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FOIA/Privacy Act Group, Legal Division
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Washington, DC 20429-9990
[Submit Electronic FOIA Request](#) (PAL)

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Federal Deposit Insurance Corporation

550 17th Street, NW, Washington, DC 20429-9990

Legal Division

April 2, 2021

In re: FDIC FOIA Log Number 21-0129

This is in response to your February 26, 2021, Freedom of Information Act (FOIA) request for:

A copy of the most recent version of the presentation slides and other materials from the "FDIC 101" presentation, developed for education of Congressional staff via the FDIC office that works with Congress.

Our records search is complete. The enclosed three documents, consisting of XX pages, were reasonably interpreted to be responsive to your request.¹ They are being released in their entirety.

The processing of your request is complete.

You may contact me via email at acolgrove@fdic.gov or our FOIA Public Liaison, FDIC Ombudsman M. Anthony Lowe at MLowe@FDIC.gov or by telephone at 312-382-6777, for any further assistance and to discuss any aspect of your request.

Sincerely,

Alisa Colgrove
Government Information Specialist
FOIA/Privacy Act Group

¹ Although this Presentation was not entitled FDIC 101, this was the most recent Presentation by the FDIC to Members of Congress.

Resolution Planning in the United States

Presentation to Congressional Staff

Federal Deposit Insurance Corporation
March 1, 2019

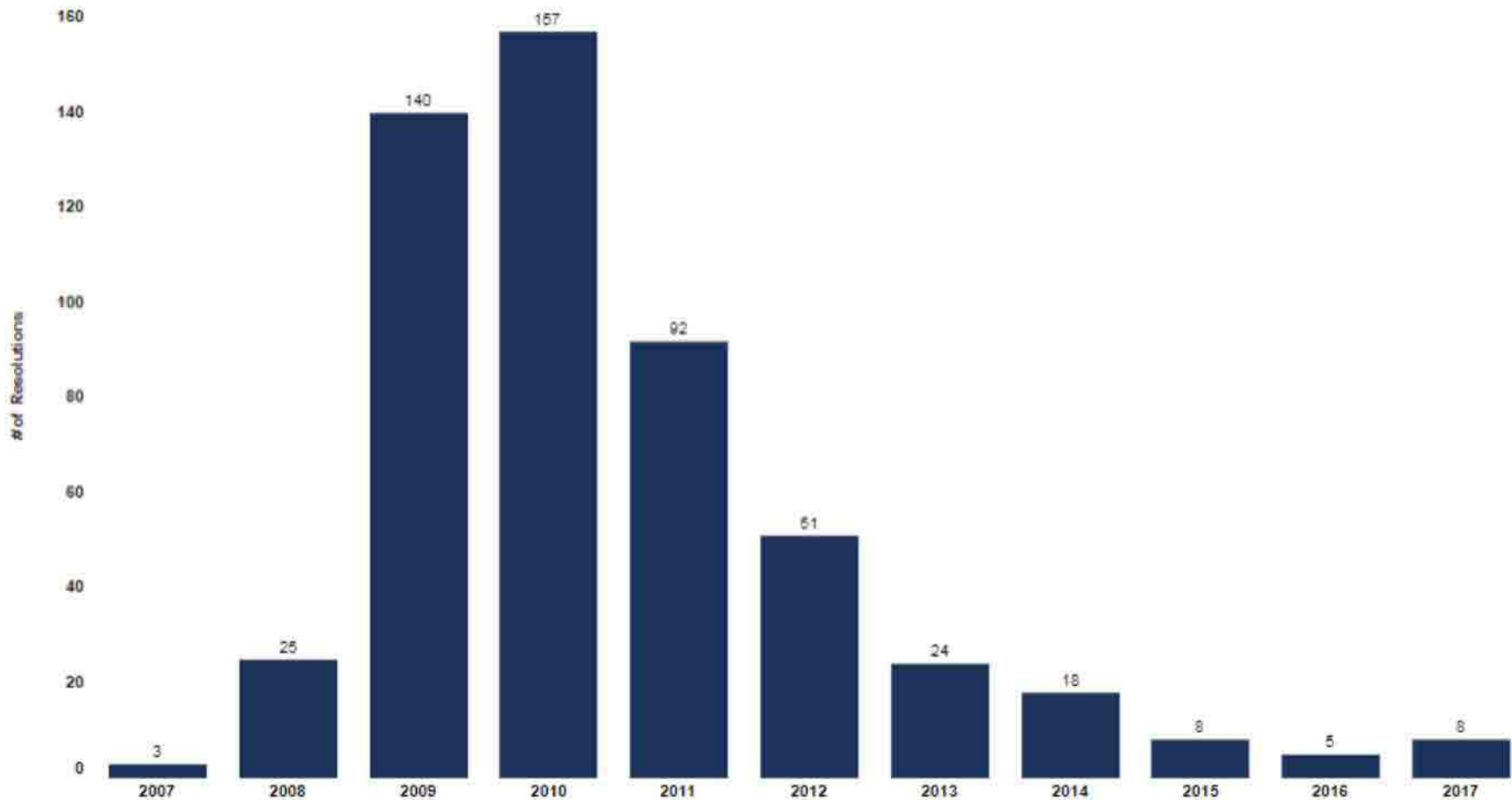


Overview

- **Traditional FDIC Resolution Practices**
- **Systemic Resolution Framework**
 - **Statutory Background (TI and TII)**
 - **Single Point of Entry**
 - **Improving Resolution in Bankruptcy**
 - **Orderly Liquidation Authority**
- **Appendix: Resources and Outreach**

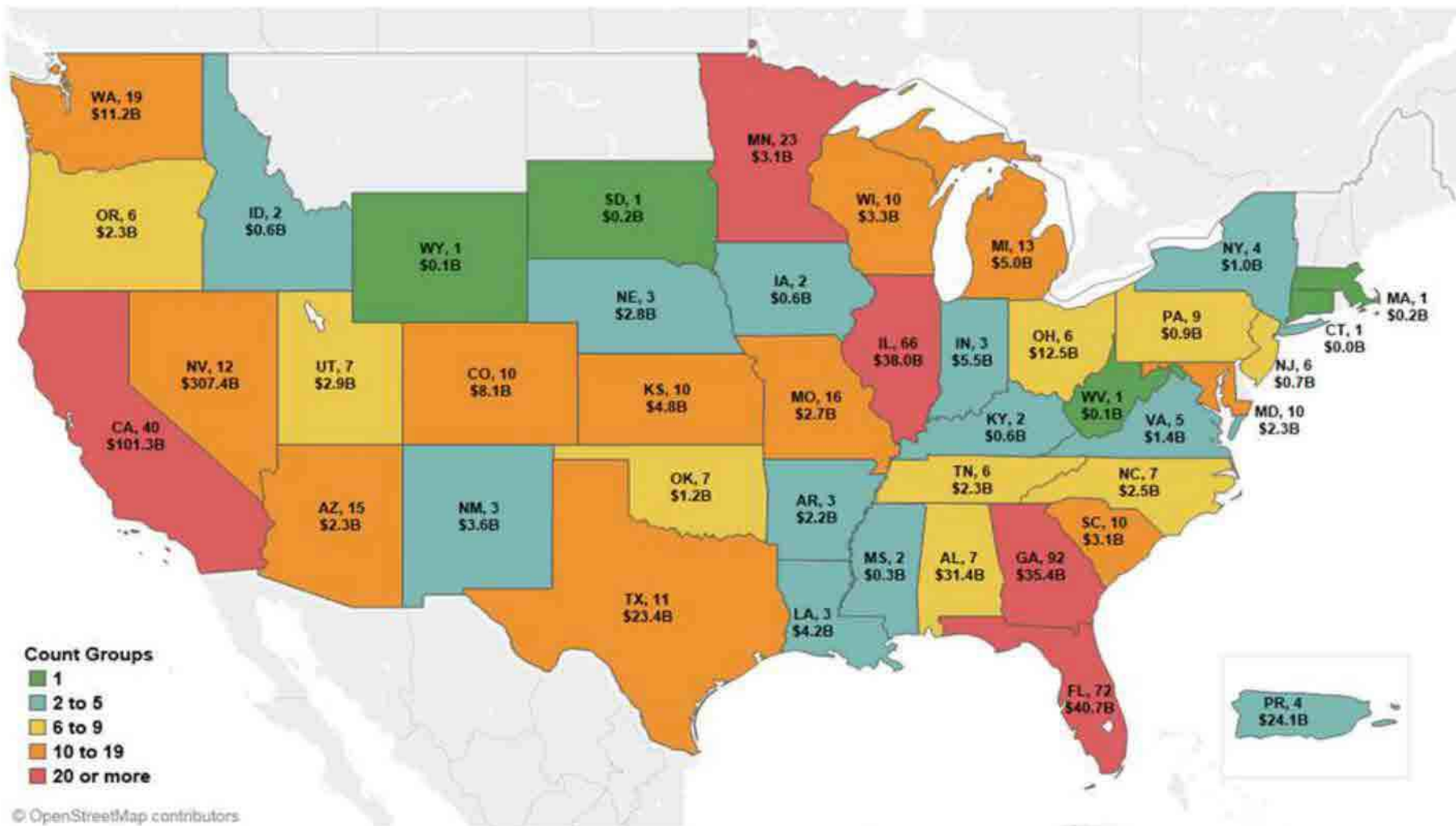


Recent Resolution Activity History



Privileged and confidential; staff level discussion draft; not for further distribution. The information contained herein does not reflect and cannot be relied upon as evidence of any agency or departmental position. Any resolution strategies or measures discussed herein are preliminary in nature and do not necessarily reflect actions that would or would not be taken in any particular resolution under any law, rule or regulation.

Failure Activity (2007-2018)



© OpenStreetMap contributors

Note: One small failure occurred in CT (\$25MM). No failures occurred in AK, DE, HI, ME, MT, NH, ND, RI, VT, DC, or territories not shown above.



Privileged and confidential; staff level discussion draft; not for further distribution. The information contained herein does not reflect and cannot be relied upon as evidence of any agency or departmental position. Any resolution strategies or measures discussed herein are preliminary in nature and do not necessarily reflect actions that would or would not be taken in any particular resolution under any law, rule or regulation.

Obligations of the FDIC

Federal Deposit Insurance (FDI) ACT

- Ensure that depositors receive access to insured deposits as soon as possible
- Marshal and sell the assets of the failed institution
- Determine claims against the receivership
- Distribute net recoveries from asset sales to depositors and creditors of the failed bank, in accordance with payment priorities set out in the FDI Act.*

*12 U.S.C. § 1821(d)(11), 12 U.S.C. § 1821(c)



Resolution Timeline

Three Phases of an Insured Depository Institution (IDI) Resolution

Pre-Failure

Day - 90 thru 0

- IDI experiences an adverse event
- Primary Federal Regulator puts the IDI on notice
- IDI agrees to due diligence activities by prospective, post-failure, franchise buyers
- FDIC markets the franchise
- FDIC develops the Strategic Resolution Plan
- FDIC selects the winning bid

Failure

Day 0 thru 3

- Chartering Authority Closes the IDI
- FDIC publishes and mails claim notices
- FDIC executes the Resolution Strategy
- Send Notice of Closure to Appropriate Congressional District Office and both Senate Offices

Post-Failure

Day 1 thru Termination of Receivership


- FDIC/Assuming Institution reopens failed IDI locations
- Receivership manages/sells retained assets
- FDIC monitors Loss Share assets
- FDIC pays claims
- FDIC terminates the receivership



Marketing the Franchise

Marketing Process (typically begins 90 days prior to IDI closing)

- Determine the Resolution Strategy
 - Assets and liabilities for inclusion in franchise sale
 - Bidding options (e.g., loan pools)
- Develop list of eligible IDI's
- Develop information package
- Invite prospective bidder to review the franchise offering
- Prospective bidders perform due diligence (web and onsite)
- Bids are received and evaluated
- Winning bid is selected based upon the least cost to the Deposit Insurance Fund (DIF)



The FDIC endeavors to reach the largest number of likely bidders while maintaining confidentiality during this pre-closing period.

Least Costly Resolution

12 U.S.C. § 1823(c)(4)

The FDI Act requires that the FDIC choose the **least costly** resolution option.*

The least cost test requires FDIC to determine:

1. That the exercise of such authority is necessary to meet its obligations to provide deposit insurance coverage and
2. That the total amount of expenditures by the FDIC and obligations incurred by the FDIC in connection with the exercise of any such authority with respect to the IDI is the least costly to the Deposit Insurance Fund of all possible resolution alternatives

*Exception for institutions that present a systemic risk. Least cost requirement can be waived with 2/3 approval by FDIC Board, Federal Reserve Board, and the Secretary of Treasury.

Resolution Transaction Structures

Purchase and Assumption

- **Whole Bank**
 - Optional Loss Share

- **Basic P&A**
 - Optional Loan Pools

Bid Options

- **All Deposits**
- **Insured Deposits**

Other Transactions

- **Bridge Bank**

- **Deposit Insured National Bank (DINB)**

- **Payout**

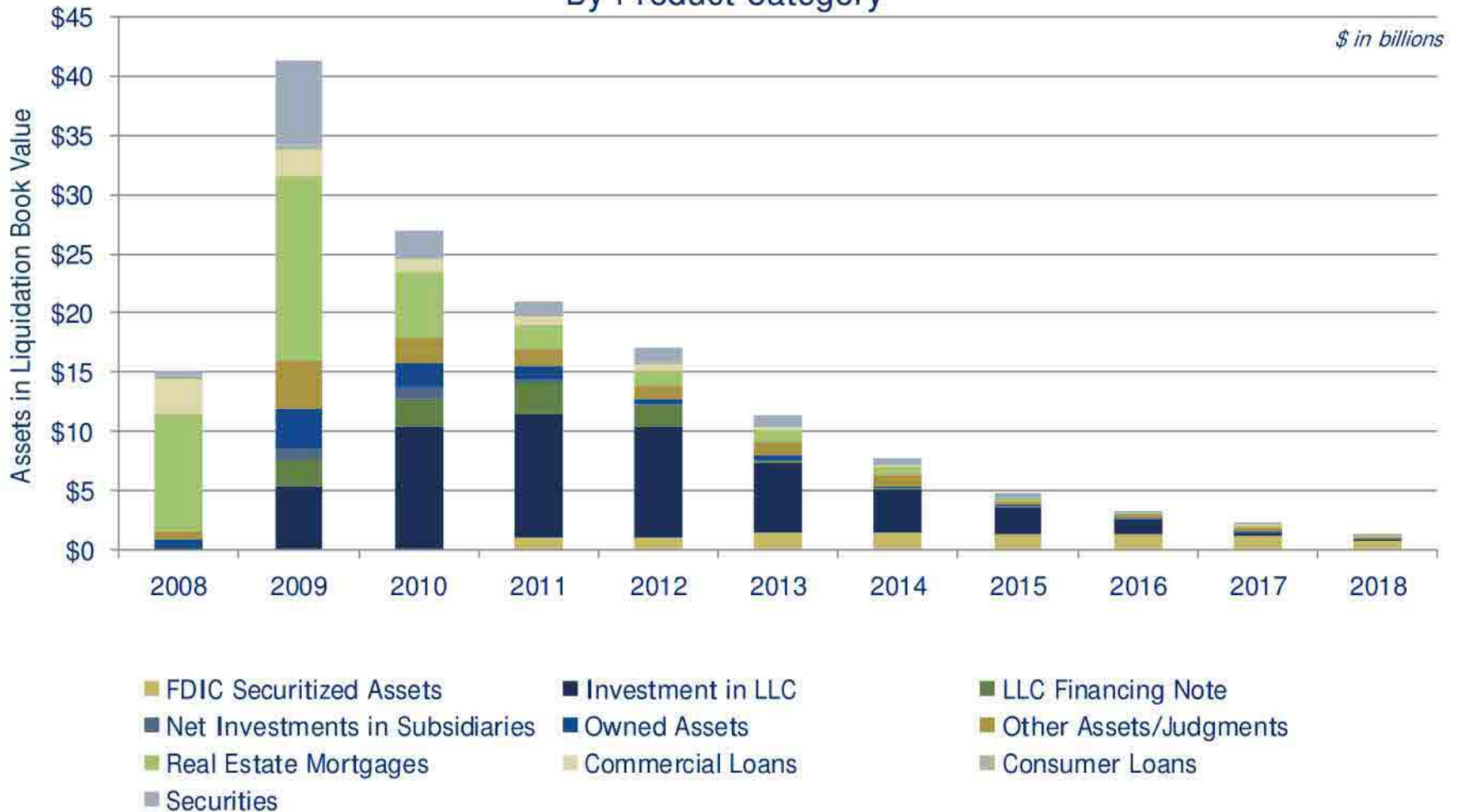
Post-Failure Key Activities

- Failed IDI branches reopened by the acquiring institution
- Assets retained in the Receivership
 - Managed
 - Sold
 - Partnered in Structured Transactions
- Asset agreements monitored
- Claims paid
- Receivership terminated



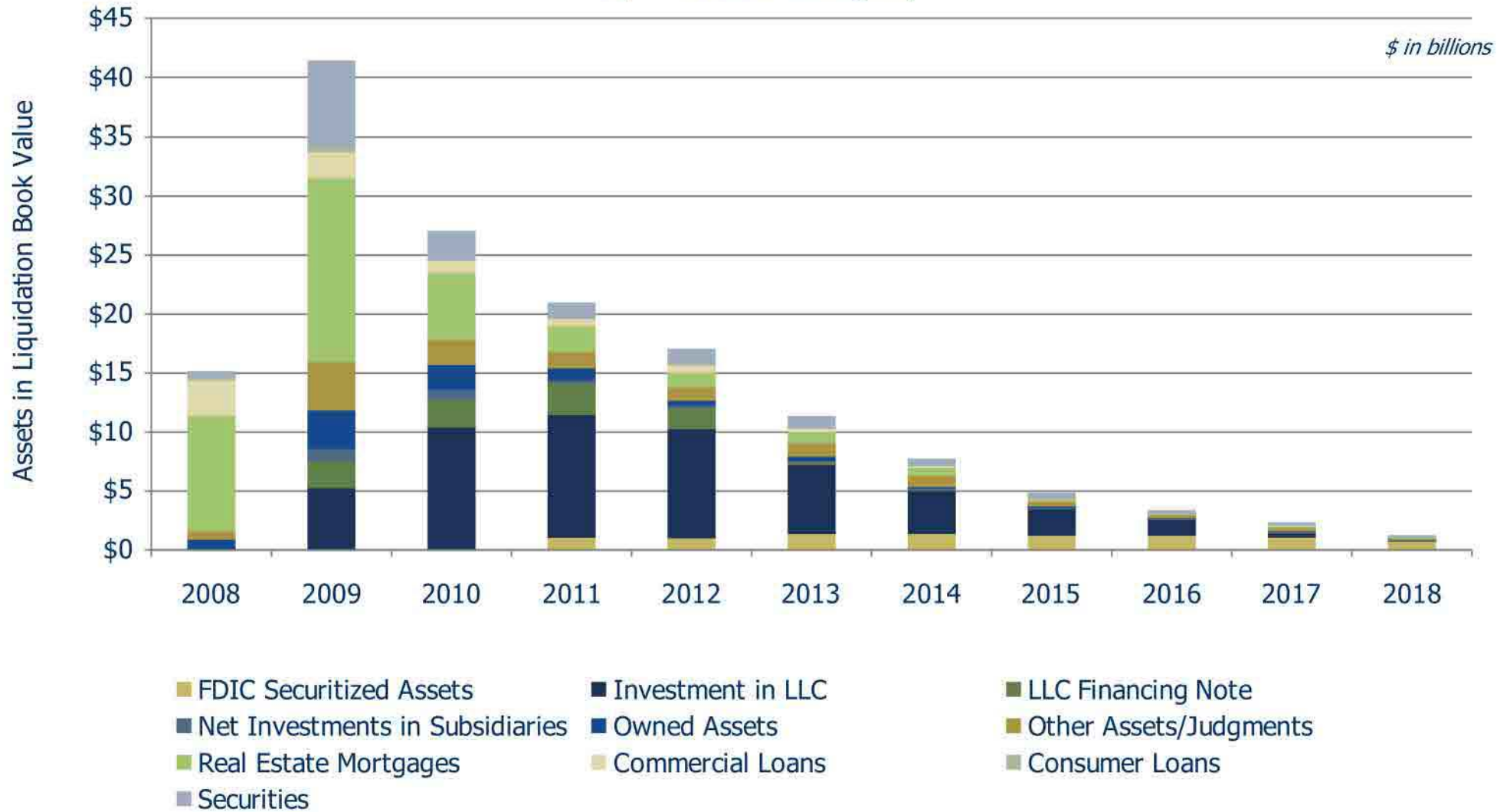
Assets in Liquidation

By Product Category



Privileged and confidential; staff level discussion draft; not for further distribution. The information contained herein does not reflect and cannot be relied upon as evidence of any agency or departmental position. Any resolution strategies or measures discussed herein are preliminary in nature and do not necessarily reflect actions that would or would not be taken in any particular resolution under any law, rule or regulation.

By Product Category



| | FDIC Securitized Assets | Investment in LLC | LLC Financing Note | Net Investments in Subsidiaries | Owned Assets | Other Assets/Judgments | Real Estate Mortgages | Commercial Loans | Consumer Loans | Securities | Total |
|------|-------------------------------|----------------------|--------------------------|---------------------------------------|-----------------|---------------------------|--------------------------|---------------------|-------------------|------------|--------|
| 2008 | \$0.0 | \$0.0 | \$0.0 | \$0.11 | \$0.83 | \$0.70 | \$9.81 | \$2.99 | \$0.20 | \$0.47 | \$15.1 |
| 2009 | \$0.0 | \$5.3 | \$2.25 | \$1.07 | \$3.26 | \$4.10 | \$15.61 | \$2.17 | \$0.47 | \$7.11 | \$41.4 |
| 2010 | \$0.0 | \$10.4 | \$2.34 | \$0.88 | \$2.09 | \$2.10 | \$5.68 | \$1.03 | \$0.06 | \$2.38 | \$27.0 |
| 2011 | \$1.10 | \$10.4 | \$2.66 | \$0.29 | \$1.01 | \$1.40 | \$2.21 | \$0.59 | \$0.03 | \$1.22 | \$20.9 |
| 2012 | \$1.06 | \$9.3 | \$1.80 | \$0.18 | \$0.42 | \$1.13 | \$1.26 | \$0.60 | \$0.10 | \$1.18 | \$17.0 |
| 2013 | \$1.42 | \$5.8 | \$0.23 | \$0.12 | \$0.36 | \$1.14 | \$0.95 | \$0.27 | \$0.07 | \$0.89 | \$11.3 |
| 2014 | \$1.43 | \$3.6 | \$0.09 | \$0.12 | \$0.12 | \$0.96 | \$0.70 | \$0.12 | \$0.04 | \$0.47 | \$7.7 |
| 2015 | \$1.28 | \$2.2 | \$0.00 | \$0.12 | \$0.11 | \$0.40 | \$0.17 | \$0.06 | \$0.02 | \$0.39 | \$4.8 |
| 2016 | \$1.27 | \$1.3 | \$0.00 | \$0.10 | \$0.04 | \$0.27 | \$0.09 | \$0.02 | \$0.01 | \$0.18 | \$3.3 |
| 2017 | \$1.12 | \$0.3 | \$0.00 | \$0.16 | \$0.05 | \$0.26 | \$0.14 | \$0.05 | \$0.01 | \$0.16 | \$2.3 |
| 2018 | \$0.79 | \$0.06 | \$0.00 | \$0.02 | \$0.01 | \$0.15 | \$0.07 | \$0.03 | \$0.00 | \$0.05 | \$1.2 |

Systemic Resolution Framework

- **Dodd-Frank Act (DFA) included provisions that address orderly resolution for potentially systemic institutions.**
- **Title I: Facilitating Orderly Resolution in Bankruptcy**
 - U.S. bankruptcy is the statutorily preferred method of systemically important financial institution resolution.
 - Section 165(d) of the DFA requires large bank holding companies and designated nonbanks to file “living wills” or resolution plans describing how the firm could fail under the U.S. bankruptcy code without threatening U.S. financial stability.
 - FDIC and Federal Reserve jointly oversee the living will process and can identify issues that need to be addressed.



Systemic Resolution Framework

- For scenarios when failure in bankruptcy threatens U.S. financial stability, Congress established the Orderly Liquidation Authority.
- **Title II/Orderly Liquidation Authority (OLA)** provides expanded authorities to the FDIC and other financial regulators to manage the orderly failure of any financial institution using tools similar to those used for traditional bank resolution. The tools include:
 - Placing firm into receivership/Bridge bank authority
 - Access to backstop Orderly Liquidation Fund if private funding is unavailable
 - Short stay on derivatives contracts
 - Ability to coordinate with foreign authorities in the case of a firm with global operations.

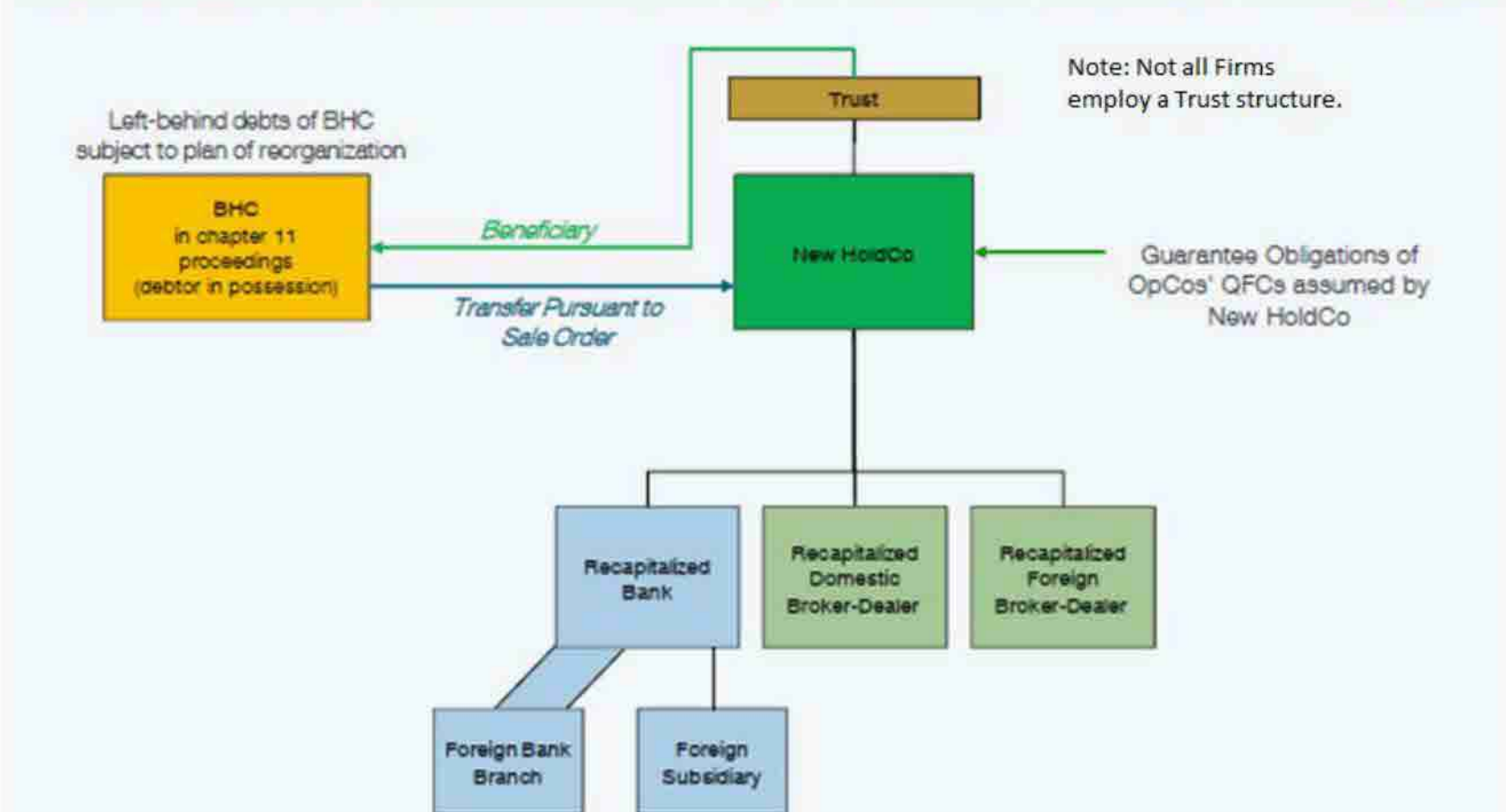


Single Point of Entry (SPOE)

- SPOE strategy is a key feature of G-SIBs' resolution plans.
- Objective is to enable failure of parent while recapitalizing operating subsidiaries (OpCos) so that critical operations can continue and market risk can be mitigated.
 - Critical operations would continue without interruption
 - Going concern value of OpCos would be preserved for holding company (HoldCo) creditors
 - Losses would be imposed on shareholders and private creditors
 - Requires capital and loss-absorbing debt (TLAC) to bear losses/recapitalize OpCos. HoldCo creditors receive value of the firm.

Single Point of Entry in Bankruptcy

Recapitalized OpCos transferred to New HoldCo owned by Resolution Trust for benefit of BHC's bankruptcy estate



Progress Addressing Core Challenges

Multiple competing insolvencies

- Development of SPOE
- Loss-absorbing capacity, including pre-positioned and contributable resources

Funding and liquidity

- Firms' liquidity forecasting models (Resolution Liquidity Adequacy & Positioning (RLAP), Resolution Liquidity Execution Need (RLEN))

Operations and interconnectedness

- Legal entity rationalization
- Shared services framework

Counterparty actions

- ISDA Protocol, addressing stays for cross-border Qualified Financial Contracts (QFCs)
- Financial Market Utility (FMU) continuity playbooks, addressing additional margin requirements

Global coordination

- Regular formal and informal engagement with host authorities in a variety of fora
- Establishment of shared expectations and coordination protocols that reduce risk of destructive "ring fencing"

Systemic Resolution Framework/OLA

- OLA establishes FDIC resolution tools (similar to the its longstanding FDIA authorities for IDIs) for potentially systemic institutions if their failure in bankruptcy threatens U.S. financial stability;
 - Authority to establish a Bridge Financial Company and transfer assets and liabilities. Equity and unsecured liabilities remain in receivership.
 - Temporary stay on Qualified Financial Contracts; no termination
 - Orderly Liquidation Fund as backstop liquidity if private sector funding is unavailable
 - Any OLF loans must be within statutory limits and must be repaid from assets of the firm in resolution. Authority to assess industry if necessary
- Management is replaced and firm is wound down
- Claims process in accordance with statutory priorities: losses are borne by equity and impaired creditors
- Bankruptcy and OLA planning are complementary



Appendix

Resources and Outreach

Resources and Outreach

Web Links to Resources for Constituents

- **FDIC Home Page**
 - <https://www.fdic.gov/>
- **Failed Banks Home Page**
 - <https://www.fdic.gov/bank/individual/failed/index.html>
- **A Borrowers Guide to an FDIC Insured Bank Failure**
 - <https://www.fdic.gov/bank/individual/failed/borrowers/index.html>
- **Freedom of Information Act**
 - <https://www.fdic.gov/about/freedom/>
- **Small Business Resource Page**
 - <https://www.fdic.gov/about/diversity/sbrp/>
- **Loss Share**
 - <https://www.fdic.gov/bank/individual/failed/lossshare/index.html>
- **FDIC Channel - YouTube®**
 - <https://www.youtube.com/user/FDICchannel/>
- **Minority and Women Outreach**
 - <https://www.fdic.gov/about/diversity/mwop/mwop.html>

Resources and Outreach

Resources Include

- FDIC Home Page
- Failed Bank Home Page
- Borrowers Guide to a Failed Bank
- FOIA Home Page
- Small Business Resource Page
- Loss Sharing Home Page
- FDIC YouTube® Channel
- Minority and Women Outreach

Resources and Outreach

FDIC Home Page

- This site includes
 - Deposit Insurance
 - Consumer Resources
 - Bank Closing Information
 - Press Releases
 - Quick links
 - Top Search
 - About the FDIC
 - Search Functions
 - Other FDIC Home Page Links

FDIC Federal Deposit Insurance Corporation
Each depositor insured to at least \$250,000 per insured bank

Home | Deposit Insurance | Consumer Protection | Industry Analysis | Regulations & Examinations | Institution & Asset Sales | News & Events | About FDIC

Transparency & Accountability
The FDIC is committed to open and direct communications in all business areas.

- [Message from the Chairman](#)
- [Bank Applications](#)
- [Bank Examinations](#)
- [Consumer Protection & Deposit Insurance](#)
- [Deposit Insurance for Bankers](#)
- [Legal Matters](#)
- [Resolutions & Failed Banks](#)

FDIC Publishes Resolution Plans
In accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act, the FDIC has published the public portions of resolution plans for foreign banks. [Visit Title I and II Resolutions Plans](#)

Deposit Insurance
Find out about your account coverage; if your bank is insured; and what's not insured. [Learn More](#)

Want to determine your deposit insurance? Visit our [Electronic Deposit Insurance Estimator \(EDIE\)](#)

Have a question regarding deposit insurance coverage? [FDIC Information and Support Center](#)

Deposit Insurance Training
[View materials and video presentations](#)

Recursos del seguro de depósito en español
Esta página hace disponible toda la información del seguro de depósito de la FDIC producida en español. [Más información](#)

Consumer Resources
FDIC Call Center
Local: 703-562-2222
Toll Free: 1-877-275-3342 (1-877-ASKFDIC)
8:00 am - 8:00 pm ET, Monday-Friday
9:00 am - 5:00 pm ET, Saturday-Sunday
For the Deaf or Hard of Hearing
Toll Free 1-800-925-4618 / Local (VA) 703-562-2289

Have a question or complaint about a bank?
Go to our [FDIC Information and Support Center](#)

For guidance and tips, read:
[FDIC Consumer News](#)

Have a question or complaint about the FDIC?
Go to the [Office of the Ombudsman](#)

Recursos, consejos y temas para bancos y clientes de productos financieros
[Más información](#)

[Formulario de Asistencia para el Consumidor](#)

For other questions/options visit [Contact Us](#)

Quick Links | [Top Search](#) | [About FDIC](#) | [Online Product Catalog](#)

[Help for First Time Users](#)
Find information, resources and data

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Receive the latest e-mail updates on public FDIC

Find More Information
I Am A...
I Want To...
Go

Email Subscriptions
Get FDIC updates to all information via email.
Email Address

BankFind
Learn if your bank is insured, view locations, track history, and more.

FDIC Cybersecurity and Privacy Strategy
Identify
Protect
Detect
Respond

Resources and Outreach

Failed Banks Home Page

- This site includes
 - Failed Bank Information
 - Borrower Information
 - When a Bank Fails – Facts for Borrowers
 - A Borrowers Guide to an FDIC Insured Bank Failure
 - Depositor Information
 - When a Bank Fails – Facts for Depositors
 - Is My Account Fully Insured
 - Creditor Information
 - When a Bank Fails – Facts for Creditors
 - More Failed Bank Home Page Information

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Home ▾ Deposit Insurance ▾ Consumer Protection ▾ Industry Analysis ▾ Regulations & Examinations ▾ Institution & Asset Sales ▾ News & Events ▾ About FDIC ▾

Home > Industry Analysis > Failed Banks

Failed Banks

[Failed Bank List](#) (Since October 1, 2000)
The FDIC is often appointed as receiver for failed banks. This page contains useful information for the customers and vendors of these banks. This includes information on the acquiring bank (if applicable), how your accounts and loans are affected, and how vendors can file claims against the receivership.

[Bank Failures in Brief](#)
Brief summary of each bank failure from 2001 to the present.

[Bank Failures and Assistance Data](#)
A complete look at bank failures and assistance transactions of FDIC-insured institutions from 1934 to the present. The data is updated after a bank failure or assistance transaction.

Borrower

[When a Bank Fails - Facts for Borrowers](#)

[A Borrower's Guide to an FDIC Insured Bank Failure](#)

[Obtaining a Lien Release](#) If your bank or Savings and Loan has failed and you need to obtain a "Release of Lien" for real or other property secured by a loan.

[What can/should a borrower do if they are having a problem with a loss share bank or LLC partner?](#)

Depositor

[When a Bank Fails - Facts for Depositors](#)

[Is My Account Fully Insured?](#) Use this link to determine if your account is fully insured by the FDIC.

[Unclaimed Funds](#) Search for unclaimed insured deposits for failed banks from January 1, 1989 to June 30, 1993 or for dividend checks issued which were undeliverable or never cashed.

[FDIC Dividends from Failed Banks](#) For banks that have failed since October 1, 2000, search for the latest dividend information.

[Deposit Broker's Processing Guide](#) Facilitate the transmission of information from deposit brokers to the Federal Deposit Insurance Corporation ("FDIC").

Creditor

[When a Bank Fails - Facts for Creditors](#)

[FDIC Dividends from Failed Banks](#) For banks that have failed since October 1, 2000, search for the latest dividend information.

[Balance Sheet Summaries from Failed Banks](#) Review the latest quarter end Balance Sheet summary for active receiverships (banks that failed after October 1, 2000).

Transactions

Failed Bank Acquisitions
Learn everything you need to know about [Failing Bank Acquisitions](#) at the FDIC.

Loss Share Information
[Loss Share Q&A](#)

Asset Buyers or Contract Service Providers
To obtain information on [purchasing assets from FDIC](#) or [providing contract services](#) to the FDIC, please call (866) 308-4470.

Legal

[Stature of Washington Mutual Bank Receivership](#) On September 25, 2008, the Federal Deposit Insurance Corporation was appointed the Receiver for Washington Mutual Bank ("WAMU").

[Resources for Court Clerks and Law Enforcement Agencies](#) Resources for court clerks, prosecutors, investigators, and probation officers.

[Professional Liability Lawsuits](#) As receiver for a failed financial institution, the FDIC may sue professionals who played a role in the failure of the institution in order to maximize recoveries.

Resources and Outreach

Borrowers Guide to a Bank Failure

- This site includes
 - About the FDIC
 - What is a Bank Failure
 - Asset Disposition Process
 - Communication during Interim Servicing
 - Lines of Credit
 - Additional Funding
 - What to Expect when the FDIC Sells your Loan
 - Contacting the FDIC
 - Other Links/Information

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Home → Deposit Insurance → Consumer Protection → Industry Analysis → Regulations & Examinations → Institution & Asset Sales → News & Events → About FDIC

Home > Industry Analysis > Failed Banks > A Borrower's Guide to an FDIC Insured Bank Failure

A Borrower's Guide to an FDIC Insured Bank Failure

- I. [About the FDIC](#)
- II. [What is a Bank Failure?](#)
- III. [Overview of the FDIC's Asset Disposition Process](#)
- IV. [Communication with Borrowers during Interim Servicing](#)
- V. [What to do if You Experience Financial Difficulties](#)
- VI. [Lines of Credit and Construction and Development Loans](#)
- VII. [Borrower Requests for Additional Funding](#)
- VIII. [Potential Outcomes to Funding Requests](#)
- IX. [What to Expect if the FDIC Sells Your Loan](#)
- X. [Contacting the FDIC](#)
- XI. [Additional Borrower Assistance](#)

I. About the FDIC

- The Federal Deposit Insurance Corporation is an independent federal agency created in 1933 to promote public confidence and stability in the nation's banking system.
- Throughout its history, the FDIC has provided insured depositors with prompt access to their funds whenever an FDIC-insured bank or savings association has failed and no insured depositor has ever lost any funds.

[Back to top](#)

II. What is a Bank Failure?

- A bank failure is the closing of a bank by a federal or state banking regulatory agency.
- Typically, a bank is closed when it becomes critically undercapitalized or is unable to meet its obligations to depositors and others.
- The FDIC is then appointed receiver (by the regulatory agency of the bank in question) and assume the tasks of:
 - Disposing of the failed bank's assets in a manner that maximizes their value; and
 - Settling the failed bank's debts, including claims for deposits in excess of the insured limit.
- A bank failure does not change your obligation as a borrower to make payments and comply with the terms of your loan.

[Back to top](#)

III. Overview of the FDIC's Asset Disposition Process

- One of the FDIC's primary goals is to return loans and other assets to the private sector as quickly and efficiently as possible. To accomplish this, the FDIC employs several strategies to dispose of loans:
 - Prior to a bank's failure, the FDIC offers some or all of the failing bank's assets for sale to healthy financial institutions (normally the institution that will be assuming the deposits upon the bank's closing) and to certain other potential acquirers in the broader financial market.
 - Loans not sold at the time of the bank's closing are packaged and offered for sale through various means (e.g. cash sales, securitizations and other structured sales) to the broader financial market, typically within a few months of the bank's failure.
 - Until the FDIC sells your loan, it undertakes the associated servicing responsibilities previously held by the failed bank.

[Back to top](#)



Resources and Outreach

Small Business Resource Page

- This site includes
 - Planning to Compete
 - Building the Right Team
 - Growing a Small Business
 - Selling to the Federal Government
 - The Solicitation Process
 - Providing Services to the FDIC
 - Miscellaneous Information

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Home » Deposit Insurance » Consumer Protection » Industry Analysis » Regulations & Examinations » Institution & Asset Sales » News & Events » About FDIC »

Home » About FDIC » Doing Business with the FDIC » Small Business Resource Page

Small Business Resource Page

The Federal Deposit Insurance Corporation ("FDIC") recognizes the important contributions made by small, veteran, and minority and women-owned businesses to our economy. For that reason, we strive to provide small businesses with opportunities to contract with the FDIC. In furtherance of this goal, the FDIC has initiated the FDIC Small Business Resources Effort to assist the small vendors that provide products, services, and solutions to the FDIC.

The objective of the Small Business Resource Effort is to provide information and the tools small vendors need to become better positioned to compete for contracts and subcontracts at the FDIC. To achieve this objective, the Small Business Resource Effort references outside resources critical for qualified vendors, leverages technology to provide education according to perceived needs, and offers connectivity through resourcing, accessibility, counseling, coaching and guidance where applicable.

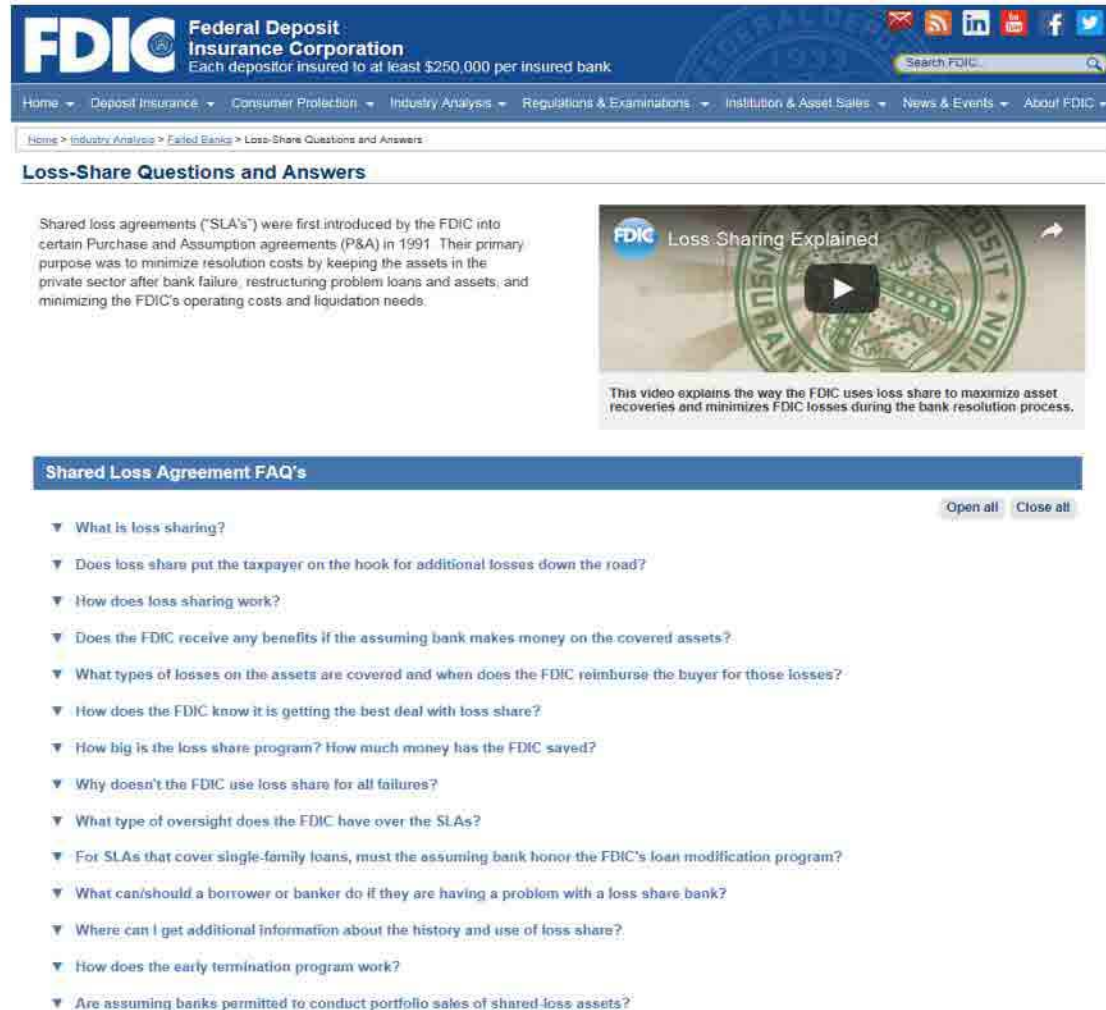
For help with PowerPoint, please go to [PowerPoint Help](#). For printable versions of these documents, please go to [SBRP Printable Pages \(PDF\)](#).

| | | |
|---|---|--|
| <p>Planning to Compete</p> <ul style="list-style-type: none"> • Evaluating Your Chance for Success • Building a Business Plan • Using Your Business Plan • Building a Capabilities Statement • Developing a Marketing Plan • Understanding Small Business Taxes • Building a Good Budget • Researching Your Industry • Marketing to the Federal Government • Small Business Lending • Choosing a Business Structure | <p>Building the Right Team</p> <ul style="list-style-type: none"> • 10 Signs of a Successful Business Owner • Building Your Leadership Skills • Project Management Tips • Recruiting and Hiring for Your Business • Engaging Employees • Understanding Employment Laws for Federal Contractors • Managing Independent Contractors • Creating and Sustaining Successful Alliances • Choosing Business Advisors | <p>Growing a Small Business</p> <ul style="list-style-type: none"> • 10 Enterprise Tools Every Small Business Can Use • Fueling Your Business: A Guide to Financing Your Small Business • Using Government Financing Programs • Creating a Corporate Brand • Finding New Customers and Increasing Sales • Using Quality Assurance Standards • Growing in a Slowing Economy • Managing Your Small Business Finances • Avoiding the Common Causes of Project Failure • Advertising for Small Businesses • Small Business Exit Strategy |
| <p>Selling to the Federal Government</p> <ul style="list-style-type: none"> • Doing Business with the Federal Government: Self-Assessment Guide • Becoming a Government Contractor • Getting Certified as a Small Business • Finding Government Opportunities • Introduction to the FAR • Learning the Benefits of the GSA Schedule • Subcontracting 101 • Registering as a Federal Contractor | <p>The Solicitation Process</p> <ul style="list-style-type: none"> • Identifying Customers within the Federal Government • Understanding the Government Solicitation Bid Packages • Preparing Technical Proposals for Government Contracting • Submitting a Responsive Proposal • Communicating with a Winning Presentation • Doing Business with the FDIC • Past Performance & References | <p>Providing Services to the FDIC</p> <ul style="list-style-type: none"> • Marketing to the FDIC: Understanding the FDIC Service Categories • Contracting with the FDIC: FDIC's Acquisition Process • Becoming an FDIC Supplier: Quick Reference Guide • Doing Business with the FDIC: FAQs |

Resources and Outreach

Loss Share Home Page

- This site includes
 - Loss Share Video
 - Questions and Answers
 - Risk Shared Asset Management (RSAM) Guidance
 - Links to the book “Managing the Crisis”
 - Links to Loss Share Data Reporting Requirements
 - Other Loss Share Home Page Information



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Home > Deposit Insurance > Consumer Protection > Industry Analysis > Regulations & Examinations > Institution & Asset Sales > News & Events > About FDIC

Home > Industry Analysis > Failed Banks > Loss-Share Questions and Answers

Loss-Share Questions and Answers

Shared loss agreements (“SLA’s”) were first introduced by the FDIC into certain Purchase and Assumption agreements (P&A) in 1991. Their primary purpose was to minimize resolution costs by keeping the assets in the private sector after bank failure, restructuring problem loans and assets, and minimizing the FDIC’s operating costs and liquidation needs.

FDIC Loss Sharing Explained

This video explains the way the FDIC uses loss share to maximize asset recoveries and minimizes FDIC losses during the bank resolution process.

Shared Loss Agreement FAQ's

Open all Close all

- ▼ What is loss sharing?
- ▼ Does loss share put the taxpayer on the hook for additional losses down the road?
- ▼ How does loss sharing work?
- ▼ Does the FDIC receive any benefits if the assuming bank makes money on the covered assets?
- ▼ What types of losses on the assets are covered and when does the FDIC reimburse the buyer for those losses?
- ▼ How does the FDIC know it is getting the best deal with loss share?
- ▼ How big is the loss share program? How much money has the FDIC saved?
- ▼ Why doesn't the FDIC use loss share for all failures?
- ▼ What type of oversight does the FDIC have over the SLAs?
- ▼ For SLAs that cover single-family loans, must the assuming bank honor the FDIC's loan modification program?
- ▼ What can/should a borrower or banker do if they are having a problem with a loss share bank?
- ▼ Where can I get additional information about the history and use of loss share?
- ▼ How does the early termination program work?
- ▼ Are assuming banks permitted to conduct portfolio sales of shared-loss assets?

Resources and Outreach

FDIC Channel - YouTube®

- This site includes
 - Deposit Insurance Coverage Overview
 - Featured Videos
 - Browse Function
 - FDIC Main Page Link
 - Other Features

FDICchannel
4,213 subscribers

HOME VIDEOS PLAYLISTS COMMUNITY CHANNELS ABOUT 🔍

Directors' College Video Series [PLAY ALL](#)

A series of educational videos designed to provide useful information to bank directors, officers and employees on areas of supervisory focus and regulatory changes.

| Video Title | Duration | Views | Age |
|---|----------|-------|-------------|
| Third-Party Risk | 29:45 | 5.9K | 5 years ago |
| The Community Reinvestment Act | 30:14 | 8K | 5 years ago |
| Information Technology | 26:06 | 5.7K | 5 years ago |
| Bank Secrecy Act, Anti-Money Laundering, and Office of Foreign Assets Control | 31:34 | 21K | 5 years ago |

New Director Education Series [PLAY ALL](#)

The FDIC's New Director Education Series provides new bank directors with information to prepare them for their important fiduciary role. The first three videos in this series address the roles and:

| Video Title | Duration | Views | Age |
|---|----------|-------|-------------|
| New Director Education Series: Director Responsibilities | 9:20 | 18K | 5 years ago |
| New Director Education Series: Fiduciary Duties | 5:47 | 7.3K | 5 years ago |
| New Director Education Series: Acting in the Best Interest of the Bank | 3:56 | 6.4K | 5 years ago |
| New Director Education Series: Overview of the FDIC Examination Process | 10:15 | 9.3K | 5 years ago |
| New Director Education Series: Risk Management Examinations | 11:09 | 8.8K | 5 years ago |



Resources and Outreach

Minority and Women Outreach

- This site includes
 - How the Program Works
 - Outreach to Trade Associations, Industry Professionals, and Consumers
 - Link to MWOB Outreach

FDIC Federal Deposit Insurance Corporation
Each depositor insured to at least \$250,000 per insured bank

Home | Deposit Insurance | Consumer Protection | Industry Analysis | Regulations & Examinations | Institution & Asset Sales | News & Events | About FDIC

Home > About FDIC > Doing Business with the FDIC > Minority and Women Outreach Program

Minority and Women Outreach Program

The Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA) mandates that financial regulatory agencies establish and oversee a minority and women outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts entered into by the FDIC. The FDIC's Minority and Women Outreach Program is administered by the Office of Minority and Women Inclusion (OMWI).

The FDIC seeks Minority- and Women-Owned Businesses (MWOBs) as well as Small Disadvantaged Businesses (SDBs) to participate in the FDIC's contracting activities. To be added to the Contractor Resource List (CRL) and to be considered for such opportunities, please register with the [CRL](#).

Definitions

- **MWOBs** are firms, which are at least 51% owned and controlled by one or more minorities or women. In the case of a firm which is a corporation, at least 51% of each class of voting stock outstanding, and 51% of the aggregate of all stock outstanding, must be unconditionally owned by one or more minorities or women. Also, one or more minorities or women must conduct the firm's management and daily business operations.
- **SDBs** are concerns which are at least 51 percent unconditionally owned by one or more socially and economically disadvantaged individual as defined by the U.S. Small Business Administration.

How the Program Works

Involvement in the Contracting Process

- OMWI staff works in conjunction with FDIC program offices and the Acquisition Services Branch in all phases of the contracting process. This includes activities from pre-solicitation through post-award.

Outreach to Trade Associations, Industry Professionals, and Consumers

- OMWI, along with other FDIC divisions and offices, participates in industry-sponsored conferences and trade shows to share information and educate the public on how to do business with the FDIC.
- OMWI disseminates informational brochures & literature to the general public to provide financial and consumer education while strengthening confidence in the FDIC & the banking system.

For More Information

For more information about the FDIC's Minority and Women Outreach Program, you may contact us at [MWOBOutreach](#)

Last Updated 08/16/2011 [MWOBOutreach@fdic.gov](#)

Home | Contact Us | Search | Help | SiteMap | Forms | Transparency & Accountability | En Español
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 Freedom of Information Act (FOIA) Service Center | FDIC Open Government Webpage | No FEAR Act Data





Federal Deposit Insurance Corporation

Division of Insurance and Research (DIR)

Factors That Impact the Deposit Insurance Fund

- Assessment income
- Interest income
- Recoveries from prior resolutions
- Operating expenses
- Provisions for losses
- Unrealized gains or losses on securities

Current State of the DIF & Reserve Ratio

As expected losses due to bank failures have declined, the Deposit Insurance Fund and reserve ratio have increased.

| | |
|------------------------------|-----------------|
| Q4 2018 DIF Balance | \$102.6 billion |
| Estimated Insured Deposits | \$7.52 trillion |
| Q4 2018 Reserve Ratio | 1.36% |

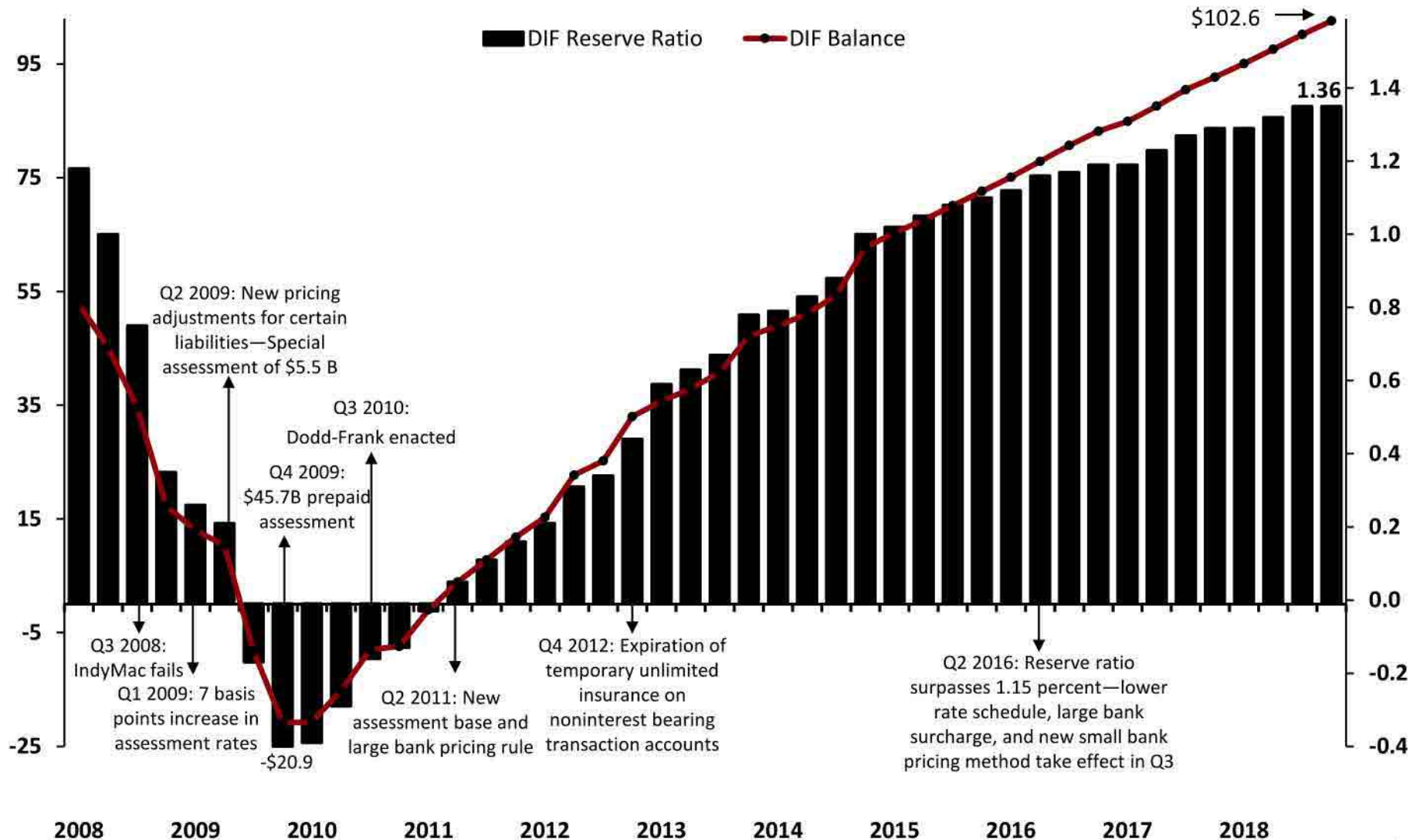
Ratio is steadily increasing from a low of -0.39% in December 2009.

Federal Deposit Insurance Corporation

DIF Fund Balance and Reserve Ratio, 2008-18

DIF Balance (Billions of Dollars)

DIF Reserve Ratio (Percent of Insured Deposits)



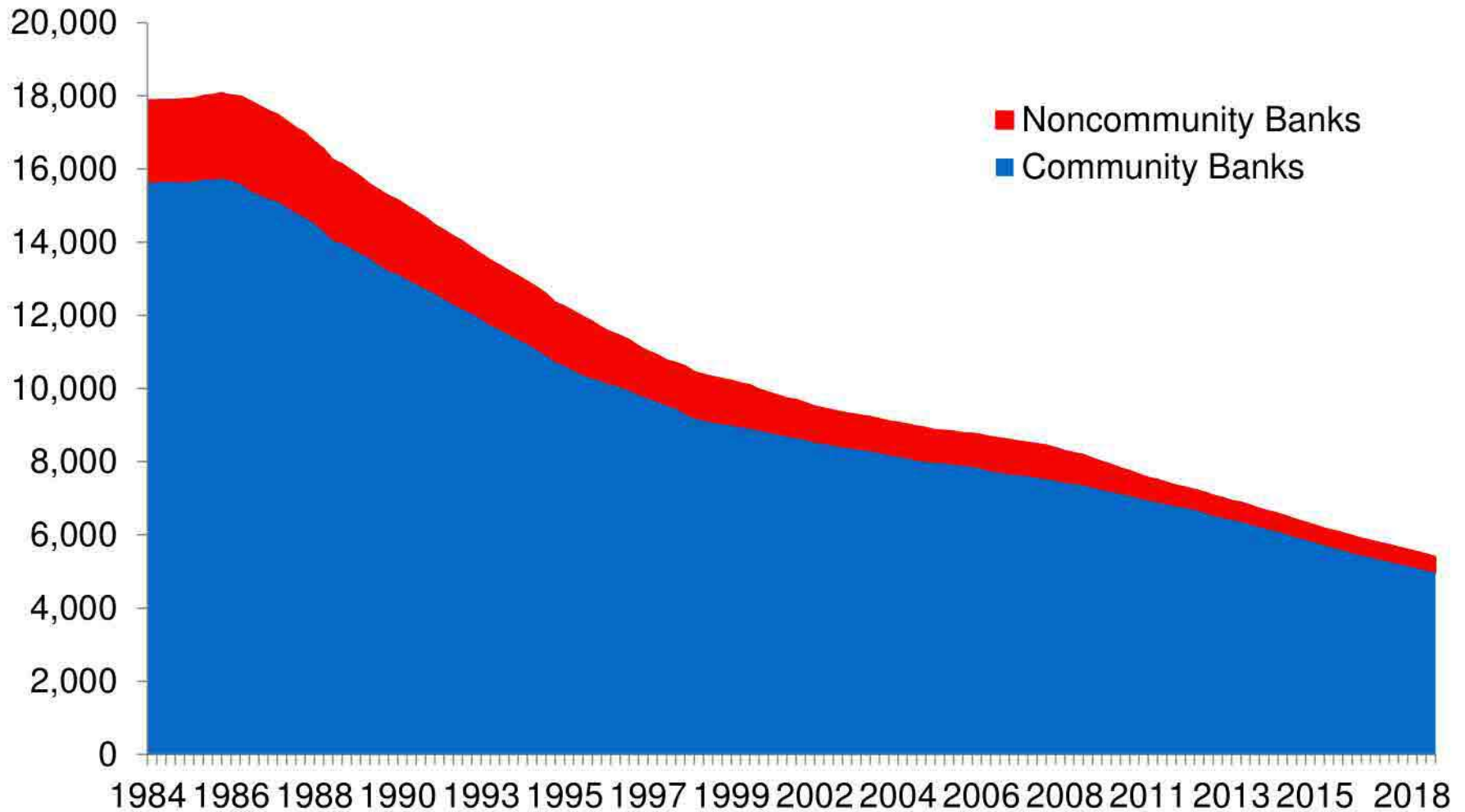
Recent Research Topics

- Crisis and Response
- Community Bank Research
- Small Business Lending Survey
- Summary of Deposits
- Consolidation Trends

Federal Deposit Insurance Corporation

Banking consolidation is a longstanding trend

By number, most banks remain small, community-based institutions

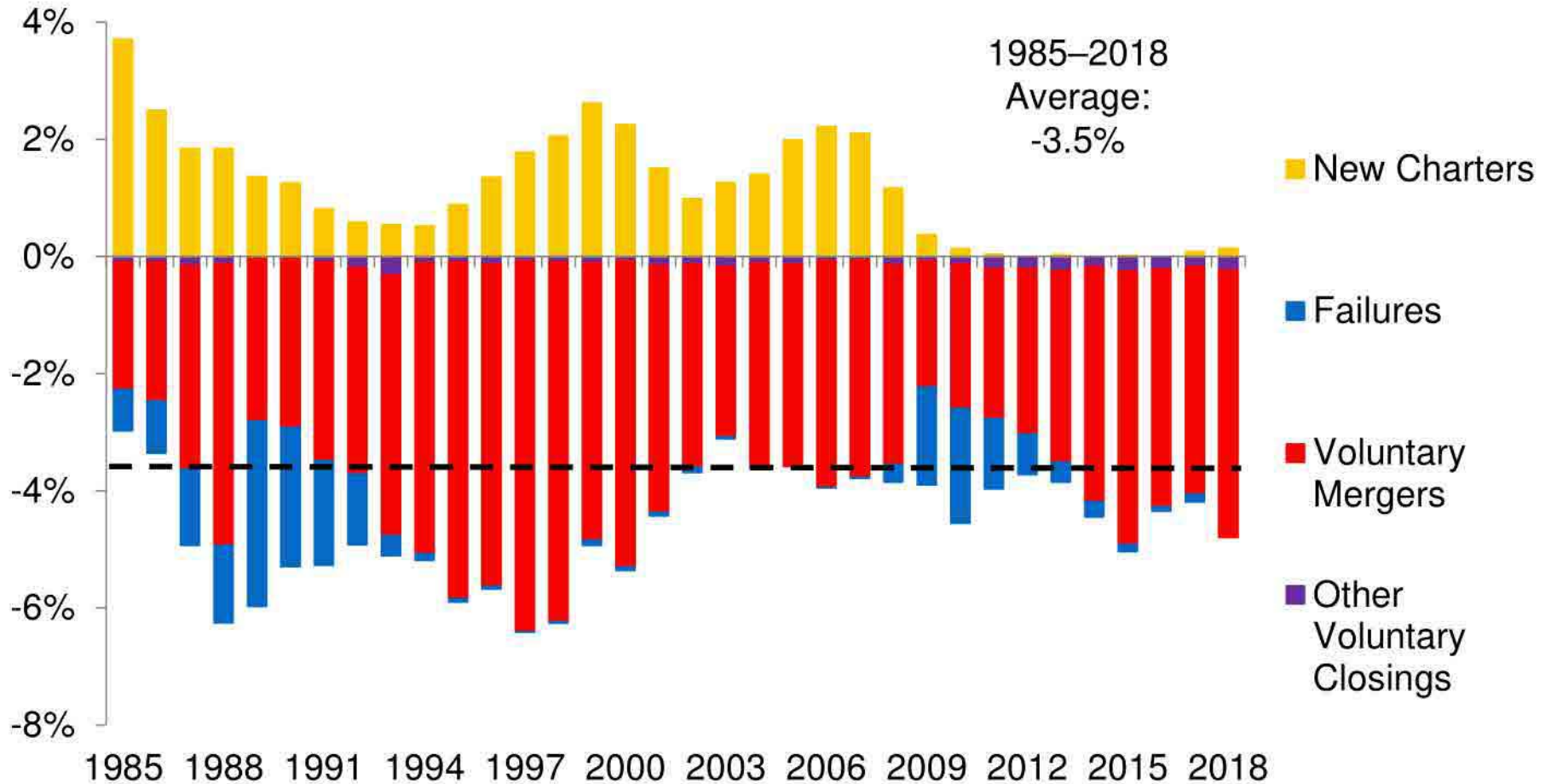


Source: FDIC.

Federal Deposit Insurance Corporation

Annual Rates of Consolidation Activity, 1985 - 2018

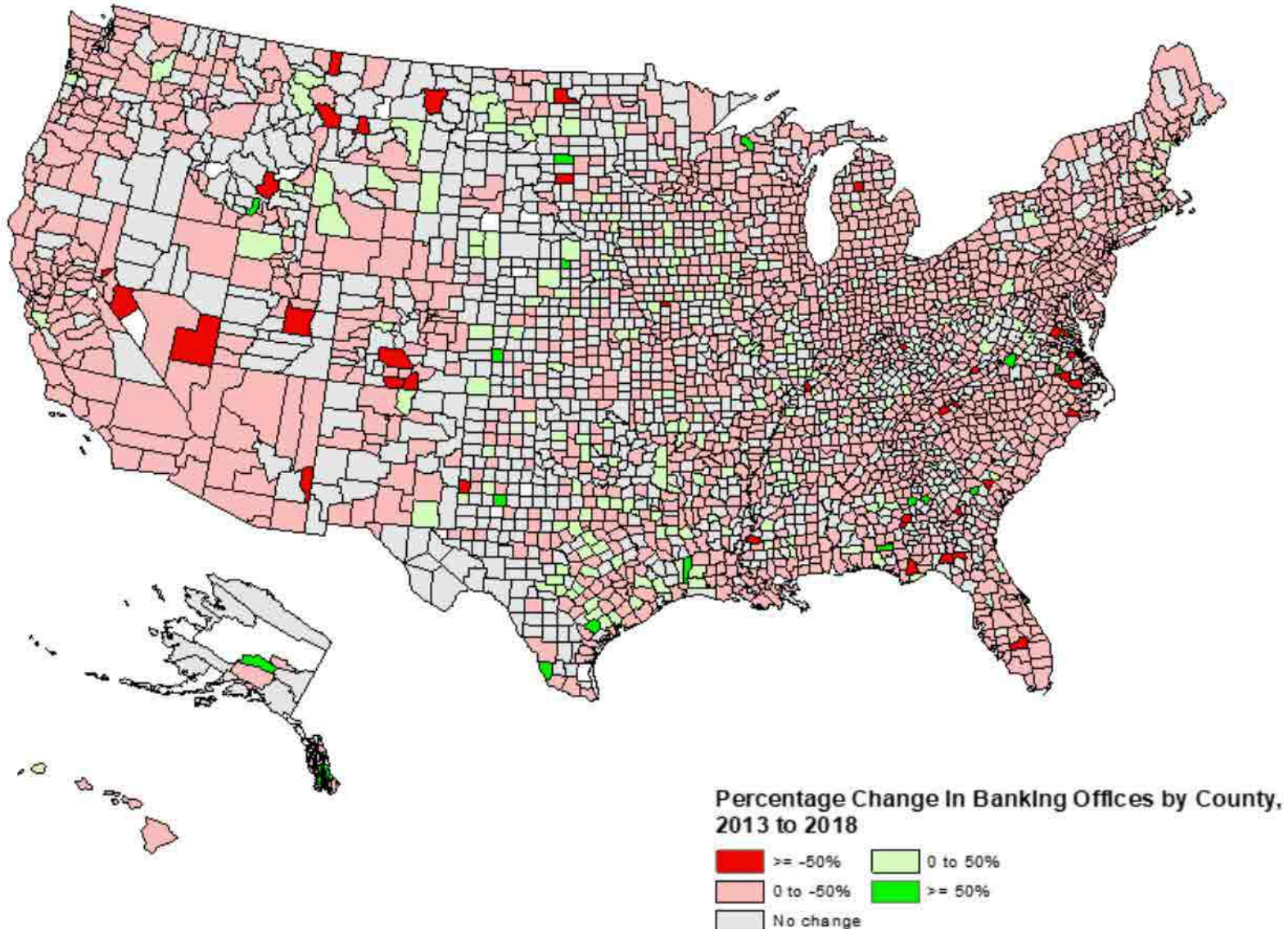
As Percent of Charters Reporting at Previous Year-End



Federal Deposit Insurance Corporation

Declines in the number of banking offices have been widespread

Percentage change in banking offices by county, 2013 to 2018





Introduction to Bank Examinations

March 1, 2019



Agenda

Page 2

- **Background**
- **Deposit Insurance Applications**
- **Supervisory Process**
- **Economic Inclusion**
- **Fintech Initiatives**
- **Questions**



Who Examines Whom?

| | NCUA | STATE | OCC | FRB | FDIC |
|------------------------------|------|-------|-----|-----|------|
| CREDIT UNIONS | X | X | | | |
| STATE MEMBER BANKS | | X | | X | X* |
| STATE NON-MEMBER BANKS | | X | | | X |
| NATIONAL BANKS | | | X | | X* |
| STATE SAVINGS ASSOCIATIONS | | X | | | X |
| FEDERAL SAVINGS ASSOCIATIONS | | | X | | X* |
| HOLDING COMPANIES | | | | X | X* |
| TECHNOLOGY SERVICE PROVIDERS | | | X | X | X |

*Backup authority, not primary regulator



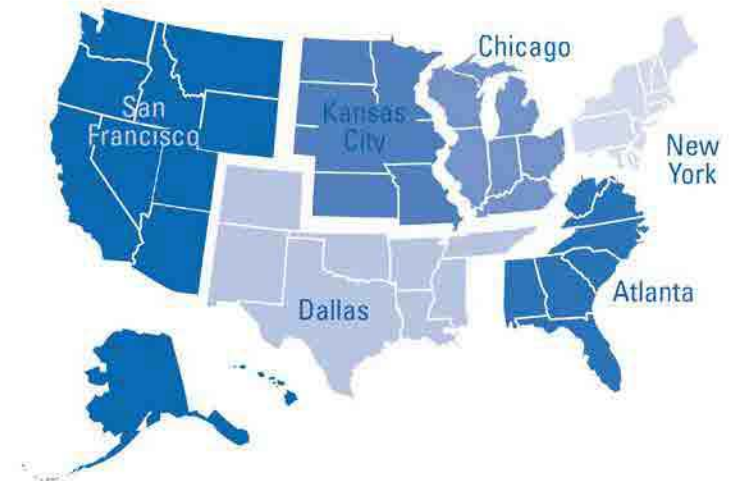
U.S. Banking Industry Profile

| | |
|--|--|
| 8 U.S. Global Systemically Important Banks | <ul style="list-style-type: none">➤ 4 follow universal banking models, 2 are investment banks, and 2 are custody banks➤ Total assets : \$8.7 trillion or 48 percent of industry assets |
| 118 Large Banks (\$10B or more in assets) | <ul style="list-style-type: none">➤ 83 percent follow diversified business models➤ 6 percent pursue mortgage banking, 7 percent consumer banking, and 3 percent brokerage activities➤ Total assets: \$6.4 trillion or 35 percent of industry assets |
| 5,274 Community Banks (98% of all institutions) | <ul style="list-style-type: none">➤ 53 percent are diversified commercial banks➤ 26 percent are agricultural banks, 7 percent pursue mortgage banking, 1 percent pursue consumer banking, and 13 percent follow other specialized➤ Total assets: \$3.3 trillion or 19 percent of industry assets |

Statistics At A Glance

As of December 31, 2018:

- **Number of FDIC-supervised institutions: 3,495**
- **Number of FDIC-insured institutions: 5,406**
- **Number of Regional Offices: 6**





Supervisory Programs

RMS and DCP carry out coordinated supervisory programs.

Division of Risk Management Supervision (RMS)

- **Safety and Soundness**
- **Information Technology**
- **Bank Secrecy Act**
- **Trust**
- **Municipal Securities Dealer**
- **Resolution Planning**

Division of Depositor and Consumer Protection (DCP)

- **Consumer Compliance**
- **Community Reinvestment Act**



Applications for Deposit Insurance

- **A new financial institution is chartered by:**
 - ◆ **the Office of the Comptroller of the Currency, or**
 - ◆ **a State Banking Authority.**
- **The FDIC grants deposit insurance.**
- **Coordination between agencies is critical.**

The FDIC publicly released a set of applications-related initiatives:

- **Request for Information.**
- **Roundtables in Washington and each Region Office.**
- **Draft deposit insurance proposals.**
- **Updates to handbook and procedures.**
- **Processing timeframe guidelines.**
- **Performance metrics and other information.**



Supervisory Process

After an institution is established, the supervisory process is a combination of activities:

- **Ongoing Communication**
- **Pre-Examination Planning**
- **On-Site Examination**
- **Supervisory Follow-Up**
- **Off-Site Monitoring and Review**



Supervisory Examinations

Pre-examination analysis of key information enables the examination team to focus on risk exposures.

On-site reviews are designed to identify risks:

- **Follow-up on any areas of concern noted during the pre-examination review;**
- **Assess changes in the risk profile since the last examination;**
- **Evaluate the completeness of and adherence to policies and procedures;**
- **Ensure compliance with laws and regulations;**
- **Assess the rating component areas;**
- **Determine findings and supervisory ratings; and**
- **Meet with management and board of directors to address findings.**



Safety and Soundness Examination Rating Components

Safety and Soundness:

- **Capital Adequacy**
- **Asset Quality**
- **Management**
- **Earnings**
- **Liquidity**
- **Sensitivity to Market Risk**



Compliance and Community Reinvestment Act (CRA) Examinations

Consumer Compliance

- Compliance with federal consumer protection laws and regulations
- Consumer Compliance management system

CRA

- Record in meeting the credit needs of the area served
- Written evaluation of a bank's CRA performance is available to the general public



Composite Ratings

Financial institutions are assigned a composite rating of 1 through 5 for Safety and Soundness and Consumer Compliance.

- **The ratings convey increasing supervisory concern:**
 - ◆ **Composite 1 Minor weaknesses**
 - ◆ **Composite 2 Moderate weaknesses**
 - ◆ **Composite 3 Supervisory concern**
 - ◆ **Composite 4 Serious deficiencies**
 - ◆ **Composite 5 Critically deficient**



CRA Ratings

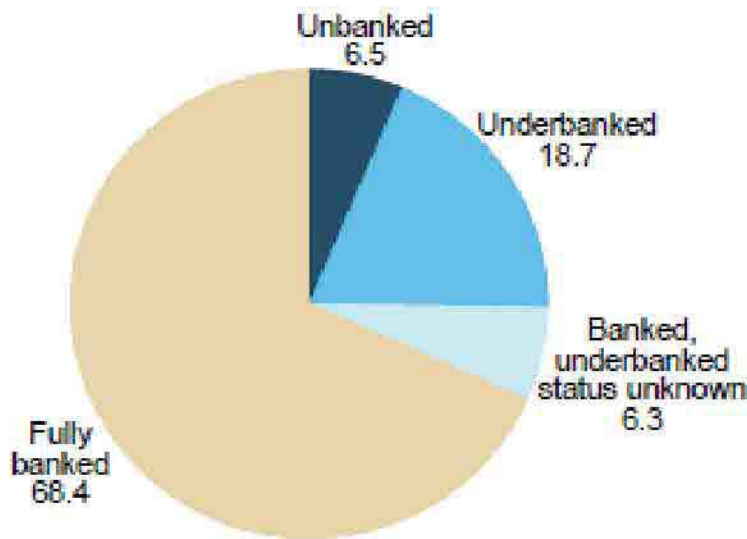
Institutions are assigned a composite rating for CRA:

- **Outstanding**
- **Satisfactory**
- **Needs to Improve**
- **Substantial Non-Compliance**

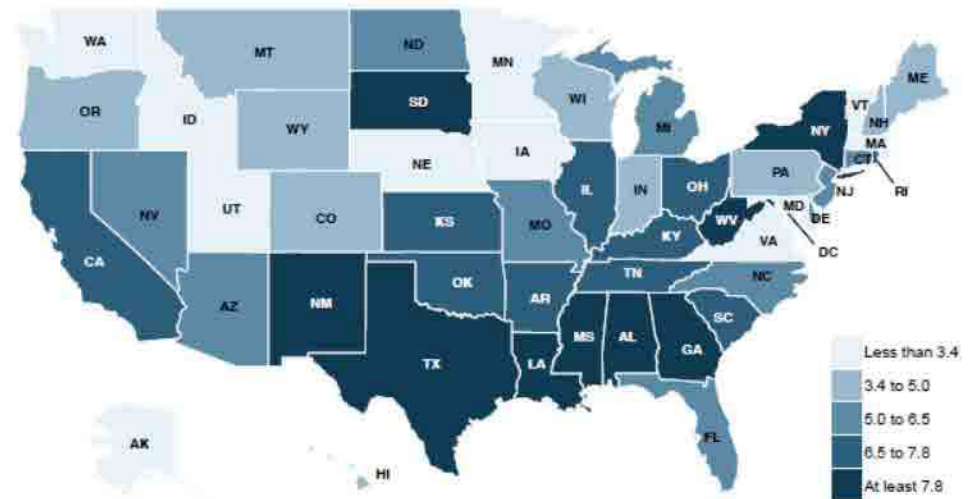
A written evaluation of a bank's CRA performance is available to the general public

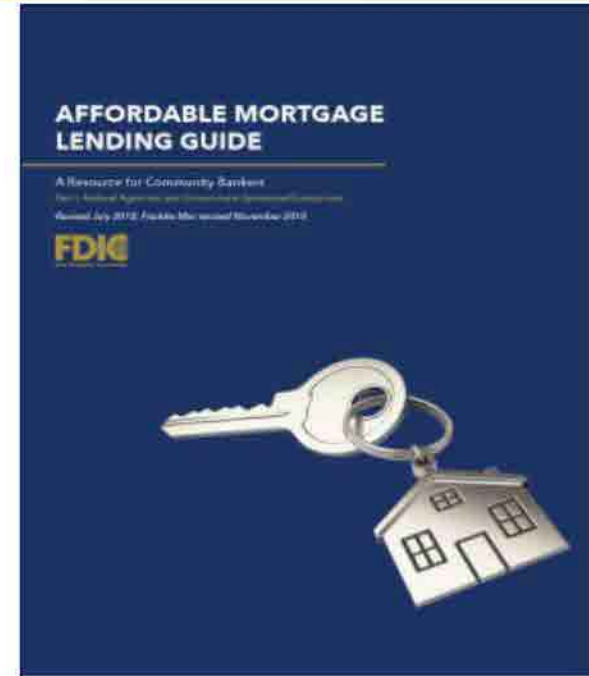
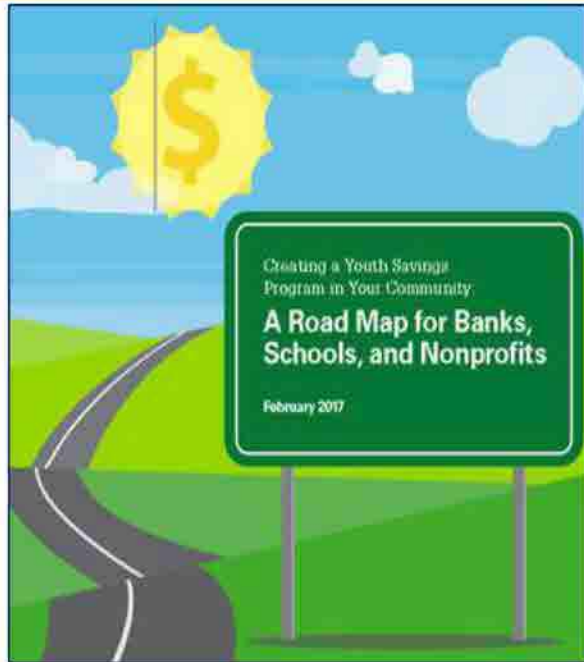
FDIC National Survey of Unbanked and Underbanked Households

Banking Status of U.S. Households 2017



Household Unbanked Rates 2017





ECONOMICINCLUSION.GOV **FDIC**

WHAT IS ECONOMIC INCLUSION? SURVEYS & DATA INITIATIVES RESOURCES

2017 FDIC National Survey of Unbanked and Underbanked Households

To assess the inclusiveness of the banking system, and in partial fulfillment of a statutory responsibility, the FDIC conducts biennial surveys of households to estimate the proportion of households that do not fully participate in the banking system.

The 2017 FDIC National Survey of Unbanked and Underbanked Households presents new data and insights on the size of unbanked and underbanked markets at the national, regional, state, and large metropolitan statistical area (MSA) levels.

EXPLORE 2017 SURVEY —

SELECT GEOGRAPHY: **NATION** REGION STATE MSA

VIEW STATE DATA
Please Select One **VIEW**

COMPARE AREAS
COMPARE DIFFERENT AREAS

CREATE CUSTOM DATA TABLES & CHARTS

Explore the full data set for the FDIC National Survey of Unbanked and Underbanked Households. Create custom tables and charts listed on year, geography, topic and other variable filters.

CREATE CUSTOM DATA TABLE →

CREATE CUSTOM CHART →

2017 SURVEY RESULTS

In 2017, the FDIC conducted the biennial survey of unbanked and underbanked households. See the full findings here.

- 2017 Executive Summary - PDF (PDF Help)
- 2017 Report - PDF (PDF Help)
- 2017 Appendix Tables - PDF (PDF Help)
- 2017 Technical Notes and Survey Revisions - PDF (PDF Help)
- 2017 Instrument - PDF (PDF Help)

RELATED RESEARCH

The FDIC conducted qualitative research regarding mobile financial services.

READ THE REPORT —

The FDIC conducted qualitative research regarding bank efforts to increase financial inclusion.

READ THE REPORT —

The FDIC released a white paper assessing the economic inclusion potential of mobile financial services.

READ THE WHITE PAPER —

NEW! FIVE-YEAR ESTIMATES

Five-year estimates of unbanked and underbanked rates are computed by combining data from three consecutive surveys to generate an estimate across the time period. See the FAQs for additional information.

GET FIVE-YEAR ESTIMATES —

CREATE CUSTOM DATA TABLES & CHARTS

Explore the full data set for the FDIC National Survey of Unbanked and Underbanked Households. Create custom tables and charts based on year, geography, topic and other variable filters.

CREATE CUSTOM DATA TABLE →

CREATE CUSTOM CHART →



Fintech Initiatives

Four fundamental issues to be resolved:

- 1. Provide a safe regulatory environment to promote technological innovation.**
- 2. Promote technological development at community banks.**
- 3. Determine appropriate policy changes to support innovation, while promoting safe and secure financial services and institutions.**
- 4. Transform the FDIC – in terms of technology, examination processes, and culture – to enhance the stability of the financial system, protect consumers, and reduce the compliance burden on regulated institutions.**



Questions

March 1, 2019

From: [Kuhn, Peggy R.](#)
To: [Shah, Shilpa](#); [Garnett, Edward J.](#)
Subject: Question about FDIC 101
Date: Thursday, January 07, 2021 10:22:00 AM

Good morning Shilpa and Ed,

I hope that both of you had a nice holiday break and continue to stay safe and healthy. In light of the chaos at the Capitol yesterday, I also hope that you and your family and friends were not in harm's way. Hard to believe what we were seeing yesterday afternoon.

Turning back to ongoing business, I wanted to see if you could assist me in getting some information about the FDIC 101 course which I know is offered to international visitors. At the start of each Congress, OLA has been offering a version of FDIC 101 to new Congressional staff. We are starting to put together a design for this year's virtual version. I thought it might be helpful to glance at the schedule/syllabus for your version of the FDIC 101 class. Would you happen to have a copy of that to share or know where I might find one? I know that your version is 4.5 days long which is much longer than we can hope to do for Congressional staff, but always helpful to see how other courses approach the subject matter. I'm certainly happy to share with you information on our orientation as the planning progresses.

Please let me know if you have any questions or wish to discuss. Thanks for your assistance.

pk