100th Bank Failure Fact Sheet

- The FDIC insures approximately 8,200 financial institutions.

- Since the beginning of 2008, the FDIC has protected more than $322.9 billion in deposits at 124 failed banks. Assets of those banks totaled more than $478.9 billion. As of September 30, the FDIC had $38.3 billion of assets in inventory from failed banks.

- Since the FDIC was created in 1933, the most failures occurred in 1989 when 534 banks and savings and loans were closed (out of 16,574 FDIC or FSLIC insured institutions at the beginning of the year), or on average more than 10 per week.

- The last time more than 100 FDIC-insured institutions were closed was in 1992, when 181 failed. The first time more than 100 FDIC-insured institutions failed in a year was 1982, when 119 were closed.

- From 1984 through 1992, more than 100 institutions were closed each year.

- Between 1982 and 2007, a total of 2,397 institutions were closed. Since the beginning of 2008, more than 125 banks have failed, with 25 of those in 2008.

- There are currently 416 institutions on the FDIC's problem list. This represents only five percent of the insured institutions in the country. In 1987, there were 2,165 out of 17,345 institutions on that list, or one out of every eight (12.5%) insured institutions. Historically, a minority of banks on the problem list actually fail, most are nursed back to health or acquired by a healthier institution.

- The FDIC estimates that losses from failures will total $100 billion during the period 2009-2013, though money has already been reserved for a large portion of this. As of the end of the second quarter, the FDIC had set aside $32 billion for failures in the coming year. Approximately $25 billion has already been incurred in failures costs so far in 2009.

- As of June 30, 2009, the FDIC's Deposit Insurance Fund had a balance of $10.4 billion. Combined with the $32 billion in reserves, our total reserves stood in excess of $42 billion. Due to reserving requirements for future failures, however, that DIF balance (which is an accounting measure of our net worth) will be negative this year. At year-end 2007, the DIF balance was $52.4 billion.

- Prior to 2009, there was one other instance in the FDIC's history where the fund balance was negative at year-end. In 1991 the FDIC's fund ended the year with a negative balance of $6.9 billion.

- A negative fund balance has no impact on the ability of the FDIC to protect depositors. Our cash position stands at $23 billion and we have proposed collecting another $45 billion from the industry at the end of the year through the prepayment of premiums. We also have substantial authority to borrow from the Treasury Department.

- In 2009, Congress permanently increased the amount that the FDIC can borrow from the U.S. Treasury from $30 billion to $100 billion to reflect industry growth since 1991, when the old borrowing limit was set, and to ensure that the FDIC has sufficient resources in the event of unforeseen insured institution failures. Congress also temporarily increased the FDIC's borrowing limit to $500 billion through the end of 2010. Ultimately, the FDIC is backed by the full faith and credit of the U.S. government.