



PRESS RELEASE

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

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FDIC Announces Organizational Changes to Help Implement Recently Enacted Regulatory Reform by Congress

The FDIC Board of Directors today approved the creation of a new Office of Complex Financial Institutions (CFI) and Division of Depositor and Consumer Protection (DCP) to help carry out its responsibilities under the *Dodd-Frank Wall Street Reform and Consumer Protection Act*.

"The FDIC plans to vigorously implement its new authorities under the Dodd-Frank Act, which ends the presumption of 'too big to fail' for the largest and most complex financial institutions," FDIC Chairman Sheila C. Bair stated. "The creation of our new Office of Complex Financial Institutions is a critical first step in this process.

The CFI will perform continuous review and oversight of bank holding companies with more than \$100 billion in assets as well as non-bank financial companies designated as systemically important by the new Financial Stability Oversight Council. CFI will also be responsible for carrying out the FDIC's new authority under the Act to implement orderly liquidations of bank holding companies and non-bank financial companies that fail. The absence of such authority exacerbated the recent financial crisis, when such firms as AIG, Lehman Brothers, and Bear Stearns became insolvent.

The establishment of a new division dedicated to depositor and consumer protection will provide increased visibility to the FDIC's compliance examination and enforcement program. That program ensures that banks comply with a myriad of consumer protection and fair lending statutes and regulations. While Congress established the new bureau to promulgate consumer protection rules, the FDIC maintains the responsibility to enforce those rules for banks with \$10 billion or less in assets and to perform its traditional depositor protection function. The new Division will also house FDIC staff and resources devoted to answering questions and promoting public understanding of deposit insurance and use of FDIC-insured bank accounts.



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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"Our depositor protection and compliance examination and enforcement responsibilities are integral to our unique responsibilities as deposit insurer and supervisor of thousands of community banks," said Chairman Bair. "The creation of this new division emphasizes the importance we place on these responsibilities and is directly responsive to Congress's intent in the new legislation. DCP will also complement the activities of the new Consumer Financial Protection Bureau that is being established within the Federal Reserve. The FDIC supports the CFPB, and we are committed to doing our part in carrying out the consumer responsibilities Congress has entrusted to us."
