



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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FDIC Chairman Sheila C. Bair Comments on the Obama Administration's Regulatory Reform Plan

FDIC Chairman Sheila C. Bair said, "I commend President Obama for his leadership on financial regulatory reform and his inclusive approach to policy development. There are key areas of reform within our regulatory structure that should be addressed in any effort to strengthen the oversight of our financial markets, enhance consumer protection and promote market discipline. Of primary importance is addressing too big to fail. Market participants should understand that large institutions can and will fail and that an effective resolution mechanism will be uniformly applied to institutions in a fair, transparent and consistent manner. It is also important that we maintain a focus on assuring strong capital requirements for banks and their holding companies. As the ultimate insurer of over \$6 trillion in deposits, the FDIC's emphasis on capital has proven to be a crucial component in monitoring and preventing systemic risks. As we move through the reform effort, it will be important to take the lessons from the current financial crisis and apply them in a constructive and workable way.

I would again salute the President for his attention to this issue. I look forward to working with the Administration and Congress as we begin the legislative process."

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Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

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