6,530	6,840	7,087	7,284
Savings institutions	1,013	1,085	1,066	1,128	1,172	1,218	1,250
Percentage of unprofitable institutions (%)	10.68	15.85	16.16	22.11	30.84	24.89	12.10
Number of problem institutions	694	844	813	884	702	252	76
Assets of problem institutions (in billions)	$262	$339	$319	$390	$403	$159	$22
Number of failed institutions	43	74	92	157	140	25	3
Number of assisted institutions	0	0	0	0	8	5	0

* Excludes insured branches of foreign banks (IBAs).
** Through September 30, ratios annualized where appropriate. Asset growth rates are for 12 months ending September 30.

TABLE II-A. Aggregate Condition and Income Data, All FDIC-Insured Institutions

(dollar figures in millions)	3rd Quarter 2012	2nd Quarter 2012	3rd Quarter 2011	%Change 11Q3-12Q3
Number of institutions reporting	7,181	7,245	7,437	-3.4
Total employees (full-time equivalent)	2,105,833	2,108,185	2,109,352	-0.2
CONDITION DATA				
Total assets	$14,222,941	$14,030,857	$13,811,902	3.0
Loans secured by real estate	4,087,407	4,086,590	4,119,282	-0.8
1-4 Family residential mortgages	1,889,898	1,875,389	1,856,675	1.8
Nonfarm nonresidential	1,057,994	1,058,384	1,056,246	0.2
Construction and development	210,431	217,372	254,720	-17.4
Home equity lines	567,297	580,218	608,268	-6.7
Commercial & industrial loans	1,454,913	1,423,081	1,281,309	13.5
Loans to individuals	1,295,124	1,282,033	1,284,574	0.8
Credit cards	667,864	664,287	666,476	0.2
Farm loans	65,448	64,006	59,834	9.4
Other loans & leases	676,646	659,188	596,923	13.4
Less: Unearned income	1,925	2,039	1,723	11.7
Total loans & leases	7,577,612	7,512,860	7,340,198	3.2
Less: Reserve for losses	166,972	176,571	197,319	-15.4
Net loans and leases	7,410,640	7,336,289	7,142,879	3.7
Securities	2,986,465	2,937,408	2,788,234	7.1
Other real estate owned	41,044	41,761	50,494	-18.7
Goodwill and other intangibles	364,170	366,741	372,713	-2.3
All other assets	3,420,622	3,348,659	3,457,582	-1.1
Total liabilities and capital	14,222,941	14,030,857	13,811,902	3.0
Deposits	10,504,235	10,322,533	10,000,254	5.0
Domestic office deposits	9,060,210	8,913,728	8,505,305	6.5
Foreign office deposits	1,444,025	1,408,805	1,494,949	-3.4
Other borrowed funds	1,355,870	1,389,997	1,479,822	-8.4
Subordinated debt	112,096	116,634	136,524	-17.9
All other liabilities	613,003	594,560	616,884	-0.6
Total equity capital (includes minority interests)	1,637,737	1,607,133	1,578,416	3.8
Bank equity capital	1,619,341	1,588,810	1,560,178	3.8
Loans and leases 30-89 days past due	86,995	83,759	100,140	-13.1
Noncurrent loans and leases	292,098	292,198	314,285	-7.1
Restructured loans and leases	104,734	106,715	127,251	-17.7
Mortgage-backed securities	1,732,870	1,713,754	1,600,471	8.3
Earning assets	12,469,465	12,271,987	11,921,919	4.6
FHLB Advances	318,113	325,850	323,421	-1.6
Unused loan commitments	5,812,208	5,857,132	5,793,121	0.3
Trust assets	17,338,788	16,899,742	15,361,533	12.9
Assets securitized and sold***	990,670	986,180	965,273	2.6
Notional amount of derivatives***	229,317,269	225,007,648	250,633,580	-8.5

INCOME DATA	First Three Quarters 2012	First Three Quarters 2011	%Change	3rd Quarter 2012	3rd Quarter 2011	%Change 11Q3-12Q3
Total interest income	$368,769	$381,668	-3.4	$122,068	$125,746	-2.9
Total interest expense	50,876	65,678	-22.5	16,092	20,516	-21.6
Net interest income	317,893	315,989	0.6	105,976	105,230	0.7
Provision for loan and lease losses	43,260	57,660	-25.0	14,766	18,603	-20.6
Total noninterest income	185,866	175,575	5.9	63,662	59,499	7.0
Total noninterest expense	313,939	304,681	3.0	104,452	100,451	4.0
Securities gains (losses)	7,034	3,767	86.7	2,716	3,092	-12.2
Applicable income taxes	46,174	40,273	14.7	15,370	13,823	11.2
Extraordinary gains, net	-54	765	N/M	-44	528	N/M
Total net income (includes minority interests)	107,366	93,483	14.9	37,722	35,471	6.3
Bank net income	106,853	92,916	15.0	37,589	35,246	6.7
Net charge-offs	64,404	87,861	-26.7	22,330	26,741	-16.5
Cash dividends	60,843	55,245	10.1	20,421	19,827	3.0
Retained earnings	46,010	37,671	22.1	17,168	15,419	11.3
Net operating income	102,177	89,969	13.6	35,708	32,653	9.4

*** Prior to 2012, does not include data for insured savings institutions that file Thrift Financial Reports. Beginning in 2012, all insured institutions file Call Reports. N/M - Not Meaningful

TABLE III-A. Third Quarter 2012, All FDIC-Insured Institutions

THIRD QUARTER (The way it is...)	All Insured Institutions	Asset Concentration Groups*								
		Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	7,181	17	5	1,538	3,577	706	53	397	818	70
Commercial banks	6,168	14	5	1,517	3,234	217	40	363	717	61
Savings institutions	1,013	3	0	21	343	489	13	34	101	9
Total assets (in billions)	$14,222.9	$580.0	$3,774.2	$223.9	$4,125.6	$821.8	$116.9	$63.4	$142.6	$4,374.5
Commercial banks	13,069.9	512.6	3,774.2	218.8	3,785.8	273.5	42.0	57.4	118.7	4,286.7
Savings institutions	1,153.1	67.4	0.0	5.1	339.8	548.3	74.9	6.0	23.9	87.7
Total deposits (in billions)	10,504.2	318.4	2,609.8	184.7	3,211.7	642.6	96.4	50.4	119.2	3,271.2
Commercial banks	9,622.4	276.3	2,609.8	181.7	2,959.7	210.1	33.4	46.4	100.1	3,204.8
Savings institutions	881.9	42.0	0.0	3.0	252.0	432.4	63.0	4.0	19.0	66.4
Bank net income (in millions)	37,589	4,580	9,249	759	9,421	1,531	480	225	373	10,971
Commercial banks	34,715	3,691	9,249	723	8,713	852	261	179	306	10,740
Savings institutions	2,874	889	0	35	708	679	219	46	67	231
Performance Ratios (annualized, %)										
Yield on earning assets	3.95	11.15	3.09	4.52	4.30	3.44	5.04	3.30	4.29	3.37
Cost of funding earning assets	0.52	0.91	0.51	0.69	0.58	0.72	0.78	0.55	0.69	0.36
Net interest margin	3.43	10.24	2.58	3.83	3.72	2.72	4.26	2.75	3.60	3.02
Noninterest income to assets	1.80	4.16	1.91	0.70	1.31	0.90	2.16	4.31	1.30	2.06
Noninterest expense to assets	2.96	5.82	2.67	2.53	3.08	2.07	2.88	4.66	3.16	2.87
Loan and lease loss provision to assets	0.42	2.68	0.30	0.14	0.37	0.40	0.76	0.06	0.23	0.29
Net operating income to assets	1.01	3.19	0.91	1.32	0.85	0.70	1.67	1.47	0.95	0.98
Pretax return on assets	1.50	4.99	1.25	1.61	1.26	1.07	2.60	2.09	1.35	1.52
Return on assets	1.06	3.19	0.99	1.36	0.92	0.75	1.67	1.42	1.05	1.01
Return on equity	9.38	21.59	10.86	11.76	7.76	6.97	16.80	9.49	8.89	8.11
Net charge-offs to loans and leases	1.18	3.66	1.74	0.23	0.74	0.76	1.26	0.42	0.47	1.07
Loan and lease loss provision to net charge-offs	66.12	90.64	50.53	101.60	74.30	96.25	86.05	47.78	91.81	51.02
Efficiency ratio	60.38	41.42	63.83	59.39	65.72	59.03	45.38	67.70	68.26	60.33
% of unprofitable institutions	10.50	0.00	0.00	3.06	13.89	11.90	9.43	11.59	8.44	8.57
% of institutions with earnings gains	57.50	58.82	60.00	51.11	64.75	50.99	64.15	43.32	49.63	60.00
Structural Changes										
New reporters	0	0	0	0	0	0	0	0	0	0
Institutions absorbed by mergers	49	0	0	6	34	4	0	1	2	2
Failed institutions	12	0	0	1	9	2	0	0	0	0
PRIOR THIRD QUARTERS (The way it was...)										
Return on assets (%) 2011	1.03	3.04	1.07	1.28	0.77	0.76	2.07	2.12	1.06	0.99
2009	0.06	0.35	-0.04	0.93	-0.32	0.26	0.20	1.03	0.74	0.63
2007	0.92	4.07	0.69	1.30	0.98	0.31	1.17	2.20	1.07	0.81
Net charge-offs to loans & leases (%) 2011	1.46	5.07	1.68	0.41	1.14	0.77	1.56	0.27	0.54	1.27
2009	2.72	10.67	3.18	0.60	2.14	1.59	2.64	0.80	0.57	2.63
2007	0.57	3.98	0.77	0.26	0.32	0.42	1.04	0.32	0.22	0.42

* See Table V-A (page 10) for explanations.
Note: Blue font identifies data that are also presented in the prior quarters data at bottom of table.

TABLE III-A. Third Quarter 2012, All FDIC-Insured Institutions

THIRD QUARTER (The way it is...)	All Insured Institutions	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	Geographic Regions*: New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	7,181	2,287	4,235	551	108	891	918	1,529	1,738	1,513	592
Commercial banks	6,168	2,034	3,608	437	89	475	823	1,270	1,653	1,409	538
Savings institutions	1,013	253	627	114	19	416	95	259	85	104	54
Total assets (in billions)	$14,222.9	$132.4	$1,278.3	$1,424.4	$11,387.8	$2,927.7	$2,942.9	$3,231.4	$3,059.1	$845.9	$1,216.0
Commercial banks	13,069.9	118.0	1,059.2	1,133.6	10,759.1	2,364.0	2,848.4	3,112.1	2,997.7	746.6	1,001.0
Savings institutions	1,153.1	14.3	219.1	290.8	628.8	563.6	94.5	119.3	61.4	99.2	215.0
Total deposits (in billions)	10,504.2	112.0	1,063.3	1,108.2	8,220.8	2,126.3	2,201.1	2,272.2	2,310.1	693.1	901.3
Commercial banks	9,622.4	100.5	888.6	887.9	7,745.3	1,698.9	2,131.5	2,182.1	2,260.7	611.4	737.8
Savings institutions	881.9	11.5	174.7	220.3	475.5	427.4	69.6	90.2	49.4	81.8	163.6
Bank net income (in millions)	37,589	270	2,775	3,608	30,935	7,367	5,264	7,744	9,733	2,426	5,055
Commercial banks	34,715	246	2,412	3,064	28,993	6,577	5,171	7,446	9,720	2,062	3,738
Savings institutions	2,874	24	363	545	1,942	789	93	298	13	365	1,316
Performance Ratios (annualized, %)											
Yield on earning assets	3.95	4.50	4.51	4.46	3.81	4.22	3.77	3.18	4.29	4.23	4.65
Cost of funding earning assets	0.52	0.69	0.74	0.64	0.48	0.58	0.44	0.45	0.58	0.50	0.60
Net interest margin	3.43	3.81	3.77	3.82	3.33	3.64	3.33	2.74	3.71	3.72	4.05
Noninterest income to assets	1.80	0.86	1.16	1.33	1.95	1.55	1.72	2.08	1.74	1.61	2.19
Noninterest expense to assets	2.96	3.29	3.23	3.09	2.91	2.77	3.24	2.90	2.83	3.30	2.99
Loan and lease loss provision to assets	0.42	0.19	0.33	0.40	0.43	0.49	0.44	0.31	0.47	0.23	0.50
Net operating income to assets	1.01	0.73	0.82	0.98	1.04	0.99	0.62	0.92	1.25	1.12	1.61
Pretax return on assets	1.50	0.98	1.13	1.36	1.57	1.52	1.05	1.30	1.71	1.53	2.53
Return on assets	1.06	0.82	0.87	1.02	1.10	1.02	0.72	0.96	1.29	1.16	1.68
Return on equity	9.38	6.78	7.90	8.56	9.68	8.21	5.85	10.60	11.64	10.52	12.22
Net charge-offs to loans and leases	1.18	0.36	0.57	0.79	1.34	1.18	1.33	1.04	1.54	0.52	0.84
Loan and lease loss provision to net charge-offs	66.12	91.01	92.33	80.28	63.21	77.91	58.87	64.13	56.77	73.48	96.93
Efficiency ratio	60.38	75.63	69.50	63.40	58.85	56.68	69.37	64.31	55.50	65.35	49.96
% of unprofitable institutions	10.50	13.95	9.23	7.80	0.93	9.76	19.83	10.46	7.59	7.40	13.68
% of institutions with earnings gains	57.50	50.24	60.35	64.25	64.81	55.67	63.83	58.01	54.55	54.73	64.86
Structural Changes											
New reporters	0	0	0	0	0	0	0	0	0	0	0
Institutions absorbed by mergers	49	25	21	3	0	5	3	7	14	12	8
Failed institutions	12	4	8	0	0	0	5	3	4	0	0
PRIOR THIRD QUARTERS (The way it was...)											
Return on assets (%) 2011	1.03	0.61	0.64	0.91	1.10	0.97	0.76	0.96	1.26	1.06	1.46
2009	0.06	0.11	-0.10	-0.54	0.17	0.05	-0.16	0.24	0.85	0.47	-0.31
2007	0.92	0.78	1.03	1.18	0.87	0.89	0.75	0.90	1.61	1.14	0.88
Net charge-offs to loans & leases (%) 2011	1.46	0.63	0.92	1.00	1.63	1.79	1.70	1.02	1.66	0.88	1.05
2009	2.72	0.88	1.27	2.17	3.10	3.07	2.70	2.59	2.53	1.45	3.15
2007	0.57	0.26	0.24	0.42	0.66	0.92	0.29	0.44	0.74	0.29	0.76

* See Table V-A (page 11) for explanations.
Note: Blue font identifies data that are also presented in the prior quarters data at bottom of table.

TABLE IV-A. First Three Quarters 2012, All FDIC-Insured Institutions

FIRST THREE QUARTERS (The way it is...)	All Insured Institutions	Asset Concentration Groups*								
		Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Number of institutions reporting	7,181	17	5	1,538	3,577	706	53	397	818	70
Commercial banks	6,168	14	5	1,517	3,234	217	40	363	717	61
Savings institutions	1,013	3	0	21	343	489	13	34	101	9
Total assets (in billions)	$14,222.9	$580.0	$3,774.2	$223.9	$4,125.6	$821.8	$116.9	$63.4	$142.6	$4,374.5
Commercial banks	13,069.9	512.6	3,774.2	218.8	3,785.8	273.5	42.0	57.4	118.7	4,286.7
Savings institutions	1,153.1	67.4	0.0	5.1	339.8	548.3	74.9	6.0	23.9	87.7
Total deposits (in billions)	10,504.2	318.4	2,609.8	184.7	3,211.7	642.6	96.4	50.4	119.2	3,271.2
Commercial banks	9,622.4	276.3	2,609.8	181.7	2,959.7	210.1	33.4	46.4	100.1	3,204.8
Savings institutions	881.9	42.0	0.0	3.0	252.0	432.4	63.0	4.0	19.0	66.4
Bank net income (in millions)	106,853	13,426	23,111	2,153	27,618	4,938	1,373	606	1,079	32,550
Commercial banks	98,274	10,814	23,111	2,055	25,631	2,487	731	527	906	32,012
Savings institutions	8,579	2,612	0	97	1,987	2,451	642	79	173	538
Performance Ratios (annualized, %)										
Yield on earning assets	4.02	10.94	3.20	4.52	4.36	3.49	5.12	3.41	4.36	3.46
Cost of funding earning assets	0.55	0.92	0.54	0.74	0.62	0.74	0.83	0.63	0.74	0.39
Net interest margin	3.46	10.02	2.65	3.78	3.74	2.75	4.29	2.79	3.62	3.07
Noninterest income to assets	1.77	3.99	1.81	0.67	1.23	0.86	2.13	4.09	1.26	2.15
Noninterest expense to assets	2.99	5.87	2.80	2.53	3.03	1.95	2.80	4.57	3.17	2.92
Loan and lease loss provision to assets	0.41	2.31	0.26	0.15	0.38	0.35	0.95	0.09	0.23	0.35
Net operating income to assets	0.97	3.16	0.77	1.25	0.86	0.78	1.61	1.33	0.94	0.96
Pretax return on assets	1.46	4.93	1.10	1.53	1.22	1.20	2.49	1.88	1.28	1.55
Return on assets	1.02	3.14	0.83	1.30	0.91	0.82	1.62	1.26	1.01	1.01
Return on equity	9.02	20.95	9.18	11.37	7.71	7.67	16.39	8.59	8.72	8.15
Net charge-offs to loans and leases	1.15	3.94	1.53	0.22	0.75	0.78	1.45	0.33	0.41	0.98
Loan and lease loss provision to net charge-offs	67.17	72.09	48.77	116.16	75.56	82.28	92.02	92.34	103.64	66.73
Efficiency ratio	61.16	43.08	67.73	60.41	65.56	55.92	44.15	68.94	68.91	59.84
% of unprofitable institutions	10.68	0.00	0.00	3.32	14.79	11.33	7.55	8.56	7.82	7.14
% of institutions with earnings gains	66.15	58.82	80.00	64.56	71.74	54.25	66.04	55.42	60.15	67.14
Condition Ratios (%)										
Earning assets to total assets	87.67	91.13	85.39	92.03	89.31	94.21	94.56	91.87	91.95	85.80
Loss allowance to:										
Loans and leases	2.20	4.23	3.13	1.57	1.85	1.30	2.02	2.01	1.58	1.95
Noncurrent loans and leases	57.16	307.41	76.99	110.22	64.84	36.30	101.57	80.10	76.78	33.88
Noncurrent assets plus other real estate owned to assets	2.36	1.10	1.47	1.25	2.49	2.25	1.45	1.10	1.65	3.31
Equity capital ratio	11.39	14.83	9.17	11.68	11.87	10.83	9.96	15.05	11.87	12.44
Core capital (leverage) ratio	9.28	13.09	7.45	10.42	10.07	9.91	9.69	13.61	11.09	9.29
Tier 1 risk-based capital ratio	13.25	14.26	12.39	15.02	13.10	21.21	13.73	30.22	19.08	12.45
Total risk-based capital ratio	15.23	16.61	14.68	16.16	14.81	22.19	14.85	31.34	20.23	14.63
Net loans and leases to deposits	70.55	139.41	47.56	72.90	84.09	68.11	82.78	35.85	64.32	69.64
Net loans to total assets	52.10	76.52	32.89	60.14	65.46	53.26	68.26	28.50	53.75	52.08
Domestic deposits to total assets	63.70	50.11	38.35	82.50	77.26	78.10	82.44	79.47	83.57	69.55
Structural Changes										
New reporters	0	0	0	0	0	0	0	0	0	0
Institutions absorbed by mergers	121	0	1	15	89	9	0	1	3	3
Failed institutions	43	0	0	1	35	5	0	0	2	0
PRIOR FIRST THREE QUARTERS (The way it was...)										
Number of institutions 2011	7,437	18	5	1,552	3,855	713	71	363	801	59
2009	8,099	24	4	1,580	4,540	795	81	284	732	59
2007	8,559	28	4	1,634	4,739	780	120	376	821	57
Total assets (in billions) 2011	$13,811.9	$532.0	$3,665.3	$208.5	$4,170.6	$798.2	$98.8	$54.0	$136.4	$4,148.1
2009	13,226.0	480.2	3,183.4	177.7	5,183.9	852.0	95.8	37.8	102.7	3,112.5
2007	12,706.2	423.5	2,644.0	157.3	5,054.4	1,454.1	95.8	40.1	111.4	2,725.5
Return on assets (%) 2011	0.92	3.62	0.81	1.14	0.71	0.60	1.75	1.80	0.92	0.89
2009	-0.11	-6.25	0.00	0.91	-0.23	0.47	0.22	0.64	0.79	0.62
2007	1.10	3.81	0.87	1.25	1.09	0.73	1.40	2.37	1.04	1.09
Net charge-offs to loans & leases (%) 2011	1.61	5.58	2.07	0.36	1.21	0.90	1.78	0.48	0.50	1.30
2009	2.38	9.93	2.90	0.52	1.77	1.26	2.64	0.81	0.46	2.31
2007	0.50	3.90	0.65	0.19	0.28	0.29	0.97	0.30	0.17	0.35
Noncurrent assets plus OREO to assets (%) 2011	2.66	1.41	1.59	1.59	3.19	2.68	1.13	0.99	1.87	3.36
2009	3.09	2.18	2.64	1.59	3.71	3.17	1.25	0.60	1.35	2.85
2007	0.73	1.34	0.51	0.81	0.81	1.09	0.53	0.26	0.64	0.54
Equity capital ratio (%) 2011	11.30	15.79	8.81	11.50	11.93	10.61	9.86	15.50	11.68	12.37
2009	10.76	22.08	8.45	11.32	10.96	9.30	10.87	17.58	11.84	11.26
2007	10.44	23.17	7.78	11.32	10.85	9.44	11.89	19.54	11.57	10.55

* See Table V-A (page 10) for explanations.
Note: Blue font identifies data that are also presented in the prior quarters data at bottom of table.

TABLE IV-A. First Three Quarters 2012, All FDIC-Insured Institutions

FIRST THREE QUARTERS (The way it is...)	All Insured Institutions	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	Geographic Regions*: New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Number of institutions reporting	7,181	2,287	4,235	551	108	891	918	1,529	1,738	1,513	592
Commercial banks	6,168	2,034	3,608	437	89	475	823	1,270	1,653	1,409	538
Savings institutions	1,013	253	627	114	19	416	95	259	85	104	54
Total assets (in billions)	$14,222.9	$132.4	$1,278.3	$1,424.4	$11,387.8	$2,927.7	$2,942.9	$3,231.4	$3,059.1	$845.9	$1,216.0
Commercial banks	13,069.9	118.0	1,059.2	1,133.6	10,759.1	2,364.0	2,848.4	3,112.1	2,997.7	746.6	1,001.0
Savings institutions	1,153.1	14.3	219.1	290.8	628.8	563.6	94.5	119.3	61.4	99.2	215.0
Total deposits (in billions)	10,504.2	112.0	1,063.3	1,108.2	8,220.8	2,126.3	2,201.1	2,272.2	2,310.1	693.1	901.3
Commercial banks	9,622.4	100.5	888.6	887.9	7,745.3	1,698.9	2,131.5	2,182.1	2,260.7	611.4	737.8
Savings institutions	881.9	11.5	174.7	220.3	475.5	427.4	69.6	90.2	49.4	81.8	163.6
Bank net income (in millions)	106,853	720	7,982	12,448	85,703	20,302	16,660	21,794	25,339	6,822	15,937
Commercial banks	98,274	683	7,015	10,551	80,025	18,003	16,306	20,931	25,049	5,765	12,219
Savings institutions	8,579	37	968	1,897	5,678	2,299	354	862	289	1,056	3,718
Performance Ratios (annualized, %)											
Yield on earning assets	4.02	4.53	4.55	4.53	3.88	4.29	3.79	3.29	4.39	4.28	4.70
Cost of funding earning assets	0.55	0.74	0.79	0.70	0.50	0.62	0.47	0.49	0.61	0.54	0.62
Net interest margin	3.46	3.79	3.76	3.83	3.38	3.67	3.32	2.80	3.77	3.74	4.08
Noninterest income to assets	1.77	0.83	1.10	1.47	1.90	1.50	1.81	1.94	1.74	1.43	2.19
Noninterest expense to assets	2.99	3.29	3.18	3.08	2.96	2.87	3.18	3.00	2.91	3.18	2.88
Loan and lease loss provision to assets	0.41	0.21	0.35	0.40	0.42	0.45	0.47	0.22	0.53	0.26	0.48
Net operating income to assets	0.97	0.65	0.78	1.13	0.98	0.92	0.68	0.84	1.13	1.06	1.75
Pretax return on assets	1.46	0.87	1.08	1.54	1.50	1.43	1.12	1.22	1.59	1.44	2.66
Return on assets	1.02	0.73	0.84	1.18	1.02	0.94	0.76	0.91	1.13	1.10	1.79
Return on equity	9.02	6.12	7.71	10.04	9.07	7.62	6.26	10.17	10.20	10.03	13.12
Net charge-offs to loans and leases	1.15	0.38	0.60	0.75	1.30	1.29	1.23	0.93	1.44	0.55	0.89
Loan and lease loss provision to net charge-offs	67.17	95.66	94.19	83.80	63.83	66.42	68.92	52.40	67.87	77.64	88.04
Efficiency ratio	61.16	76.63	69.74	61.40	60.05	59.15	67.20	68.05	56.25	65.35	47.86
% of unprofitable institutions	10.68	14.04	9.54	7.08	2.78	9.09	21.24	10.73	7.13	7.53	15.03
% of institutions with earnings gains	66.15	58.33	69.59	71.32	70.37	59.26	70.48	65.99	67.55	64.57	70.10
Condition Ratios (%)											
Earning assets to total assets	87.67	91.10	91.86	91.01	86.74	88.08	86.31	86.64	86.97	90.96	92.21
Loss allowance to:											
Loans and leases	2.20	1.78	1.82	1.87	2.31	2.04	2.30	2.34	2.50	1.75	1.73
Noncurrent loans and leases	57.16	77.91	67.74	58.17	55.94	80.61	39.56	58.30	60.28	65.57	81.36
Noncurrent assets plus other real estate owned to assets	2.36	2.20	2.61	2.68	2.29	1.50	3.66	2.13	2.51	2.27	1.56
Equity capital ratio	11.39	12.14	11.11	11.88	11.35	12.38	12.31	9.18	11.04	11.04	13.70
Core capital (leverage) ratio	9.28	11.46	10.39	10.52	8.97	9.92	9.13	7.63	9.16	9.84	12.43
Tier 1 risk-based capital ratio	13.25	18.69	15.64	15.39	12.67	14.54	13.05	11.13	12.64	14.51	16.79
Total risk-based capital ratio	15.23	19.82	16.85	16.63	14.84	16.15	15.37	13.69	14.44	15.99	18.14
Net loans and leases to deposits	70.55	66.18	74.09	79.86	68.89	70.74	73.21	63.84	69.41	72.94	81.62
Net loans to total assets	52.10	56.01	61.63	62.13	49.73	51.38	54.75	44.89	52.41	59.77	60.50
Domestic deposits to total assets	63.70	84.63	83.16	77.35	59.57	63.97	70.88	57.81	54.24	81.60	72.70
Structural Changes											
New reporters	0	0	0	0	0	0	0	0	0	0	0
Institutions absorbed by mergers	121	51	59	9	2	18	17	11	29	24	22
Failed institutions	43	14	28	1	0	4	18	9	7	4	1
PRIOR FIRST THREE QUARTERS (The way it was...)											
Number of institutions 2011	7,437	2,491	4,279	561	106	924	974	1,563	1,792	1,555	629
2009	8,099	2,915	4,493	579	112	989	1,140	1,666	1,895	1,672	737
2007	8,559	3,513	4,391	539	116	1,046	1,215	1,793	1,990	1,740	775
Total assets (in billions) 2011	$13,811.9	$142.9	$1,273.4	$1,425.1	$10,970.6	$2,842.2	$2,954.3	$3,169.9	$2,901.9	$801.8	$1,141.7
2009	13,226.0	160.5	1,345.7	1,497.5	10,222.2	2,481.0	3,449.9	3,106.2	1,077.7	755.4	2,355.8
2007	12,706.2	186.1	1,296.7	1,408.2	9,815.2	2,382.1	3,195.9	2,796.4	931.5	659.5	2,740.9
Return on assets (%) 2011	0.92	0.54	0.59	0.85	0.97	1.07	0.61	0.81	0.98	0.97	1.47
2009	-0.11	0.19	0.05	-0.37	-0.10	-1.23	0.10	0.22	0.73	0.35	-0.23
2007	1.10	0.84	1.06	1.09	1.12	1.00	1.05	1.01	1.63	1.15	1.16
Net charge-offs to loans & leases (%) 2011	1.61	0.58	0.85	1.17	1.81	1.97	1.73	1.19	1.94	0.87	1.18
2009	2.38	0.78	1.01	1.83	2.74	2.73	2.18	2.15	2.40	1.20	3.10
2007	0.50	0.18	0.19	0.35	0.59	0.86	0.25	0.37	0.66	0.23	0.64
Noncurrent assets plus OREO to assets (%) 2011	2.66	2.39	3.18	3.26	2.52	1.79	3.81	2.41	2.77	2.74	2.17
2009	3.09	2.13	3.14	3.52	3.03	1.92	3.52	3.19	3.45	2.65	3.51
2007	0.73	0.87	0.89	0.83	0.70	0.67	0.54	0.78	1.19	0.78	0.80
Equity capital ratio (%) 2011	11.30	11.98	10.80	11.85	11.27	12.55	12.18	8.62	11.18	11.15	13.71
2009	10.76	12.41	10.11	10.75	10.82	12.27	11.57	8.68	10.85	10.41	10.78
2007	10.44	13.68	10.57	11.38	10.23	12.43	10.14	9.09	10.13	10.39	10.58

* See Table V-A (page 11) for explanations.
Note: Blue font identifies data that are also presented in the prior quarters data at bottom of table.

TABLE V-A. Loan Performance, All FDIC-Insured Institutions

September 30, 2012	All Insured Institutions	Asset Concentration Groups*								
		Credit Card Banks	International Banks	Agricultural Banks	Commercial Lenders	Mortgage Lenders	Consumer Lenders	Other Specialized <$1 Billion	All Other <$1 Billion	All Other >$1 Billion
Percent of Loans 30-89 Days Past Due										
All loans secured by real estate	1.47	0.39	2.02	0.82	1.04	1.23	1.07	1.50	1.55	1.98
Construction and development	1.05	0.00	0.64	1.22	1.11	1.25	1.10	0.94	1.29	0.89
Nonfarm nonresidential	0.75	0.00	0.55	0.70	0.73	0.80	0.70	1.29	1.20	0.79
Multifamily residential real estate	0.41	0.00	0.09	0.75	0.46	0.61	0.34	0.39	1.11	0.49
Home equity loans	0.97	0.46	1.33	0.60	0.80	0.60	0.90	0.60	0.73	1.01
Other 1-4 family residential	2.24	0.46	3.15	1.57	1.61	1.34	1.31	1.98	1.91	2.94
Commercial and industrial loans	0.35	1.09	0.22	1.02	0.40	0.78	1.28	1.17	1.18	0.25
Loans to individuals	1.55	1.41	1.70	1.66	1.52	1.41	1.46	1.92	1.88	1.65
Credit card loans	1.42	1.39	1.55	1.52	1.23	1.57	0.77	1.26	0.87	1.54
Other loans to individuals	1.69	1.74	1.95	1.67	1.55	1.40	1.78	1.97	1.94	1.68
All other loans and leases (including farm)	0.26	0.02	0.30	0.36	0.23	0.08	2.06	0.41	0.52	0.22
Total loans and leases	1.15	1.38	1.21	0.78	0.88	1.18	1.36	1.45	1.48	1.37
Percent of Loans Noncurrent**										
All real estate loans	6.34	2.53	9.27	1.84	3.82	3.80	2.32	3.00	2.39	10.23
Construction and development	9.54	0.00	5.16	6.39	9.59	8.89	5.67	9.63	7.11	10.48
Nonfarm nonresidential	3.16	0.00	1.94	2.66	3.11	3.43	3.60	3.10	2.75	3.54
Multifamily residential real estate	1.84	0.00	0.90	2.11	1.98	1.63	5.00	1.95	2.59	2.36
Home equity loans	2.88	0.00	4.30	1.01	1.42	1.72	2.37	0.78	0.98	3.60
Other 1-4 family residential	9.63	3.50	15.47	1.50	4.49	3.99	1.81	1.99	1.96	15.52
Commercial and industrial loans	0.97	1.24	0.96	1.76	1.14	1.78	1.36	1.48	1.73	0.68
Loans to individuals	1.23	1.40	1.36	0.58	1.28	0.95	1.90	1.09	0.72	0.80
Credit card loans	1.40	1.39	1.45	0.32	1.19	1.00	1.05	0.94	0.56	1.56
Other loans to individuals	1.04	1.45	1.21	0.60	1.29	0.94	2.29	1.10	0.72	0.63
All other loans and leases (including farm)	0.39	0.02	0.35	0.43	0.50	0.15	0.34	1.77	0.64	0.36
Total loans and leases	3.85	1.38	4.06	1.42	2.85	3.57	1.98	2.51	2.06	5.76
Percent of Loans Charged-off (net, YTD)										
All real estate loans	1.08	10.13	1.78	0.22	0.85	0.79	1.54	0.24	0.37	1.30
Construction and development	1.87	0.00	1.18	1.05	2.21	1.89	0.90	0.42	1.35	1.16
Nonfarm nonresidential	0.55	0.00	0.29	0.27	0.60	0.86	1.35	0.30	0.38	0.44
Multifamily residential real estate	0.34	0.00	0.17	0.27	0.44	0.28	0.07	0.50	0.52	0.16
Home equity loans	2.19	33.28	2.72	0.33	1.17	2.53	2.25	0.46	0.42	2.72
Other 1-4 family residential	1.08	5.40	2.22	0.22	0.82	0.61	0.97	0.16	0.28	1.16
Commercial and industrial loans	0.55	4.03	0.44	0.44	0.52	0.55	5.08	0.19	0.72	0.36
Loans to individuals	2.57	3.96	3.60	0.37	0.96	1.48	1.27	0.47	0.59	1.27
Credit card loans	4.04	3.99	4.76	0.54	3.94	4.53	2.67	2.36	2.43	2.96
Other loans to individuals	0.98	3.39	1.60	0.35	0.65	1.19	0.62	0.34	0.49	0.88
All other loans and leases (including farm)	0.17	0.00	0.11	0.00	0.27	0.13	1.91	1.36	0.25	0.17
Total loans and leases	1.15	3.94	1.53	0.22	0.75	0.78	1.45	0.33	0.41	0.98
Loans Outstanding (in billions)										
All real estate loans	$4,087.4	$0.1	$485.8	$79.8	$1,781.7	$409.2	$19.7	$12.9	$58.4	$1,239.8
Construction and development	210.4	0.0	6.4	3.8	139.4	7.0	0.4	1.0	3.1	49.3
Nonfarm nonresidential	1,058.0	0.0	35.1	22.4	711.0	30.1	1.6	4.6	15.1	238.0
Multifamily residential real estate	227.8	0.0	40.6	2.0	135.3	10.9	0.3	0.4	1.5	36.9
Home equity loans	567.3	0.0	99.7	1.6	183.2	30.6	8.3	0.5	2.4	241.0
Other 1-4 family residential	1,889.9	0.1	248.4	21.0	579.6	329.0	9.0	5.8	32.0	665.0
Commercial and industrial loans	1,454.9	36.9	263.7	17.2	613.5	10.6	2.2	2.2	7.1	501.5
Loans to individuals	1,295.1	423.6	255.5	6.4	194.2	9.1	59.5	2.2	6.9	337.7
Credit card loans	667.9	404.3	161.4	0.5	19.1	0.9	18.6	0.1	0.4	62.6
Other loans to individuals	627.3	19.3	94.2	5.9	175.1	8.2	40.9	2.1	6.6	275.1
All other loans and leases (including farm)	742.1	2.9	276.6	33.5	163.1	14.6	0.3	1.1	5.5	244.5
Total loans and leases (plus unearned income)	7,579.5	463.4	1,281.6	136.8	2,752.5	443.5	81.7	18.4	77.9	2,323.5
Memo: Other Real Estate Owned (in millions)										
All other real estate owned	41,044.2	0.1	2,605.1	799.9	23,605.3	2,630.3	72.1	224.6	720.1	10,386.8
Construction and development	13,349.0	0.0	80.5	275.6	10,482.5	514.9	9.9	93.2	214.1	1,678.3
Nonfarm nonresidential	9,641.3	0.0	52.2	283.4	7,036.1	355.2	26.7	80.3	222.4	1,585.1
Multifamily residential real estate	1,199.4	0.0	4.0	22.9	812.7	40.8	15.2	7.6	14.7	281.5
1-4 family residential	8,766.3	0.1	814.3	164.4	4,214.7	1,037.6	19.5	41.0	244.9	2,229.7
Farmland	442.6	0.0	0.0	53.6	334.1	4.1	0.8	2.4	22.8	24.8
GNMA properties	7,511.2	0.0	1,569.0	0.1	678.0	677.4	0.0	0.0	1.2	4,585.4

*** Asset Concentration Group Definitions (Groups are hierarchical and mutually exclusive):**
Credit-card Lenders - Institutions whose credit-card loans plus securitized receivables exceed 50 percent of total assets plus securitized receivables.
International Banks - Banks with assets greater than $10 billion and more than 25 percent of total assets in foreign offices.
Agricultural Banks - Banks whose agricultural production loans plus real estate loans secured by farmland exceed 25 percent of the total loans and leases.
Commercial Lenders - Institutions whose commercial and industrial loans, plus real estate construction and development loans, plus loans secured by commercial real estate properties exceed 25 percent of total assets.
Mortgage Lenders - Institutions whose residential mortgage loans, plus mortgage-backed securities, exceed 50 percent of total assets.
Consumer Lenders - Institutions whose residential mortgage loans, plus credit-card loans, plus other loans to individuals, exceed 50 percent of total assets.
Other Specialized < $1 Billion - Institutions with assets less than $1 billion, whose loans and leases are less than 40 percent of total assets.
All Other < $1 billion - Institutions with assets less than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.
All Other > $1 billion - Institutions with assets greater than $1 billion that do not meet any of the definitions above, they have significant lending activity with no identified asset concentrations.
** Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.

TABLE V-A. Loan Performance, All FDIC-Insured Institutions

September 30, 2012	All Insured Institutions	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion	Geographic Regions*: New York	Atlanta	Chicago	Kansas City	Dallas	San Francisco
Percent of Loans 30-89 Days Past Due											
All loans secured by real estate	1.47	1.49	1.12	0.96	1.66	1.10	1.65	1.33	2.10	1.25	0.91
Construction and development	1.05	1.35	1.20	1.14	0.94	1.47	1.08	0.96	0.65	0.98	1.17
Nonfarm nonresidential	0.75	1.16	0.98	0.65	0.68	0.73	0.72	0.71	0.98	0.78	0.55
Multifamily residential real estate	0.41	0.75	0.67	0.50	0.32	0.35	0.54	0.44	0.49	0.40	0.32
Home equity loans	0.97	0.97	0.79	0.73	1.00	0.67	1.22	1.06	0.95	0.76	0.52
Other 1-4 family residential	2.24	2.10	1.44	1.48	2.49	1.51	2.38	2.00	3.43	1.90	1.38
Commercial and industrial loans	0.35	1.42	0.90	0.55	0.27	0.52	0.25	0.38	0.28	0.47	0.33
Loans to individuals	1.55	2.11	1.68	1.52	1.55	1.40	2.16	1.53	1.59	1.13	1.15
Credit card loans	1.42	1.32	1.99	1.74	1.41	1.27	2.02	1.24	1.57	0.71	1.24
Other loans to individuals	1.69	2.11	1.65	1.43	1.71	1.75	2.24	1.62	1.61	1.34	1.07
All other loans and leases (including farm)	0.26	0.40	0.34	0.24	0.25	0.13	0.10	0.51	0.17	0.28	0.41
Total loans and leases	1.15	1.39	1.08	0.90	1.19	1.01	1.30	1.05	1.40	1.03	0.82
Percent of Loans Noncurrent**											
All real estate loans	6.34	2.73	3.05	4.01	7.69	3.77	9.66	6.80	7.35	3.61	3.16
Construction and development	9.54	7.66	8.93	10.03	9.66	10.78	11.87	9.10	8.70	6.04	9.38
Nonfarm nonresidential	3.16	3.47	2.91	3.21	3.25	3.05	3.60	3.44	3.19	2.88	2.50
Multifamily residential real estate	1.84	2.83	2.38	2.15	1.61	1.19	2.96	2.07	1.71	3.30	1.49
Home equity loans	2.88	1.13	1.37	1.35	3.12	1.41	3.72	3.33	3.19	1.58	1.00
Other 1-4 family residential	9.63	2.31	2.41	4.64	11.68	4.55	14.68	10.92	11.63	4.11	3.89
Commercial and industrial loans	0.97	2.16	1.89	1.63	0.80	1.26	0.81	1.04	0.90	1.07	0.85
Loans to individuals	1.23	0.94	0.94	0.82	1.26	1.22	1.39	1.09	1.25	0.66	1.28
Credit card loans	1.40	0.66	1.39	1.45	1.40	1.29	1.66	1.41	1.49	1.00	1.41
Other loans to individuals	1.04	0.94	0.90	0.57	1.09	1.03	1.23	0.99	0.92	0.49	1.17
All other loans and leases (including farm)	0.39	0.56	0.62	0.57	0.36	0.18	0.24	0.25	0.64	0.73	0.74
Total loans and leases	3.85	2.29	2.68	3.21	4.14	2.52	5.82	4.01	4.14	2.67	2.12
Percent of Loans Charged-off (net, YTD)											
All real estate loans	1.08	0.37	0.56	0.73	1.28	0.57	1.53	1.16	1.42	0.53	0.58
Construction and development	1.87	1.27	1.76	2.26	1.76	1.75	2.79	1.98	1.49	0.87	1.58
Nonfarm nonresidential	0.55	0.40	0.46	0.58	0.58	0.47	0.81	0.76	0.33	0.35	0.40
Multifamily residential real estate	0.34	0.44	0.51	0.45	0.26	0.32	0.50	0.38	0.26	0.53	0.12
Home equity loans	2.19	0.60	0.56	1.18	2.39	0.81	3.01	1.96	3.00	1.41	0.69
Other 1-4 family residential	1.08	0.33	0.46	0.56	1.27	0.50	1.29	1.15	1.68	0.51	0.68
Commercial and industrial loans	0.55	0.58	0.82	0.63	0.52	0.83	0.48	0.44	0.52	0.38	0.68
Loans to individuals	2.57	0.49	0.90	1.49	2.69	3.50	1.65	1.53	3.42	1.14	1.89
Credit card loans	4.04	1.41	4.48	3.50	4.05	4.22	3.01	3.67	4.81	2.34	3.47
Other loans to individuals	0.98	0.48	0.63	0.70	1.04	1.43	0.86	0.83	1.46	0.51	0.49
All other loans and leases (including farm)	0.17	0.00	0.25	0.27	0.15	0.13	0.18	0.12	0.18	0.31	0.27
Total loans and leases	1.15	0.38	0.60	0.75	1.30	1.29	1.23	0.93	1.44	0.55	0.88
Loans Outstanding (in billions)											
All real estate loans	$4,087.4	$52.3	$622.2	$643.4	$2,769.5	$830.3	$926.6	$792.4	$820.6	$337.1	$380.4
Construction and development	210.4	3.0	51.6	49.5	106.2	37.2	53.9	34.2	32.5	36.3	16.3
Nonfarm nonresidential	1,058.0	15.2	247.9	260.6	534.3	239.4	217.3	187.8	160.1	122.9	130.4
Multifamily residential real estate	227.8	1.6	31.2	49.2	145.8	73.3	28.6	64.9	22.0	9.8	29.2
Home equity loans	567.3	1.5	30.9	45.6	489.3	93.7	152.1	140.2	125.6	20.3	35.4
Other 1-4 family residential	1,889.9	23.1	224.0	224.3	1,418.4	379.4	465.9	348.6	400.1	135.3	160.6
Commercial and industrial loans	1,454.9	9.3	102.9	146.9	1,195.8	216.0	342.3	303.8	329.7	101.5	161.6
Loans to individuals	1,295.1	5.0	36.3	69.6	1,184.2	368.6	235.9	187.7	282.2	47.6	173.1
Credit card loans	667.9	0.1	2.7	19.8	645.3	271.3	88.9	46.2	164.1	16.3	81.1
Other loans to individuals	627.3	4.9	33.6	49.8	538.9	97.3	147.0	141.5	118.1	31.3	92.0
All other loans and leases (including farm)	742.1	8.9	41.3	42.6	649.2	121.0	144.7	201.4	212.3	28.5	34.0
Total loans and leases (plus unearned income)	7,579.5	75.5	802.8	902.5	5,798.8	1,536.0	1,649.4	1,485.4	1,644.8	514.8	749.1
Memo: Other Real Estate Owned (in millions)											
All other real estate owned	41,044.2	1,152.5	11,632.8	9,042.2	19,216.7	4,717.3	11,216.0	8,901.4	7,845.1	5,272.2	3,092.2
Construction and development	13,349.0	371.9	5,266.5	4,259.0	3,451.6	1,148.6	3,907.1	1,895.6	2,546.7	2,471.2	1,379.9
Nonfarm nonresidential	9,641.3	394.7	3,664.0	2,592.5	2,990.1	1,269.2	2,046.7	1,967.1	1,847.3	1,558.8	952.2
Multifamily residential real estate	1,199.4	62.3	344.7	295.0	497.5	187.0	259.1	285.1	197.7	158.8	111.8
1-4 family residential	8,766.3	295.3	2,142.4	1,659.8	4,668.9	1,537.6	2,219.7	1,970.3	1,519.9	930.3	588.4
Farmland	442.6	28.0	212.2	129.7	72.6	42.0	89.0	94.9	69.2	101.7	45.8
GNMA properties	7,511.2	0.3	3.1	106.2	7,401.5	485.8	2,694.4	2,688.5	1,577.3	51.4	13.8

*** Regions:**
New York - Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, U.S. Virgin Islands
Atlanta - Alabama, Florida, Georgia, North Carolina, South Carolina, Virginia, West Virginia
Chicago - Illinois, Indiana, Kentucky, Michigan, Ohio, Wisconsin
Kansas City - Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
Dallas - Arkansas, Colorado, Louisiana, Mississippi, New Mexico, Oklahoma, Tennessee, Texas
San Francisco - Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Pacific Islands, Utah, Washington, Wyoming
** Noncurrent loan rates represent the percentage of loans in each category that are past due 90 days or more or that are in nonaccrual status.

Table VI-A. Derivatives, All FDIC-Insured Call Report Filers

(dollar figures in millions; notional amounts unless otherwise indicated)	3rd Quarter 2012	2nd Quarter 2012	1st Quarter 2012	4th Quarter 2011	3rd Quarter 2011	%Change 11Q3-12Q3	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion
ALL DERIVATIVE HOLDERS										
Number of institutions reporting derivatives	1,357	1,324	1,291	1,190	1,188	14.2	90	835	339	93
Total assets of institutions reporting derivatives	$12,412,813	$12,210,299	$12,090,061	$11,467,580	$11,351,495	9.3	$6,491	$338,515	$999,122	$11,068,685
Total deposits of institutions reporting derivatives	9,068,235	8,883,285	8,806,818	8,298,430	8,106,828	11.9	5,436	277,800	785,650	7,999,349
Total derivatives	229,317,269	225,007,648	230,639,664	232,052,878	250,633,580	-8.5	343	29,396	101,520	229,186,010
Derivative Contracts by Underlying Risk Exposure										
Interest rate	181,462,820	178,823,823	183,994,872	187,866,327	202,446,956	-10.4	340	29,055	92,058	181,341,367
Foreign exchange*	30,099,276	29,090,375	29,212,378	26,499,571	29,283,448	2.8	0	9	8,493	30,090,775
Equity	2,175,538	1,977,189	1,900,387	1,597,348	1,817,138	19.7	3	76	613	2,174,846
Commodity & other (excluding credit derivatives)	1,581,520	1,491,921	1,480,952	1,330,418	1,424,723	11.0	0	12	189	1,581,319
Credit	13,998,115	13,624,340	14,051,075	14,759,214	15,661,315	-10.6	0	245	167	13,997,704
Total	229,317,269	225,007,648	230,639,664	232,052,878	250,633,580	-8.5	343	29,396	101,520	229,186,010
Derivative Contracts by Transaction Type										
Swaps	135,584,436	134,469,546	138,658,393	146,265,646	156,143,298	-13.2	24	6,265	48,775	135,529,372
Futures & forwards	44,033,578	40,615,907	40,646,839	37,468,803	40,026,993	10.0	160	11,111	29,375	43,992,932
Purchased options	16,580,266	16,896,065	17,533,104	16,489,887	18,453,831	-10.2	19	656	5,251	16,574,339
Written options	16,802,985	16,708,048	17,226,457	16,006,100	17,860,476	-5.9	139	11,119	17,434	16,774,292
Total	213,001,264	208,689,565	214,064,793	216,230,435	232,484,598	-8.4	343	29,151	100,836	212,870,935
Fair Value of Derivative Contracts										
Interest rate contracts	98,483	92,863	93,619	89,141	92,984	5.9	1	99	45	98,338
Foreign exchange contracts	-13,618	-3,883	-3,875	25,705	33,038	N/M	0	0	3	-13,621
Equity contracts	-264	3,453	-281	1,657	6,441	N/M	0	1	9	-274
Commodity & other (excluding credit derivatives)	-2,604	-1,719	-2,004	-1,559	773	N/M	0	0	2	-2,607
Credit derivatives as guarantor	-84,508	-179,196	-127,599	-289,532	-370,779	N/M	0	-1	2	-84,509
Credit derivatives as beneficiary	87,900	185,191	131,291	303,241	387,580	-77.3	0	-3	-3	87,906
Derivative Contracts by Maturity**										
Interest rate contracts < 1 year	84,181,197	82,514,188	85,888,695	87,811,960	95,374,645	-11.7	120	10,474	28,512	84,142,091
1-5 years	30,961,449	30,337,272	31,691,226	32,750,418	34,134,320	-9.3	22	3,100	25,193	30,933,134
> 5 years	21,989,589	21,795,561	22,691,140	24,167,662	24,968,981	-11.9	42	3,113	16,372	21,970,061
Foreign exchange contracts < 1 year	18,781,964	18,604,099	18,849,154	17,538,351	19,219,846	-2.3	0	8	6,037	18,775,919
1-5 years	2,894,865	2,926,354	3,017,933	3,088,258	2,990,392	-3.2	0	0	183	2,894,682
> 5 years	1,453,450	1,422,938	1,349,611	1,502,619	1,474,701	-1.4	0	0	13	1,453,437
Equity contracts < 1 year	638,274	597,782	539,407	426,621	375,359	70.0	0	8	98	638,168
1-5 years	290,474	262,864	241,998	210,410	241,995	20.0	0	14	131	290,329
> 5 years	85,427	81,390	88,815	93,653	97,743	-12.6	0	2	15	85,410
Commodity & other contracts < 1 year	460,082	442,492	481,515	375,875	434,161	6.0	0	5	63	460,014
1-5 years	247,795	205,411	203,940	241,723	266,044	-6.9	0	0	26	247,769
> 5 years	25,053	24,628	20,361	46,181	29,127	-14.0	0	0	0	25,053
Risk-Based Capital: Credit Equivalent Amount										
Total current exposure to tier 1 capital (%)	37.2	38.9	36.3	44.5	52.5		0.1	0.7	1.4	42.3
Total potential future exposure to tier 1 capital (%)	66.4	66.1	71.9	79.3	82.8		0.1	0.2	0.4	75.8
Total exposure (credit equivalent amount) to tier 1 capital (%)	103.6	105.1	108.2	123.8	135.3		0.2	0.9	1.8	118.1
Credit losses on derivatives***	157.0	131.0	76.0	1,833.0	1,764.0	-91.1	0.0	0.0	1.0	156.0
HELD FOR TRADING										
Number of institutions reporting derivatives	247	233	211	199	193	28.0	11	105	71	60
Total assets of institutions reporting derivatives	9,952,855	9,801,805	9,692,272	9,516,214	9,461,453	5.2	801	45,746	259,153	9,647,156
Total deposits of institutions reporting derivatives	7,267,765	7,116,089	7,069,580	6,917,213	6,771,052	7.3	674	37,652	203,536	7,025,902
Derivative Contracts by Underlying Risk Exposure										
Interest rate	177,552,612	174,789,128	179,986,754	183,942,529	198,324,257	-10.5	14	3,321	17,790	177,531,487
Foreign exchange	26,859,757	25,617,989	25,880,306	24,778,742	26,436,205	1.6	0	0	3,291	26,856,466
Equity	2,162,053	1,963,322	1,886,777	1,590,343	1,810,372	19.4	0	0	42	2,162,011
Commodity & other	1,559,924	1,475,527	1,462,081	1,305,575	1,403,972	11.1	0	0	41	1,559,882
Total	208,134,345	203,845,967	209,215,918	211,617,189	227,974,807	-8.7	14	3,321	21,164	208,109,846
Trading Revenues: Cash & Derivative Instruments										
Interest rate	4,458	2,873	5,630	252	2,083	114.0	0	1	36	4,421
Foreign exchange	890	2,131	1,504	2,229	2,632	-66.2	0	0	4	886
Equity	637	1,010	257	-111	1,443	-55.9	0	0	1	636
Commodity & other (including credit derivatives)	-721	-4,024	-1,032	160	2,323	N/M	0	0	0	-721
Total trading revenues	5,264	1,990	6,358	2,529	8,480	-37.9	0	1	41	5,221
Share of Revenue										
Trading revenues to gross revenues (%)	4.4	1.7	5.2	2.2	7.2		0.0	0.2	1.3	4.5
Trading revenues to net operating revenues (%)	23.1	10.5	30.2	17.4	40.6		0.0	1.1	7.2	23.6
HELD FOR PURPOSES OTHER THAN TRADING										
Number of institutions reporting derivatives	1,205	1,184	1,170	1,074	1,080	11.6	80	740	300	85
Total assets of institutions reporting derivatives	11,980,732	11,791,682	11,775,273	11,167,018	11,130,959	7.6	5,763	298,031	893,323	10,783,615
Total deposits of institutions reporting derivatives	8,724,360	8,548,684	8,563,358	8,065,829	7,938,185	9.9	4,825	244,282	701,843	7,773,409
Derivative Contracts by Underlying Risk Exposure										
Interest rate	3,910,209	4,034,694	4,008,119	3,923,798	4,122,699	-5.2	326	25,735	74,268	3,809,880
Foreign exchange	921,630	778,644	808,276	657,600	359,576	156.3	0	8	4,684	916,937
Equity	13,485	13,866	13,610	7,005	6,766	99.3	3	76	571	12,835
Commodity & other	21,596	16,394	18,871	24,842	20,751	4.1	0	11	148	21,437
Total notional amount	4,866,919	4,843,598	4,848,875	4,613,246	4,509,791	7.9	328	25,830	79,672	4,761,089

All line items are reported on a quarterly basis. N/M - Not Meaningful

* Include spot foreign exchange contracts. All other references to foreign exchange contracts in which notional values or fair values are reported exclude spot foreign exchange contracts.

** Derivative contracts subject to the risk-based capital requirements for derivatives.

*** The reporting of credit losses on derivatives is applicable to all banks filing the FFIEC 031 report form and to those banks filing the FFIEC 041 report form that have $300 million or more in total assets.

TABLE VII-A. Servicing, Securitization, and Asset Sales Activities (All FDIC-Insured Call Report Filers)

(dollar figures in millions)	3rd Quarter 2012	2nd Quarter 2012	1st Quarter 2012	4th Quarter 2011	3rd Quarter 2011	% Change 11Q3-12Q3	Asset Size Distribution: Less than $100 Million	$100 Million to $1 Billion	$1 Billion to $10 Billion	Greater than $10 Billion
Assets Securitized and Sold with Servicing Retained or with Recourse or Other Seller-Provided Credit Enhancements										
Number of institutions reporting securitization activities	173	172	176	139	138	25.4	24	88	27	34
Outstanding Principal Balance by Asset Type										
1-4 family residential loans	$754,591	$750,636	$741,903	$730,853	$749,803	0.6	$193	$3,432	$11,035	$739,930
Home equity loans	51	52	54	0	0	0.0	0	1	0	50
Credit card receivables	18,423	16,988	18,691	11,818	10,561	74.4	0	495	0	17,928
Auto loans	4,307	4,520	2,822	946	1,034	316.5	0	0	0	4,307
Other consumer loans	4,865	4,826	4,748	4,862	4,979	-2.3	0	3	0	4,862
Commercial and industrial loans	3,373	57	61	62	70	4718.6	1	14	1	3,357
All other loans, leases, and other assets	205,059	209,102	204,771	196,124	198,826	3.1	2	2,516	5,668	196,873
Total securitized and sold	990,670	986,180	973,049	944,665	965,273	2.6	197	6,463	16,703	967,307
Maximum Credit Exposure by Asset Type										
1-4 family residential loans	3,583	3,692	3,797	3,895	4,116	-12.9	1	74	47	3,460
Home equity loans	0	0	0	0	0	0.0	0	0	0	0
Credit card receivables	666	611	617	550	561	18.7	0	197	0	470
Auto loans	0	1	1	2	3	-100.0	0	0	0	0
Other consumer loans	206	209	205	208	216	-4.6	0	0	0	206
Commercial and industrial loans	14	0	0	0	0	0.0	0	0	0	14
All other loans, leases, and other assets	2,189	2,302	3,015	1,309	697	214.1	0	4	0	2,185
Total credit exposure	6,659	6,816	7,636	5,964	5,592	19.1	1	275	47	6,335
Total unused liquidity commitments provided to institution's own securitizations	125	127	121	121	129	-3.1	0	4	0	121
Securitized Loans, Leases, and Other Assets 30-89 Days Past Due (%)										
1-4 family residential loans	4.1	3.7	3.4	4.0	4.2		0.4	0.8	7.7	4.1
Home equity loans	12.2	13.3	11.7	0.0	0.0		0.0	0.0	0.0	12.5
Credit card receivables	0.8	0.8	0.9	1.4	1.8		0.0	1.7	0.0	0.8
Auto loans	0.4	0.4	0.3	0.4	0.1		0.0	0.0	0.0	0.4
Other consumer loans	5.6	4.6	5.1	5.6	4.4		0.0	0.0	0.0	5.6
Commercial and industrial loans	0.0	4.6	0.5	0.5	0.0		0.0	0.0	0.0	0.0
All other loans, leases, and other assets	1.1	1.3	0.9	0.6	1.4		0.0	0.2	0.3	1.2
Total loans, leases, and other assets	3.4	3.2	2.8	3.3	3.6		0.4	0.6	5.2	3.4
Securitized Loans, Leases, and Other Assets 90 Days or More Past Due (%)										
1-4 family residential loans	4.8	5.5	5.6	6.4	6.4		0.2	0.6	9.3	4.7
Home equity loans	29.1	26.1	25.8	0.0	0.0		0.0	0.0	0.0	29.7
Credit card receivables	0.3	0.3	0.4	0.6	0.7		0.0	1.9	0.0	0.2
Auto loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0
Other consumer loans	5.6	5.0	5.5	6.2	4.6		0.0	0.0	0.0	5.7
Commercial and industrial loans	0.0	3.6	4.0	0.0	0.0		0.0	0.0	71.9	0.0
All other loans, leases, and other assets	8.0	6.9	7.1	7.5	6.6		0.0	0.0	0.9	8.3
Total loans, leases, and other assets	5.3	5.6	5.8	6.6	6.4		0.1	0.4	6.4	5.3
Securitized Loans, Leases, and Other Assets Charged-off (net, YTD, annualized, %)										
1-4 family residential loans	1.0	0.7	0.3	1.2	0.9		0.0	0.0	0.0	1.0
Home equity loans	1.3	1.2	0.6	0.0	0.0		0.0	0.0	0.0	1.4
Credit card receivables	2.0	1.5	4.9	5.3	4.7		0.0	4.9	0.0	1.9
Auto loans	0.1	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.1
Other consumer loans	0.8	0.5	0.3	1.2	0.9		0.0	0.0	0.0	0.8
Commercial and industrial loans	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0
All other loans, leases, and other assets	0.3	0.2	0.1	0.4	0.2		0.0	0.0	0.0	0.3
Total loans, leases, and other assets	0.9	0.6	0.4	1.1	0.8		0.0	0.4	0.0	0.9
Seller's Interests in Institution's Own Securitizations - Carried as Loans										
Home equity loans	0	0	0	0	0	0.0	0	0	0	0
Credit card receivables	13,291	14,964	13,100	9,052	9,252	43.7	0	159	0	13,132
Commercial and industrial loans	0	3	3	2	2	-100.0	0	0	0	0
Seller's Interests in Institution's Own Securitizations - Carried as Securities										
Home equity loans	0	0	0	0	0	0.0	0	0	0	0
Credit card receivables	0	0	0	0	0	0.0	0	0	0	0
Commercial and industrial loans	0	0	0	0	0	0.0	0	0	0	0
Assets Sold with Recourse and Not Securitized										
Number of institutions reporting asset sales	1,000	999	981	878	861	16.1	161	638	155	46
Outstanding Principal Balance by Asset Type										
1-4 family residential loans	55,488	57,566	55,133	52,708	52,348	6.0	1,297	13,167	10,718	30,305
Home equity, credit card receivables, auto, and other consumer loans	863	883	895	913	1,296	-33.4	0	2	20	842
Commercial and industrial loans	46	70	58	56	70	-34.3	0	28	6	12
All other loans, leases, and other assets	63,170	62,899	63,221	53,528	55,111	14.6	1	45	416	62,708
Total sold and not securitized	119,568	121,418	119,307	107,205	108,825	9.9	1,298	13,242	11,160	93,867
Maximum Credit Exposure by Asset Type										
1-4 family residential loans	16,049	17,057	14,471	13,367	12,706	26.3	154	3,268	5,373	7,253
Home equity, credit card receivables, auto, and other consumer loans	164	168	170	176	188	-12.8	0	1	5	158
Commercial and industrial loans	38	40	41	39	53	-28.3	0	28	5	4
All other loans, leases, and other assets	14,438	14,277	14,320	13,962	13,789	4.7	1	25	39	14,373
Total credit exposure	30,689	31,542	29,002	27,544	26,735	14.8	156	3,323	5,422	21,788
Support for Securitization Facilities Sponsored by Other Institutions										
Number of institutions reporting securitization facilities sponsored by others	172	176	176	164	158	8.9	17	102	33	20
Total credit exposure	62,200	62,952	70,542	62,015	44,284	40.5	15	259	450	61,478
Total unused liquidity commitments	776	1,275	621	567	593	30.9	0	0	0	776
Other										
Assets serviced for others*	5,500,149	5,616,079	5,793,312	5,471,052	5,637,377	-2.4	4,783	118,801	264,528	5,112,037
Asset-backed commercial paper conduits										
Credit exposure to conduits sponsored by institutions and others	8,009	12,801	11,429	11,672	11,484	-30.3	5	1	2	8,001
Unused liquidity commitments to conduits sponsored by institutions and others	70,886	73,694	76,121	81,848	71,757	-1.2	0	0	946	69,940
Net servicing income (for the quarter)	2,634	2,405	4,462	3,311	-1,649	-259.7	6	178	95	2,355
Net securitization income (for the quarter)	509	246	277	237	179	184.4	0	22	6	481
Total credit exposure to Tier 1 capital (%)**	7.9	8.1	8.7	7.8	6.3		1.10	2.90	4.00	9.20

* The amount of financial assets serviced for others, other than closed-end 1-4 family residential mortgages, is reported when these assets are greater than $10 million.
** Total credit exposure includes the sum of the three line items titled "Total credit exposure" reported above.

INSURANCE FUND INDICATORS

- ***Insured Deposits Grow by 2.3 Percent***
- ***DIF Reserve Ratio Rises 3 Basis Points to 0.35 Percent***
- ***Twelve Institutions Fail During the Third Quarter***
- ***$1.5 Trillion Temporarily Insured in Noninterest-Bearing Transaction Accounts***

Total assets of the 7,181 FDIC-insured institutions increased by 1.4 percent ($192.1 billion) during the third quarter of 2012.[1] Total deposits increased by 1.8 percent ($181.7 billion), domestic office deposits increased by 1.6 percent ($146.5 billion), and foreign office deposits increased by 2.5 percent ($35.2 billion). Domestic noninterest-bearing deposits increased by 4.1 percent ($93.5 billion), and savings deposits and interest-bearing checking accounts increased by 2.0 percent ($97.8 billion), while domestic time deposits decreased by 2.5 percent ($44.8 billion). For the twelve months ending September 30, 2012, total domestic deposits grew by 6.5 percent ($554.9 billion), with interest-bearing deposits increasing by 4.0 percent ($256.8 billion) and noninterest-bearing deposits rising by 14.2 percent ($298.1 billion). Over the same 12-month period, foreign deposits fell by 3.4 percent, other borrowed money decreased by 10.6 percent, and securities sold under agreements to repurchase declined by 5.4 percent.[2]

Insured institutions held $1.7 trillion in noninterest-bearing transaction accounts larger than $250,000, of which $1.5 trillion exceeded the basic coverage limit of $250,000 per account but is temporarily fully insured through December 31, 2012.[3] These temporarily insured balances funded 4.7 percent of assets at banks with less than $10 billion in total assets and 11.9 percent of assets at banks with more than $10 billion in assets. Balances exceeding $250,000 in noninterest-bearing transaction accounts increased by 8.0 percent ($110.9 billion) during the third quarter, following growth of 5.0 percent ($65.5 billion) during the second quarter. Table 1 provides the distribution of noninterest-bearing transaction accounts by institution asset size.

Total estimated insured deposits increased by 2.3 percent in the quarter ending September 30, and rose by a total of 7.2 percent over the past four quarters.[4] Growth in temporarily insured balances greater than $250,000 in noninterest-bearing transaction accounts accounted for 57 percent of the four-quarter increase in estimated insured deposits. For institutions existing at the start and the end of the most recent quarter, insured deposits increased during the quarter at 3,491 institutions (49 percent), decreased at 3,659 institutions (51 percent), and remained unchanged at 30 institutions.

The condition of the Deposit Insurance Fund (DIF) continues to improve. The DIF increased by $2.5 billion during the third quarter to $25.2 billion (unaudited), the eleventh consecutive quarterly increase. Accrued assessment income increased the fund by $2.8 billion. A negative provision for insurance losses and unrealized gains on available-for-sale securities added $91 million to the fund balance. Operating and other expenses, net of other revenue, reduced the fund by $393 million. For the first nine months of 2012, 43 insured institutions failed, with combined assets of $9.5 billion, at a current estimated cost to the DIF of $2.3 billion. The DIF reserve ratio was 0.35 percent at September 30, up from 0.32 percent at June 30, 2012, and from 0.12 percent four quarters ago.

Effective April 1, 2011, the deposit insurance assessment base changed to average consolidated total assets minus average tangible equity.[5] Revisions to insurance

[1] In the insurance fund discussion, FDIC-insured institutions include insured commercial banks and savings associations and, except where noted, exclude insured branches of foreign banks.
[2] Other borrowed money includes Federal Home Loan Bank advances, term federal funds, mortgage indebtedness, and other borrowings.
[3] The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank), enacted on July 21, 2010, provides temporary unlimited deposit insurance coverage for noninterest-bearing transaction accounts from December 31, 2010 through December 31, 2012, regardless of the balance in the account and the ownership capacity of the funds. The unlimited coverage is available to all depositors, including consumers, businesses and government entities. The coverage is separate from, and in addition to, the insurance coverage provided for a depositor's other accounts held at an FDIC-insured bank.
[4] Figures for estimated insured deposits in this discussion include insured branches of foreign banks, in addition to insured commercial banks and savings institutions.
[5] There is an additional adjustment to the assessment base for banker's banks and custodial banks, as permitted under Dodd-Frank.

Table 1

Insured Commercial Banks and Savings Institutions as of September 30, 2012
Distribution of Noninterest-Bearing Domestic Deposits by Asset Size

Asset Size	Number of Institutions	Total Assets ($ Bil.)	Dodd-Frank Domestic Noninterest-Bearing Transaction Accounts Larger than $250,000				Other Noninterest-Bearing Deposits* ($ Bil.)
			Total ($ Bil.)	Amount Above the $250,000 Coverage Limit ($ Bil.)	Average Account Size ($000)	Average Number of Accounts per Institution	
Less than $1 Billion	6,522	$1,410.7	$77.3	$50.1	$713	17	$122.9
$1 - $10 Billion	551	1,424.4	111.0	81.8	952	212	91.8
$10 - $50 Billion	71	1,388.9	110.0	89.0	1,308	1,185	81.2
$50 - $100 Billion	18	1,371.2	153.1	135.4	2,155	3,948	47.7
Over $100 Billion	19	8,627.7	1,243.0	1,136.1	2,906	22,509	353.4
Total	7,181	14,222.9	1,694.4	1,492.4	2,097	112	697.1
June 30, 2012	7,245	14,030.9	1,575.9	1,381.5	2,027	107	722.1
March 31, 2012	7,308	13,925.6	1,504.2	1,316.0	1,998	103	728.4
December 31, 2011	7,357	13,892.1	1,585.4	1,402.1	2,163	100	679.9
September 30, 2011	7,437	13,811.9	1,392.6	1,215.6	1,967	95	700.8
June 30, 2011	7,513	13,602.6	1,213.4	1,045.9	1,811	89	699.0
March 31, 2011	7,574	13,414.3	1,052.7	893.1	1,649	84	694.4
December 31, 2010	7,658	13,318.9	1,015.5	858.6	1,618	82	674.0

* Includes noninterest-bearing transaction accounts smaller than $250,000 and noninterest-bearing deposits not classified as transaction accounts.

Table 2

Distribution of the Assessment Base for FDIC-Insured Institutions* by Asset Size
Data as of September 30, 2012

Asset Size	Number of Institutions	Percent of Total Institutions	Assessment Base** ($ Bil.)	Percent of Base
Less than $1 Billion	6,522	90.8%	$1,253.7	10.2%
$1 - $10 Billion	551	7.7%	1,261.5	10.3%
$10 - $50 Billion	71	1.0%	1,232.7	10.1%
$50 - $100 Billion	18	0.3%	1,154.0	9.4%
Over $100 Billion	19	0.3%	7,341.8	60.0%
Total	7,181	100.0%	12,243.6	100.0%

* Excludes insured U.S. branches of foreign banks.

** Average consolidated total assets minus average tangible equity, with adjustments for banker's banks and custodial banks.

assessment rates and risk-based pricing rules for large banks (banks with assets greater than $10 billion) also became effective on that date. The Fourth Quarter 2010 Quarterly Banking Profile includes a more detailed explanation of these changes. Table 2 shows the distribution of the assessment base as of September 30, 2012, by institution asset size.

Dodd-Frank requires that, for at least five years, the FDIC must make available to the public the reserve ratio and the Designated Reserve Ratio (DRR) using both estimated insured deposits and the new assessment base. As of September 30, 2012, the DIF reserve ratio would have been 0.21 percent using the new assessment base (compared to 0.35 percent using estimated insured deposits), and the 2 percent DRR using estimated insured deposits would have been 1.2 percent using the new assessment base.

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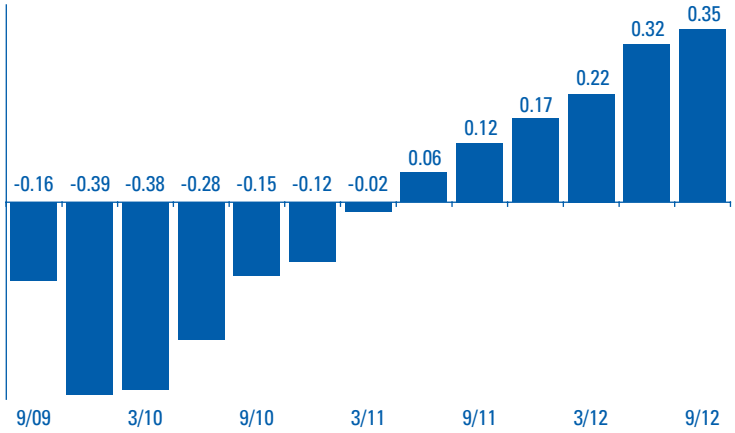
Table I-B. Insurance Fund Balances and Selected Indicators

(dollar figures in millions)	Deposit Insurance Fund*												
	3rd Quarter 2012	2nd Quarter 2012	1st Quarter 2012	4th Quarter 2011	3rd Quarter 2011	2nd Quarter 2011	1st Quarter 2011	4th Quarter 2010	3rd Quarter 2010	2nd Quarter 2010	1st Quarter 2010	4th Quarter 2009	3rd Quarter 2009
Beginning Fund Balance	$22,693	$15,292	$11,827	$7,813	$3,916	-$1,023	-$7,352	-$8,009	-$15,247	-$20,717	-$20,862	-$8,243	$10,368
Changes in Fund Balance:													
Assessments earned	2,833	2,933	3,694	3,209	3,642	3,163	3,484	3,498	3,592	3,242	3,278	3,042	2,965
Interest earned on investment securities	-8	81	20	33	30	37	28	39	40	64	62	76	176
Realized gain on sale of investments	0	0	0	0	0	0	0	0	0	0	0	0	732
Operating expenses	442	407	460	334	433	463	395	452	414	382	345	379	328
Provision for insurance losses	-84	-807	12	1,533	-763	-2,095	-3,089	2,446	-3,763	-2,552	3,021	17,766	21,694
All other income, net of expenses	57	4,095	63	2,599	83	80	66	48	94	55	22	2,721	308
Unrealized gain/(loss) on available-for-sale securities	7	-108	160	40	-188	27	57	-30	163	-61	149	-313	-770
Total fund balance change	2,531	7,401	3,465	4,014	3,897	4,939	6,329	657	7,238	5,470	145	-12,619	-18,611
Ending Fund Balance	25,224	22,693	15,292	11,827	7,813	3,916	-1,023	-7,352	-8,009	-15,247	-20,717	-20,862	-8,243
Percent change from four quarters earlier	222.85	479.49	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Reserve Ratio (%)	0.35	0.32	0.22	0.17	0.12	0.06	-0.02	-0.12	-0.15	-0.28	-0.38	-0.39	-0.16
Estimated Insured Deposits**	7,250,693	7,085,559	7,033,765	6,981,569	6,766,262	6,533,767	6,385,923	6,307,607	5,421,425	5,437,417	5,472,402	5,407,773	5,315,927
Percent change from four quarters earlier	7.16	8.45	10.14	10.68	24.81	20.16	16.69	16.64	1.98	12.86	13.26	13.83	16.96
Domestic Deposits	9,084,802	8,937,723	8,848,723	8,782,165	8,526,712	8,244,900	8,006,898	7,887,733	7,753,409	7,681,284	7,702,451	7,705,353	7,561,334
Percent change from four quarters earlier	6.55	8.40	10.51	11.34	9.97	7.34	3.95	2.37	2.54	1.58	2.06	2.66	4.58
Number of institutions reporting	7,190	7,254	7,317	7,366	7,446	7,522	7,583	7,667	7,770	7,839	7,943	8,021	8,108

DIF Reserve Ratios

Percent of Insured Deposits



Deposit Insurance Fund Balance and Insured Deposits

($ Millions)

	DIF Balance	DIF-Insured Deposits
9/09	-$8,243	$5,315,927
12/09	-20,862	5,407,773
3/10	-20,717	5,472,402
6/10	-15,247	5,437,417
9/10	-8,009	5,421,425
12/10	-7,352	6,307,607
3/11	-1,023	6,385,923
6/11	3,916	6,533,767
9/11	7,813	6,766,262
12/11	11,827	6,981,569
3/12	15,292	7,033,765
6/12	22,693	7,085,559
9/12	25,224	7,250,693

Table II-B. Problem Institutions and Failed/Assisted Institutions

(dollar figures in millions)	2012***	2011***	2011	2010	2009	2008	2007
Problem Institutions							
Number of institutions	694	844	813	884	702	252	76
Total assets	$262,154	$338,992	$319,432	$390,017	$402,782	$159,405	$22,189
Failed Institutions							
Number of institutions	43	74	92	157	140	25	3
Total assets	$9,465	$30,400	$34,923	$92,085	$169,709	$371,945	$2,615
Assisted Institutions****							
Number of institutions	0	0	0	0	8	5	0
Total assets	$0	$0	$0	$0	$1,917,482	$1,306,042	$0

* Quarterly financial statement results are unaudited. NM - Not meaningful

** Beginning in the third quarter of 2009, estimates of insured deposits are based on a $250,000 general coverage limit. The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) temporarily provides unlimited coverage for noninterest bearing transaction accounts for two years beginning December 31, 2010. Beginning in the fourth quarter of 2010, estimates of insured deposits include the entire balance of noninterest bearing transaction accounts.

*** Through September 30.

**** Assisted institutions represent five institutions under a single holding company that received assistance in 2008, and eight institutions under a different single holding company that received assistance in 2009.

Table III-B. Estimated FDIC-Insured Deposits by Type of Institution

(dollar figures in millions)

September 30, 2012	Number of Institutions	Total Assets	Domestic Deposits*	Est. Insured Deposits
Commercial Banks and Savings Institutions				
FDIC-Insured Commercial Banks	6,168	$13,069,860	$8,178,467	$6,446,809
FDIC-Supervised	4,062	2,081,302	1,600,335	1,292,966
OCC-Supervised	1,273	9,054,217	5,352,783	4,205,442
Federal Reserve-Supervised	833	1,934,341	1,225,349	948,402
FDIC-Insured Savings Institutions	1,013	1,153,081	881,743	781,230
OCC-Supervised Savings Institutions	565	812,501	625,175	556,685
FDIC-Supervised Savings Institutions	448	340,580	256,568	224,545
Total Commercial Banks and Savings Institutions	7,181	14,222,941	9,060,210	7,228,040
Other FDIC-Insured Institutions				
U.S. Branches of Foreign Banks	9	67,601	24,592	22,654
Total FDIC-Insured Institutions	7,190	14,290,541	9,084,802	7,250,693

* Excludes $1.4 trillion in foreign office deposits, which are uninsured.

Table IV-B. Distribution of Institutions and Assessment Base by Assessment Rate Range

Quarter Ending June 30, 2012 *(dollar figures in billions)*

Annual Rate in Basis Points	Number of Institutions	Percent of Total Institutions	Amount of Assessment Base*	Percent of Total Assessment Base
2.50-5.00	1,285	17.71	$1,007	8.28
5.01-7.50	2,317	31.95	2,392	19.67
7.51-10.00	1,771	24.41	4,583	37.70
10.01-15.00	1,087	14.98	3,572	29.38
15.01-20.00	59	0.81	215	1.77
20.01-25.00	575	7.93	181	1.49
25.01-30.00	15	0.21	68	0.56
30.01-35.00	132	1.82	111	0.91
greater than 35.00	13	0.18	28	0.23

* Beginning in the second quarter of 2011, the assessment base was changed to average consolidated total assets minus tangible equity, as required by the Dodd-Frank Act.

Notes to Users

This publication contains financial data and other information for depository institutions insured by the Federal Deposit Insurance Corporation (FDIC). These notes are an integral part of this publication and provide information regarding the comparability of source data and reporting differences over time.

Tables I-A through VIII-A.

The information presented in Tables I-A through V-A of the *FDIC Quarterly Banking Profile* is aggregated for all FDIC-insured institutions, both commercial banks and savings institutions. Tables VI-A (Derivatives) and VII-A (Servicing, Securitization, and Asset Sales Activities) aggregate information only for insured commercial banks and state-chartered savings banks that file quarterly *Call Reports*. Table VIII-A (Trust Services) aggregates Trust asset and income information collected annually from all FDIC-insured institutions. Some tables are arrayed by groups of FDIC-insured institutions based on predominant types of asset concentration, while other tables aggregate institutions by asset size and geographic region. Quarterly and full-year data are provided for selected indicators, including aggregate condition and income data, performance ratios, condition ratios, and structural changes, as well as past due, noncurrent, and charge-off information for loans outstanding and other assets.

Tables I-B through IV-B.

A separate set of tables (Tables I-B through IV-B) provides comparative quarterly data related to the Deposit Insurance Fund (DIF), problem institutions, failed/assisted institutions, estimated FDIC-insured deposits, as well as assessment rate information. Depository institutions that are not insured by the FDIC through the DIF are not included in the *FDIC Quarterly Banking Profile*. U.S. branches of institutions headquartered in foreign countries and non-deposit trust companies are not included unless otherwise indicated. Efforts are made to obtain financial reports for all active institutions. However, in some cases, final financial reports are not available for institutions that have closed or converted their charters.

DATA SOURCES

The financial information appearing in this publication is obtained primarily from the Federal Financial Institutions Examination Council (FFIEC) *Consolidated Reports of Condition and Income (Call Reports)* and the OTS *Thrift Financial Reports* submitted by all FDIC-insured depository institutions. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.) This information is stored on and retrieved from the FDIC's Research Information System (RIS) database.

COMPUTATION METHODOLOGY

Parent institutions are required to file consolidated reports, while their subsidiary financial institutions are still required to file separate reports. Data from subsidiary institution reports are included in the *Quarterly Banking Profile* tables, which can lead to double-counting. No adjustments are made for any double-counting of subsidiary data. Additionally, certain adjustments are made to the OTS *Thrift Financial Reports* to provide closer conformance with the reporting and accounting requirements of the FFIEC *Call Reports*. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)

All asset and liability figures used in calculating performance ratios represent average amounts for the period (beginning-of-period amount plus end-of-period amount plus any interim periods, divided by the total number of periods). For "pooling-of-interest" mergers, the assets of the acquired institution(s) are included in average assets since the year-to-date income includes the results of all merged institutions. No adjustments are made for "purchase accounting" mergers. Growth rates represent the percentage change over a 12-month period in totals for institutions in the base period to totals for institutions in the current period.

All data are collected and presented based on the location of each reporting institution's main office. Reported data may include assets and liabilities located outside of the reporting institution's home state. In addition, institutions may relocate across state lines or change their charters, resulting in an inter-regional or inter-industry migration, e.g., institutions can move their home offices between regions, and savings institutions can convert to commercial banks or commercial banks may convert to savings institutions.

ACCOUNTING CHANGES

Goodwill Impairment Testing – In September 2011, the FASB issued Accounting Standards Update (ASU) No. 2011-08, "Testing Goodwill for Impairment," to address concerns about the cost and complexity of the existing goodwill impairment test in ASC Topic 350, Intangibles-Goodwill and Other (formerly FASB Statement No. 142, "Goodwill and Other Intangible Assets"). The ASU's amendments to ASC Topic 350 are effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011 (i.e., for annual or interim tests performed on or after January 1, 2012, for institutions with a calendar year fiscal year). Early adoption of the ASU was permitted. Under ASU 2011-08, an institution has the option of first assessing qualitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test described in ASC Topic 350. If, after considering all relevant events and circumstances, an institution determines it is unlikely (that is, a likelihood of 50 percent or less) that the fair value of a reporting unit is less than its carrying amount (including goodwill), then the institution does not need to perform the two-step goodwill impairment test. If the institution instead concludes that the opposite is true (that is, it is likely that the fair value of a reporting unit is less than its carrying amount), then it is required to perform the first step and, if necessary, the second step of the two-step goodwill impairment test. Under ASU 2011-08, an institution may choose to bypass the qualitative assessment for any reporting unit in any period and proceed directly to performing the first step of the two-step goodwill impairment test.

Extended Net Operating Loss Carryback Period – The Worker, Homeownership, and Business Assistance Act of 2009, which was enacted on November 6, 2009, permits banks and other businesses, excluding those banking organizations that received capital from the U.S. Treasury under the Troubled Asset Relief Program, to elect a net operating loss carryback period of three, four, or five years instead of the usual carryback period of two years for any one tax year ending after

December 31, 2007, and beginning before January 1, 2010. For calendar-year banks, this extended carryback period applies to either the 2008 or 2009 tax year. The amount of the net operating loss that can be carried back to the fifth carryback year is limited to 50 percent of the available taxable income for that fifth year, but this limit does not apply to other carryback years.

Under generally accepted accounting principles, banks may not record the effects of this tax change in their balance sheets and income statements for financial and regulatory reporting purposes until the period in which the law was enacted, i.e., the fourth quarter of 2009. Therefore, banks should recognize the effects of this fourth quarter 2009 tax law change on their current and deferred tax assets and liabilities, including valuation allowances for deferred tax assets, in their *Call Reports* for December 31, 2009. Banks should not amend their *Call Reports* for prior quarters for the effects of the extended net operating loss carryback period.

The American Recovery and Reinvestment Act of 2009, which was enacted on February 17, 2009, permits qualifying small businesses, including FDIC-insured institutions, to elect a net operating loss carryback period of three, four, or five years instead of the usual carryback period of two years for any tax year ending in 2008 or, at the small business's election, any tax year beginning in 2008. Under generally accepted accounting principles, institutions may not record the effect of this tax change in their balance sheets and income statements for financial and regulatory reporting purposes until the period in which the law was enacted, i.e., the first quarter of 2009.

Troubled Debt Restructurings and Current Market Interest Rates – Many institutions are restructuring or modifying the terms of loans to provide payment relief for those borrowers who have suffered deterioration in their financial condition. Such loan restructurings may include, but are not limited to, reductions in principal or accrued interest, reductions in interest rates, and extensions of the maturity date. Modifications may be executed at the original contractual interest rate on the loan, a current market interest rate, or a below-market interest rate. Many of these loan modifications meet the definition of a troubled debt restructuring (TDR).

The TDR accounting and reporting standards are set forth in ASC Subtopic 310-40, Receivables – Troubled Debt Restructurings by Creditors (formerly FASB Statement No. 15, "Accounting by Debtors and Creditors for Troubled Debt Restructurings," as amended). This guidance specifies that a restructuring of a debt constitutes a TDR if, at the date of restructuring, the creditor for economic or legal reasons related to a debtor's financial difficulties grants a concession to the debtor that it would not otherwise consider.

In the Call Report, until a loan that is a TDR is paid in full or otherwise settled, sold, or charged off, it must be reported in the appropriate loan category, as well as identified as a performing TDR loan, if it is in compliance with its modified terms. If a TDR is not in compliance with its modified terms, it is reported as a past-due and nonaccrual loan in the appropriate loan category, as well as distinguished from other past due and nonaccrual loans. To be considered in compliance with its modified terms, a loan that is a TDR must not be in nonaccrual status and must be current or less than 30 days past due on its contractual principal and interest payments under the modified repayment terms. A loan restructured in a TDR is an impaired loan. Thus, all TDRs must be measured for impairment in accordance with ASC Subtopic 310-10, Receivables – Overall (formerly FASB Statement No. 114, "Accounting by Creditors for Impairment of a Loan," as amended), and the Call Report Glossary entry for "Loan Impairment." Consistent with ASC Subtopic 310-10, TDRs may be aggregated and measured for impairment with other impaired loans that share common risk characteristics by using historical statistics, such as average recovery period and average amount recovered, along with a composite effective interest rate. The outcome of such an aggregation approach must be consistent with the impairment measurement methods prescribed in ASC Subtopic 310-10 and Call Report instructions for loans that are "individually" considered impaired instead of the measurement method prescribed in ASC Subtopic 450-20, Contingencies – Loss Contingencies (formerly FASB Statement No. 5, "Accounting for Contingencies") for loans not individually considered impaired that are collectively evaluated for impairment. When a loan not previously considered individually impaired is restructured and determined to be a TDR, absent a partial charge-off, it generally is not appropriate for the impairment estimate on the loan to decline as a result of the change from the impairment measurement method prescribed in ASC Subtopic 450-20 to the methods prescribed in ASC Subtopic 310-10.

Troubled Debt Restructurings and Accounting Standards Update No. 2011-02 – In April 2011, the FASB issued Accounting Standards Update (ASU) No. 2011-02, "A Creditor's Determination of Whether a Restructuring Is a Troubled Debt Restructuring," to provide additional guidance to help creditors determine whether a concession has been granted to a borrower and whether a borrower is experiencing financial difficulties. The guidance is also intended to reduce diversity in practice in identifying and reporting TDRs. This ASU was effective for public companies for interim and annual periods beginning on or after June 15, 2011, and should have been applied retrospectively to the beginning of the annual period of adoption for purposes of identifying TDRs. The measurement of impairment for any newly identified TDRs resulting from retrospective application should have been applied prospectively in the first interim or annual period beginning on or after June 15, 2011. (For most public institutions, the ASU takes effect July 1, 2011, but retrospective application begins as of January 1, 2011.) Nonpublic companies should apply the new guidance for annual periods ending after December 15, 2012, including interim periods within those annual periods. (For most nonpublic institutions, the ASU took effect January 1, 2012.) Early adoption of the ASU was permitted for both public and nonpublic entities. Nonpublic entities that adopt early are subject to a retrospective identification requirement. For additional information, institutions should refer to ASU 2011-02, which is available at http://www.fasb.org/jsp/FASB/Page/SectionPage&cid=1176156316498.

Accounting for Loan Participations – Amended ASC Topic 860 (formerly FAS 166) modified the criteria that must be met in order for a transfer of a portion of a financial asset, such as a loan participation, to qualify for sale accounting. These changes apply to transfers of loan participations on or after the effective date of amended ASC Topic 860 (January 1, 2010, for banks with calendar year fiscal year), including advances under lines of credit that are transferred on or after

the effective date of amended ASC Topic 860 even if the line of credit agreements were entered into before this effective date. Therefore, banks with a calendar-year fiscal year must account for transfers of loan participations on or after January 1, 2010, in accordance with amended ASC Topic 860. In general, loan participations transferred before the effective date of amended ASC Topic 860 are not affected by this new accounting standard.

Under amended ASC Topic 860, if a transfer of a portion of an entire financial asset meets the definition of a "participating interest," then the transferor (normally the lead lender) must evaluate whether the transfer meets all of the conditions in this accounting standard to qualify for sale accounting.

Other-Than-Temporary Impairment – When the fair value of an investment in an individual available-for-sale or held-to-maturity security is less than its cost basis, the impairment is either temporary or other-than-temporary. The amount of the total other-than-temporary impairment related to credit loss must be recognized in earnings, but the amount of total impairment related to other factors must be recognized in other comprehensive income, net of applicable taxes. To determine whether the impairment is other-than-temporary, an institution must apply the applicable accounting guidance – refer to previously published *Quarterly Banking Profile* notes: http://www2.fdic.gov/qbp/2011mar/qbpnot.html.

ASC Topic 805 (formerly Business Combinations and Noncontrolling (Minority) Interests) – In December 2007, the FASB issued Statement No. 141 (Revised), *Business Combinations* FAS 141(R)), and Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements* (FAS 160). Under FAS 141(R), all business combinations, including combinations of mutual entities, are to be accounted for by applying the acquisition method. FAS 160 defines a noncontrolling interest, also called a minority interest, as the portion of equity in an institution's subsidiary not attributable, directly or indirectly, to the parent institution. FAS 160 requires an institution to clearly present in its consolidated financial statements the equity ownership in and results of its subsidiaries that are attributable to the noncontrolling ownership interests in these subsidiaries. FAS 141(R) applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. Similarly, FAS 160 is effective for fiscal years beginning on or after December 15, 2008. Thus, for institutions with calendar-year fiscal years, these two accounting standards take effect in 2009. Beginning in March 2009, Institution equity capital and Noncontrolling interests are separately reported in arriving at Total equity capital and Net income.

ASC Topic 820 (formerly FASB Statement No. 157 *Fair Value Measurements* issued in September 2006) and ASC Topic 825 (formerly FASB Statement No. 159 *The Fair Value Option for Financial Assets and Financial Liabilities)* issued in February 2007 – both are effective in 2008 with early adoption permitted in 2007. FAS 157 defines fair value and establishes a framework for developing fair value estimates for the fair value measurements that are already required or permitted under other standards. FASB FSP 157-4, issued in April 2009, provides additional guidance for estimating fair value in accordance with FAS 157 when the volume and level of activity for the asset or liability have significantly decreased. The FSP also includes guidance on identifying circumstances that indicate a transaction is not orderly. The FSP is effective for interim and annual reporting periods ending after June 15, 2009, with early adoption permitted for periods ending after March 15, 2009.

Fair value continues to be used for derivatives, trading securities, and available-for-sale securities. Changes in fair value go through earnings for trading securities and most derivatives. Changes in the fair value of available-for-sale securities are reported in other comprehensive income. Available-for-sale securities and held-to-maturity debt securities are written down to fair value if impairment is other than temporary and loans held for sale are reported at the lower of cost or fair value.

FAS 159 allows institutions to report certain financial assets and liabilities at fair value with subsequent changes in fair value included in earnings. In general, an institution may elect the fair value option for an eligible financial asset or liability when it first recognizes the instrument on its balance sheet or enters into an eligible firm commitment.

ASC Topic 715 (formerly FASB Statement No. 158 *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans)* – refer to previously published *Quarterly Banking Profile* notes: http://www2.fdic.gov/qbp/2011mar/qbpnot.html.

ASC Topic 860 (formerly FASB Statement No. 156 *Accounting for Servicing of Financial Assets)* – refer to previously published *Quarterly Banking Profile* notes: http://www2.fdic.gov/qbp/2011mar/qbpnot.html.

ASC Topic 815 (formerly FASB Statement No. 155 *Accounting for Certain Hybrid Financial Instruments)* – refer to previously published *Quarterly Banking Profile* notes: http://www2.fdic.gov/qbp/2011mar/qbpnot.html.

GNMA Buy-back Option – If an issuer of GNMA securities has the option to buy back the loans that collateralize the GNMA securities, when certain delinquency criteria are met, ASC Topic 860 (formerly FASB Statement No. 140) requires that loans with this buy-back option must be brought back on the issuer's books as assets. The rebooking of GNMA loans is required regardless of whether the issuer intends to exercise the buy-back option. The banking agencies clarified in May 2005 that all GNMA loans that are rebooked because of delinquency should be reported as past due according to their contractual terms.

ASC Topics 860 & 810 (formerly FASB Statements 166 & 167) – In June 2009, the FASB issued Statement No. 166, Accounting for Transfers of Financial Assets (FAS 166), and Statement No. 167, Amendments to FASB Interpretation No. 46(R) (FAS 167), which change the way entities account for securitizations and special purpose entities. FAS 166 revised FASB Statement No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities, by eliminating the concept of a "qualifying special-purpose entity," creating the concept of a "participating interest," changing the requirements for derecognizing financial assets, and requiring additional disclosures. FAS 167 revised FASB Interpretation No. 46(R), Consolidation of Variable Interest Entities, by changing how a bank or other company determines when an entity that is insufficiently capitalized or is not controlled through voting or similar rights, i.e., a "variable interest entity" (VIE), should be consolidated. Under FAS 167, a bank must perform a qualitative assessment to determine whether its variable interest or interests give it a

controlling financial interest in a VIE. If a bank's variable interest or interests provide it with the power to direct the most significant activities of the VIE, and the right to receive benefits or the obligation to absorb losses that could potentially be significant to the VIE, the bank is the primary beneficiary of, and therefore must consolidate, the VIE.

Both FAS 166 and FAS 167 take effect as of the beginning of each bank's first annual reporting period that begins after November 15, 2009, for interim periods therein, and for interim and annual reporting periods thereafter (i.e., as of January 1, 2010, for banks with a calendar year fiscal year). Earlier application is prohibited. Banks are expected to adopt FAS 166 and FAS 167 for *Call Report* purposes in accordance with the effective date of these two standards. Also, FAS 166 has modified the criteria that must be met in order for a transfer of a portion of a financial asset, such as a loan participation, to qualify for sale accounting. These changes apply to transfers of loan participations on or after the effective date of FAS 166. Therefore, banks with a calendar year fiscal year must account for transfers of loan participations on or after January 1, 2010, in accordance with FAS 166. In general, loan participations transferred before the effective date of FAS 166 (January 1, 2010, for calendar year banks) are not affected by this new accounting standard and pre-FAS 166 participations that were properly accounted for as sales under FASB Statement No. 140 will continue to be reported as having been sold.

ASC Topic 740 (formerly FASB Interpretation No. 48 on Uncertain Tax Positions) – refer to previously published *Quarterly Banking Profile* notes: http://www2.fdic.gov/qbp/2011mar/qbpnot.html.

ASC Topic 718 (formerly FASB Statement No. 123 (Revised 2004) and Share-Based Payments – refer to previously published *Quarterly Banking Profile* notes: http://www2.fdic.gov/qbp/2008dec/qbpnot.html.

ASC Topic 815 (formerly FASB Statement No. 133 *Accounting for Derivative Instruments and Hedging Activities*) – refer to previously published *Quarterly Banking Profile* notes: http://www2.fdic.gov/qbp/2008dec/qbpnot.html.

Accounting Standards Codification – refer to previously published *Quarterly Banking Profile* notes: http://www2.fdic.gov/qbp/2011sep/qbpnot.html.

DEFINITIONS (in alphabetical order)

All other assets – total cash, balances due from depository institutions, premises, fixed assets, direct investments in real estate, investment in unconsolidated subsidiaries, customers' liability on acceptances outstanding, assets held in trading accounts, federal funds sold, securities purchased with agreements to resell, fair market value of derivatives, prepaid deposit insurance assessments, and other assets.

All other liabilities – bank's liability on acceptances, limited-life preferred stock, allowance for estimated off-balance-sheet credit losses, fair market value of derivatives, and other liabilities.

Assessment base – effective April 1, 2011, the deposit insurance assessment base has changed to "average consolidated total assets minus average tangible equity" with an additional adjustment to the assessment base for banker's banks and custodial banks, as permitted under Dodd-Frank. Previously the assessment base was "assessable deposits" and consisted of DIF deposits (deposits insured by the FDIC Deposit Insurance Fund) in banks' domestic offices with certain adjustments.

Assets securitized and sold – total outstanding principal balance of assets securitized and sold with servicing retained or other seller- provided credit enhancements.

Capital Purchase Program (CPP) – as announced in October 2008 under the TARP, the Treasury Department purchase of noncumulative perpetual preferred stock and related warrants that is treated as Tier 1 capital for regulatory capital purposes is included in "Total equity capital." Such warrants to purchase common stock or noncumulative preferred stock issued by publicly-traded banks are reflected as well in "Surplus." Warrants to purchase common stock or noncumulative preferred stock of not-publicly-traded bank stock classified in a bank's balance sheet as "Other liabilities."

Construction and development loans – includes loans for all property types under construction, as well as loans for land acquisition and development.

Core capital – common equity capital plus noncumulative perpetual preferred stock plus minority interest in consolidated subsidiaries, less goodwill and other ineligible intangible assets. The amount of eligible intangibles (including servicing rights) included in core capital is limited in accordance with supervisory capital regulations.

Cost of funding earning assets – total interest expense paid on deposits and other borrowed money as a percentage of average earning assets.

Credit enhancements – techniques whereby a company attempts to reduce the credit risk of its obligations. Credit enhancement may be provided by a third party (external credit enhancement) or by the originator (internal credit enhancement), and more than one type of enhancement may be associated with a given issuance.

Deposit Insurance Fund (DIF) – the Bank (BIF) and Savings Association (SAIF) Insurance Funds were merged in 2006 by the Federal Deposit Insurance Reform Act to form the DIF.

Derivatives notional amount – the notional, or contractual, amounts of derivatives represent the level of involvement in the types of derivatives transactions and are not a quantification of market risk or credit risk. Notional amounts represent the amounts used to calculate contractual cash flows to be exchanged.

Derivatives credit equivalent amount – the fair value of the derivative plus an additional amount for potential future credit exposure based on the notional amount, the remaining maturity and type of the contract.

Derivatives transaction types:

Futures and forward contracts – contracts in which the buyer agrees to purchase and the seller agrees to sell, at a specified future date, a specific quantity of an underlying variable or index at a specified price or yield. These contracts exist for a variety of variables or indices, (traditional agricultural or physical commodities, as well as currencies and interest rates). Futures contracts are standardized and are traded on organized exchanges which set limits on counterparty credit exposure. Forward contracts do not have standardized terms and are traded over the counter.

Option contracts – contracts in which the buyer acquires the right to buy from or sell to another party some specified amount of an underlying variable or index at a stated price (strike price) during a period or on a specified future date,

in return for compensation (such as a fee or premium). The seller is obligated to purchase or sell the variable or index at the discretion of the buyer of the contract.

Swaps – obligations between two parties to exchange a series of cash flows at periodic intervals (settlement dates), for a specified period. The cash flows of a swap are either fixed, or determined for each settlement date by multiplying the quantity (notional principal) of the underlying variable or index by specified reference rates or prices. Except for currency swaps, the notional principal is used to calculate each payment but is not exchanged.

Derivatives underlying risk exposure – the potential exposure characterized by the level of banks' concentration in particular underlying instruments, in general. Exposure can result from market risk, credit risk, and operational risk, as well as, interest rate risk.

Domestic deposits to total assets – total domestic office deposits as a percent of total assets on a consolidated basis.

Earning assets – all loans and other investments that earn interest or dividend income.

Efficiency ratio – Noninterest expense less amortization of intangible assets as a percent of net interest income plus noninterest income. This ratio measures the proportion of net operating revenues that are absorbed by overhead expenses, so that a lower value indicates greater efficiency.

Estimated insured deposits – in general, insured deposits are total domestic deposits minus estimated uninsured deposits. Beginning March 31, 2008, for institutions that file Call Reports, insured deposits are total assessable deposits minus estimated uninsured deposits. Beginning September 30, 2009, insured deposits include deposits in accounts of $100,000 to $250,000 that are covered by a temporary increase in the FDIC's standard maximum deposit insurance amount (SMDIA). The Dodd-Frank Wall Street Reform and Consumer Protection Act enacted on July 21, 2010, made permanent the standard maximum deposit insurance amount (SMDIA) of $250,000. Also, the Dodd-Frank Act amends the Federal Deposit Insurance Act to include noninterest-bearing transaction accounts as a new temporary deposit insurance account category. All funds held in noninterest-bearing transaction accounts are fully insured, without limit, from December 31, 2010, through December 31, 2012.

Failed/assisted institutions – an institution fails when regulators take control of the institution, placing the assets and liabilities into a bridge bank, conservatorship, receivership, or another healthy institution. This action may require the FDIC to provide funds to cover losses. An institution is defined as "assisted" when the institution remains open and receives assistance in order to continue operating.

Fair Value – the valuation of various assets and liabilities on the balance sheet—including trading assets and liabilities, available-for-sale securities, loans held for sale, assets and liabilities accounted for under the fair value option, and foreclosed assets—involves the use of fair values. During periods of market stress, the fair values of some financial instruments and nonfinancial assets may decline.

FHLB advances – all borrowings by FDIC insured institutions from the Federal Home Loan Bank System (FHLB), as reported by Call Report filers and by TFR filers.

Goodwill and other intangibles – intangible assets include servicing rights, purchased credit card relationships, and other identifiable intangible assets. Goodwill is the excess of the purchase price over the fair market value of the net assets acquired, less subsequent impairment adjustments. Other intangible assets are recorded at fair value, less subsequent quarterly amortization and impairment adjustments.

Loans secured by real estate – includes home equity loans, junior liens secured by 1-4 family residential properties, and all other loans secured by real estate.

Loans to individuals – includes outstanding credit card balances and other secured and unsecured consumer loans.

Long-term assets (5+ years) – loans and debt securities with remaining maturities or repricing intervals of over five years.

Maximum credit exposure – the maximum contractual credit exposure remaining under recourse arrangements and other seller-provided credit enhancements provided by the reporting bank to securitizations.

Mortgage-backed securities – certificates of participation in pools of residential mortgages and collateralized mortgage obligations issued or guaranteed by government-sponsored or private enterprises. Also, see "Securities," below.

Net charge-offs – total loans and leases charged off (removed from balance sheet because of uncollectibility), less amounts recovered on loans and leases previously charged off.

Net interest margin – the difference between interest and dividends earned on interest-bearing assets and interest paid to depositors and other creditors, expressed as a percentage of average earning assets. No adjustments are made for interest income that is tax exempt.

Net loans to total assets – loans and lease financing receivables, net of unearned income, allowance and reserves, as a percent of total assets on a consolidated basis.

Net operating income – income excluding discretionary transactions such as gains (or losses) on the sale of investment securities and extraordinary items. Income taxes subtracted from operating income have been adjusted to exclude the portion applicable to securities gains (or losses).

Noncurrent assets – the sum of loans, leases, debt securities, and other assets that are 90 days or more past due, or in nonaccrual status.

Noncurrent loans & leases – the sum of loans and leases 90 days or more past due, and loans and leases in nonaccrual status.

Number of institutions reporting – the number of institutions that actually filed a financial report.

New reporters – insured institutions filing quarterly financial reports for the first time.

Other borrowed funds – federal funds purchased, securities sold with agreements to repurchase, demand notes issued to the U.S. Treasury, FHLB advances, other borrowed money, mortgage indebtedness, obligations under capitalized leases and trading liabilities, less revaluation losses on assets held in trading accounts.

Other real estate owned – primarily foreclosed property. Direct and indirect investments in real estate ventures are excluded. The amount is reflected net of valuation allowances. For institutions that file a *Thrift Financial Report* (TFR), the valuation allowance subtracted also includes allowances for

other repossessed assets. Also, for TFR filers the components of other real estate owned are reported gross of valuation allowances. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)

Percent of institutions with earnings gains – the percent of institutions that increased their net income (or decreased their losses) compared to the same period a year earlier.

"Problem" institutions – federal regulators assign a composite rating to each financial institution, based upon an evaluation of financial and operational criteria. The rating is based on a scale of 1 to 5 in ascending order of supervisory concern. "Problem" institutions are those institutions with financial, operational, or managerial weaknesses that threaten their continued financial viability. Depending upon the degree of risk and supervisory concern, they are rated either a "4" or "5." The number and assets of "problem" institutions are based on FDIC composite ratings. Prior to March 31, 2008, for institutions whose primary federal regulator was the OTS, the OTS composite rating was used.

Recourse – an arrangement in which a bank retains, in form or in substance, any credit risk directly or indirectly associated with an asset it has sold (in accordance with generally accepted accounting principles) that exceeds a pro rata share of the bank's claim on the asset. If a bank has no claim on an asset it has sold, then the retention of any credit risk is recourse.

Reserves for losses – the allowance for loan and lease losses on a consolidated basis.

Restructured loans and leases – loan and lease financing receivables with terms restructured from the original contract. Excludes restructured loans and leases that are not in compliance with the modified terms.

Retained earnings – net income less cash dividends on common and preferred stock for the reporting period.

Return on assets – bank net income (including gains or losses on securities and extraordinary items) as a percentage of average total (consolidated) assets. The basic yardstick of bank profitability.

Return on equity – bank net income (including gains or losses on securities and extraordinary items) as a percentage of average total equity capital.

Risk-based capital groups – definition:

(Percent)	Total Risk-Based Capital*		Tier 1 Risk-Based Capital*		Tier 1 Leverage		Tangible Equity
Well-capitalized	≥10	***and***	≥6	***and***	≥5		–
Adequately capitalized	≥8	***and***	≥4	***and***	≥4		–
Undercapitalized	≥6	***and***	≥3	***and***	≥3		–
Significantly undercapitalized	<6	***or***	<3	***or***	<3	***and***	>2
Critically undercapitalized	–		–		–		≤2

* As a percentage of risk-weighted assets.

Risk Categories and Assessment Rate Schedule – The current risk categories became effective January 1, 2007. Capital ratios and supervisory ratings distinguish one risk category from another. Effective April 1, 2011, risk categories for large institutions (generally those with at least $10 billion in assets) are eliminated. The following table shows the relationship of risk categories (I, II, III, IV) for small institutions to capital and supervisory groups as well as the initial base assessment rates (in basis points) for each risk category. Supervisory Group A generally includes institutions with CAMELS composite ratings of 1 or 2; Supervisory Group B generally includes institutions with a CAMELS composite rating of 3; and Supervisory Group C generally includes institutions with CAMELS composite ratings of 4 or 5. For purposes of risk-based assessment capital groups, undercapitalized includes institutions that are significantly or critically undercapitalized.

Capital Category	Supervisory Group A	Supervisory Group B	Supervisory Group C
1. Well Capitalized	I 5–9 bps	II 14 bps	III 23 bps
2. Adequately Capitalized	II 14 bps		
3. Undercapitalized	III 23 bps		IV 35 bps

Effective April 1, 2011, the initial base assessment rates are 5 to 35 basis points. An institution's total assessment rate may be less than or greater than its initial base assessment rate as a result of additional risk adjustments.

The base assessment rates for small institutions in Risk Category I are based on a combination of financial ratios and CAMELS component ratings (the financial ratios method).

As required by Dodd-Frank, the calculation of risk-based assessment rates for large institutions no longer relies on long-term debt issuer ratings. Rates for large institutions are based on CAMELS ratings and certain forward-looking financial measures combined into two scorecards—one for most large institutions and another for the remaining very large institutions that are structurally and operationally complex or that pose unique challenges and risks in case of failure (highly complex institutions). In general, a highly complex institution is an institution (other than a credit card bank) with more than $500 billion in total assets that is controlled by a parent or intermediate parent company with more than $500 billion in total assets or a processing bank or trust company with total fiduciary assets of $500 billion or more. The FDIC retains its ability to take additional information into account to make a limited adjustment to an institution's total score (the large bank adjustment), which will be used to determine an institution's initial base assessment rate.

Effective April 1, 2011, the three possible adjustments to an institution's initial base assessment rate are as follows: (1) Unsecured Debt Adjustment: An institution's rate may decrease by up to 5 basis points for unsecured debt. The unsecured debt adjustment cannot exceed the lesser of 5 basis points or 50 percent of an institution's initial base assessment rate (IBAR). Thus, for example, an institution with an IBAR of 5 basis points would have a maximum unsecured debt adjustment of 2.5 basis points and could not have a total base assessment rate lower than 2.5 basis points. (2) Depository Institution Debt Adjustment: For institutions that hold long-term unsecured debt issued by another insured depository institution, a 50 basis point charge is applied to the amount of such debt held in excess of 3 percent of an institution's Tier 1 capital. (3) Brokered Deposit Adjustment: Rates for small institutions that are not in Risk Category I and for large

institutions that are not well capitalized or do not have a composite CAMELS rating of 1 or 2 may increase (not to exceed 10 basis points) if their brokered deposits exceed 10 percent of domestic deposits. After applying all possible adjustments (excluding the Depository Institution Debt Adjustment), minimum and maximum total base assessment rates for each risk category are as follows:

Total Base Assessment Rates*					
	Risk Category I	Risk Category II	Risk Category III	Risk Category IV	Large and Highly Complex Institutions
Initial base assessment rate	5–9	14	23	35	5–35
Unsecured debt adjustment	-4.5–0	-5–0	-5–0	-5–0	-5–0
Brokered deposit adjustment	—	0–10	0–10	0–10	0–10
Total Base Assessment rate	2.5–9	9–24	18–33	30–45	2.5–45

* All amounts for all categories are in basis points annually. Total base rates that are not the minimum or maximum rate will vary between these rates. Total base assessment rates do not include the depository institution debt adjustment.

Beginning in 2007, each institution is assigned a risk-based rate for a quarterly assessment period near the end of the quarter following the assessment period. Payment is generally due on the 30th day of the last month of the quarter following the assessment period. Supervisory rating changes are effective for assessment purposes as of the examination transmittal date.

Special Assessment – On May 22, 2009, the FDIC board approved a final rule that imposed a 5 basis point special assessment as of June 30, 2009. The special assessment was levied on each insured depository institution's assets minus its Tier 1 capital as reported in its report of condition as of June 30, 2009. The special assessment was collected September 30, 2009, at the same time that the risk-based assessment for the second quarter of 2009 was collected. The special assessment for any institution was capped at 10 basis points of the institution's assessment base for the second quarter of 2009 risk-based assessment.

Prepaid Deposit Insurance Assessments – In November 2009, the FDIC Board of Directors adopted a final rule requiring insured depository institutions (except those that are exempted) to prepay their quarterly risk-based deposit insurance assessments for the fourth quarter of 2009, and for all of 2010, 2011, and 2012, on December 30, 2009. Each institution's regular risk-based deposit insurance assessment for the third quarter of 2009, which is paid in arrears, also was payable on December 30, 2009. For regulatory capital purposes, an institution may assign a zero-percent risk weight to the amount of its prepaid deposit assessment asset.

Risk-weighted assets – assets adjusted for risk-based capital definitions which include on-balance-sheet as well as off-balance-sheet items multiplied by risk-weights that range from zero to 200 percent. A conversion factor is used to assign a balance sheet equivalent amount for selected off-balance-sheet accounts.

Securities – excludes securities held in trading accounts. Banks' securities portfolios consist of securities designated as "held-to-maturity," which are reported at amortized cost (book value), and securities designated as "available-for-sale," reported at fair (market) value.

Securities gains (losses) – realized gains (losses) on held-to-maturity and available-for-sale securities, before adjustments for income taxes. *Thrift Financial Report* (TFR) filers also include gains (losses) on the sales of assets held for sale. (TFR filers began filing Call Reports effective with the quarter ending March 31, 2012.)

Seller's interest in institution's own securitizations – the reporting bank's ownership interest in loans and other assets that have been securitized, except an interest that is a form of recourse or other seller-provided credit enhancement. Seller's interests differ from the securities issued to investors by the securitization structure. The principal amount of a seller's interest is generally equal to the total principal amount of the pool of assets included in the securitization structure less the principal amount of those assets attributable to investors, i.e., in the form of securities issued to investors.

Small Business Lending Fund – The Small Business Lending Fund (SBLF) was enacted into law in September 2010 as part of the Small Business Jobs Act of 2010 to encourage lending to small businesses by providing capital to qualified community institutions with assets of less than $10 billion. The SBLF Program, which is administered by the U.S. Treasury Department (http://www.treasury.gov/resource-center/sb-programs/Pages/Small-Business-Lending-Fund.aspx), provided funding to 332 institutions for more than $4 billion by September 27, 2011, the statutory end of the program.

Under the SBLF Program, the Treasury Department purchased noncumulative perpetual preferred stock from qualifying depository institutions and holding companies (other than Subchapter S and mutual institutions). When this stock has been issued by a depository institution, it is reported as "Perpetual preferred stock and related surplus." For regulatory capital purposes, this noncumulative perpetual preferred stock qualifies as a component of Tier 1 capital. Qualifying Subchapter S corporations and mutual institutions issue unsecured subordinated debentures to the Treasury Department through the SBLF. Depository institutions that issued these debentures report them as "Subordinated notes and debentures." For regulatory capital purposes, the debentures are eligible for inclusion in an institution's Tier 2 capital in accordance with their primary federal regulator's capital standards. To participate in the SBLF Program, an institution with outstanding securities issued to the Treasury Department under the Capital Purchase Program (CPP) was required to refinance or repay in full the CPP securities at the time of the SBLF funding. Any outstanding warrants that an institution issued to the Treasury Department under the CPP remain outstanding after the refinancing of the CPP stock through the SBLF Program unless the institution chooses to repurchase them.

Subchapter S corporation – a Subchapter S corporation is treated as a pass-through entity, similar to a partnership, for federal income tax purposes. It is generally not subject to any federal income taxes at the corporate level. This can have the effect of reducing institutions' reported taxes and increasing their after-tax earnings.

Trust assets – market value, or other reasonably available value of fiduciary and related assets, to include marketable securities, and other financial and physical assets. Common physical assets held in fiduciary accounts include real estate, equipment, collectibles, and household goods. Such fiduciary assets are not included in the assets of the financial institution.

Unearned income & contra accounts – unearned income for *Call Report* filers only.

Unused loan commitments – includes credit card lines, home equity lines, commitments to make loans for construction, loans secured by commercial real estate, and unused commitments to originate or purchase loans. (Excluded are commitments after June 2003 for originated mortgage loans held for sale, which are accounted for as derivatives on the balance sheet.)

Yield on earning assets – total interest, dividend, and fee income earned on loans and investments as a percentage of average earning assets.