Shared National Credits Program
2012 Review

Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
Office of the Comptroller of the Currency

Washington, D.C.

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Contents

Index of Figures and Tables

Executive Summary

The interagency Shared National Credits (SNC) Review for 2012 indicates that credit quality improved for the third consecutive year for large corporate loans and loan commitments held by U.S. bank organizations, foreign bank organizations (FBO), and nonbanks, such as securitization pools, hedge funds, insurance companies, and pension funds. The volume of criticized loans remained high at $295 billion compared to levels before the financial crisis, but declined 8.1 percent from 2011. A criticized loan is rated special mention, substandard, doubtful, or loss. Consistent with the results of the 2011 SNC Review, the reduction in the volume of criticized assets this year can be attributed to improved borrower operating performance, debt restructurings, bankruptcy resolutions, and greater borrower access to bond and equity markets.

The performance of the SNC portfolio remained influenced by exposure to 2006- and 2007-vintage credits with weak underwriting standards. The federal banking agencies expect banks and thrifts to originate syndicated loans using prudential underwriting standards, regardless of their intent to hold or sell them. SNCs that are poorly underwritten will be subject to regulatory criticism or classification during annual SNC reviews. In addition, each lender should independently evaluate any participation purchased, including SNCs.

The 2012 review included an evaluation of underwriting standards on SNCs that were originated in 2011. While the overall quality of underwriting in 2011 was significantly better than in 2007, some easing of standards was noted, specifically in leveraged finance credits, compared to the relatively tighter standards present in 2009 and the latter half of 2008. The federal banking agencies expect to finalize revised guidance on leveraged lending to form the basis of the agencies' supervisory focus and review of supervised financial institutions involved in leveraged lending.

Refinancing risk has declined in the SNC portfolio as only 37.1 percent of SNCs will mature over the next three years compared to 63.4 percent for the same time frame in the 2011 SNC Review. During 2011 and into 2012, syndications continued to modify loan agreements to extend maturities. These transactions had the effect of relieving near-term refinancing risk, but may not improve borrowers' ability to repay their debts in the longer term.

The 2012 review showed a reduction in classified assets across all entity types, and nonbanks continued to disproportionately participate in highly stressed classified credits. While nonbank entities own[1] the smallest share of SNC commitments, they continued to own the largest volume and percentage of classified credits at $122 billion, or 62.4 percent of all classified credits.

Other findings from the 2012 SNC Review include:

- Total SNC commitments increased by $268 billion to $2.79 trillion, or 10.6 percent from the 2011 review. Total SNC loans outstanding increased $125 billion to $1.24 trillion, an increase of 11.2 percent.
- Criticized assets, which include assets rated special mention, substandard, doubtful, and loss, declined from $321 billion to $295 billion, representing 10.6 percent of the SNC portfolio, compared with 12.7 percent in 2011. Criticized dollar volume fell 8.1 percent from the 2011 level.

[1] Ownership of SNCs results from retention of a portion of SNCs originated for distribution and/or purchase of SNC loan participations.

- Classified assets, which include assets rated substandard, doubtful, and loss, declined from $215 billion to $196 billion, representing 7.0 percent of the portfolio, compared with 8.5 percent in 2011. Classified dollar volume fell 8.8 percent from the 2011 level.
- Credits rated special mention, which exhibit potential weakness and could result in further deterioration if uncorrected, declined from $106 billion to $99 billion, representing 3.6 percent of the portfolio, compared with 4.2 percent in 2011. Special mention dollar volume fell 6.7 percent from the 2011 level.
- The severity of classifications deteriorated somewhat, with credits rated as doubtful increasing from $14 to $29 billion while assets rated as loss decreased from $10 billion to $4.5 billion. Loans that are rated either doubtful or loss account for 1.2 percent of the portfolio, compared with 0.9 percent in the prior review. Adjusted for losses, nonaccrual loans declined from $91 billion to $81 billion, an 11.1 percent reduction. Appendix C reflects nonaccrual loans inclusive of loss dispositions.
- The distribution of credits across entity types—U.S. bank organizations, FBOs, and nonbanks—remained relatively unchanged. U.S. bank organizations owned 43.2 percent of total SNC loan commitments, FBOs owned 36.9 percent, and nonbanks owned 19.8 percent. Nonbanks continued to own a larger share of classified (62.4 percent) and nonaccrual (66.4 percent) assets than their total share of the SNC portfolio (19.8 percent). However, their share of SNCs declined for the second consecutive year. Institutions insured by the Federal Deposit Insurance Corporation (FDIC) owned 13.4 percent of classified assets and 9.5 percent of nonaccrual loans.
- The media and telecommunications industry group led other industry groups in criticized dollar volume with $66 billion. Finance and insurance followed with $34 billion, then utilities with $30 billion. Although these three groups had the largest dollar volume of criticized loans, the three groups with the highest rate of criticized loans were entertainment and recreation (28.3 percent), media and telecommunications (24.6 percent), and transportation services (22.7 percent). Each of these industry groups was improved over the prior year.

About the SNC Review

The annual SNC Review results are prepared and released jointly by the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency. The 2012 SNC Review included a review of $811 billion in credit commitments covering 29.0 percent of the $2.79 trillion SNC portfolio. The sample was weighted toward noninvestment grade and criticized credits. Results of the review are based on analyses prepared in the second quarter of 2012, using credit-related data provided by federally supervised institutions as of December 31, 2011, and March 31, 2012.

Definitions

- **Credit Facilities**—Credit facilities include syndicated loans and loan commitments, letters of credit, and commercial leases, and other forms of credit. Commitment amounts include both drawn and undrawn portions of the loans, or facilities. The review reports only the par amounts of commitments, which may differ from the amounts at which loans are carried by investors.
- **Criticized and Classified Assets**—Criticized assets include all assets rated special mention, substandard, doubtful, and loss. Classified assets include assets rated substandard, doubtful, and loss. The agencies’ uniform loan classification standards and examination manuals define these risk rating classifications.
- **Doubtful**—Doubtful assets have all the weaknesses of assets classified as substandard when the weaknesses make collection or liquidation in full, on the basis of available current information, highly questionable or improbable.

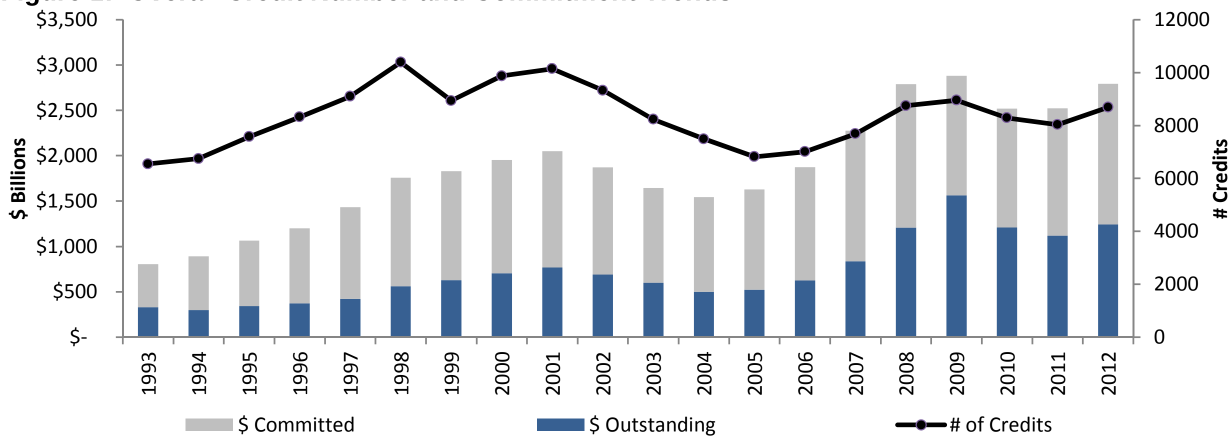
- **Loss**—Assets classified as loss are considered uncollectible and of so little value that their continuance as bankable assets is not warranted. Amounts classified as loss should be promptly charged off. This classification does not mean that there is no recovery or salvage value, but rather that it is not practical or desirable to defer writing off these assets, even though some value may be recovered in the future.
- **Nonaccrua**l—Nonaccrual loans are defined for regulatory reporting purposes as loans and lease financing receivables that are required to be reported on a nonaccrual basis because (a) they are maintained on a cash basis owing to a deterioration in the financial position of the borrower, (b) payment in full of interest or principal is not expected, or (c) principal or interest has been in default for 90 days or longer, unless the obligation is both well secured and in the process of collection.
- **Pass**—A shared national credit that is in good standing and is not criticized in any way.
- **SNC**—A shared national credit is any loan or formal loan commitment, and any asset such as real estate, stocks, notes, bonds, and debentures taken as debts previously contracted, extended to borrowers by a federally supervised institution, its subsidiaries, and affiliates, that aggregates to $20 million or more and is shared by three or more unaffiliated federally supervised institutions, or a portion of which is sold to two or more unaffiliated federally supervised institutions. The threshold of $20 million has remained unchanged since the first report in 1977.
- **Special Mention**—Special mention assets have potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses could result in further deterioration of the repayment prospects, or in the institutions' credit position in the future. Special mention assets are not adversely rated and do not expose institutions to sufficient risk to warrant adverse rating.
- **Substandard—**Substandard assets are inadequately protected by the current sound worth and paying capacity of the obligor, or of the collateral pledged, if any. Assets so rated have well-defined weaknesses that jeopardize the liquidation of the debt and present the distinct possibility that the institution will sustain some loss if deficiencies are not corrected.

PART I: SNC Credit Quality

Overall SNC Portfolio

The 2012 SNC portfolio totaled $2.79 trillion, with roughly 8,700 credit facilities to approximately 5,600 borrowers (see Figure 1). The commitment amount rose by $268 billion, or 10.6 percent, from 2011, while the outstanding dollar volume of the portfolio increased by $125 billion, or 11.2 percent (see Appendix A), and the number of credits increased by over 660, or 8.2 percent.

Figure 1: Overall Credit Number and Commitment Trends



The four largest industry groups comprised 44.5 percent of the portfolio. The largest groups were finance and insurance (financial sector), with $454 billion in commitments, an increase from 2011 of $30 billion, or 7.1 percent; durables manufacturing excluding automotive (manufacturers sector), with $273 billion, an increase of $39 billion, or 16.7 percent; media and telecommunications (services sector), with $268 billion, an increase of $24 billion, or 9.8 percent; and utilities (services sector), with $247 billion, an increase of $17 billion, or 7.4 percent.

Overall SNC Credit Quality and Trends

Although credit quality improved over the past three years, the percentages of criticized and classified assets remain elevated at 10.6 percent and 7.0 percent, respectively, as weak economic conditions continue to impact businesses. The reduction in the criticized rate from 12.7 percent to 10.6 percent in 2012 is a result of an 8.1 percent decline in criticized loan volume and a 10.6 percent increase in the overall SNC portfolio. As in 2011, the reduction in the dollar volume of criticized assets is attributed to improved borrower operating performance, debt restructurings, bankruptcy resolutions, and greater borrower access to bond and equity markets.

Criticized assets declined by $26 billion to $295 billion (see Figure 2), an 8.1 percent decrease from last year. Criticized assets represented 10.6 percent of the portfolio, compared with 12.7 percent in 2011.[2]

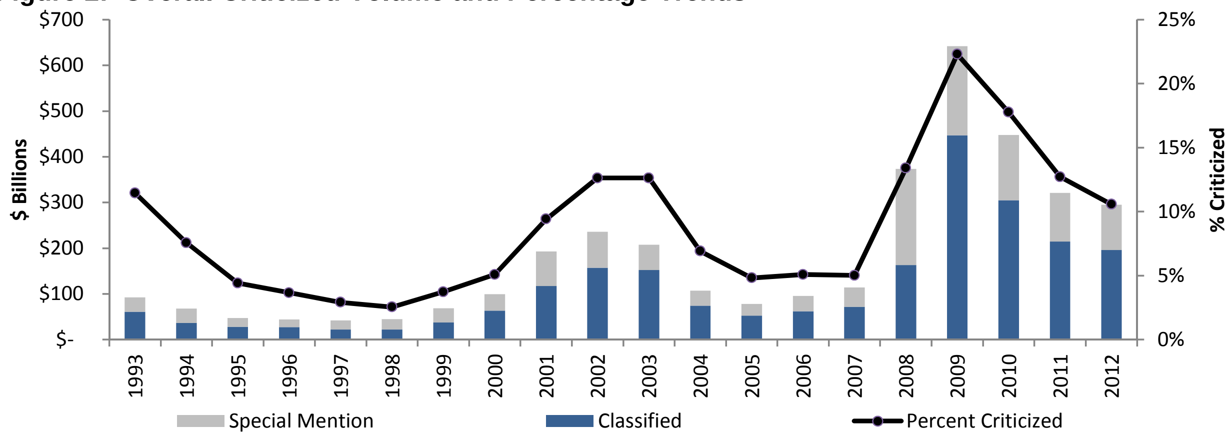
[2] The criticized credits and related ratios do not include the effects of hedging or other techniques that organizations may use to mitigate risk.

Classified credits declined by $19 billion to $196 billion, an 8.8 percent decrease. Classified credits represented 7.0 percent of the portfolio, compared with 8.5 percent in 2011.

Credits rated special mention declined by $7.1 billion to $99 billion, a 6.7 percent decline. Special mention credits represented 3.6 percent of the portfolio, compared with 4.2 percent in 2011.

The volume of nonaccrual loans net of loss dispositions declined from $91 billion to $81 billion, an 11.1 percent decrease, and represented 2.9 percent of the portfolio, down from 3.6 percent in 2011.

Figure 2: Overall Criticized Volume and Percentage Trends



Credit Quality by Industry Group[3]

Four industry groups accounted for 51.3 percent of all criticized assets in the SNC portfolio. The media and telecommunications industry group held the largest volume of criticized assets with $66 billion, or 22.3 percent of all criticized assets. Finance and insurance followed with $34 billion, or 11.6 percent; utilities with $30 billion, or 10.2 percent, and real estate and construction with $21 billion, or 7.2 percent.

Industry groups with the highest percentage of their commitments criticized were led by entertainment and recreation (services sector) with 28.3 percent; media and telecommunications with 24.6 percent; transportation services with 22.7 percent; and agribusiness with 21.0 percent.

Several industry groups showed a reduction in the volume of criticized levels relative to 2011. In real estate and construction, criticized assets declined by $14 billion and represented 12.9 percent of the group's assets, compared with 21.3 percent in 2011. In entertainment and recreation, criticized assets declined by $9.1 billion, representing 28.3 percent of the group's assets, compared with 36.8 percent in 2011. In media and telecommunications, criticized assets declined by $6.1 billion, representing 24.6 percent of the group's assets, compared with 29.5 percent in 2011.

[3] The agencies introduced industry data in 2008 that presented industries vertically along product origination and distribution lines. The review places credits in seven primary sectors, largely following the outline of the 2007 U.S. Census Bureau North American Industry Classification System codes (see Appendix B). The seven primary sectors are further dissected into 24 industry groups constructed from 93 subgroups. The analysis in this report uses the 24 industry groups.

PART 2: SNC Loan Distribution

Loan Distribution by Volume

Table 1 lists the dollar volume and percentage of the SNC portfolio by lender type. The percentage of SNC commitments owned by U.S. banking organizations increased slightly from 41.5 percent to 43.2 percent. The percentage of SNC commitments owned by FBOs declined slightly from 38.3 percent to 36.9 percent and commitments for nonbanks declined from 20.2 percent to 19.8 percent of the portfolio, the second year-over-year decrease since at least 2001. Nonbanks included securitization pools, hedge funds, insurance companies, and pension funds. FDIC-insured institutions' share of the SNC portfolio increased slightly from 41.9 percent to 44.9 percent (see Appendix C).

Table 1: Distribution of SNC Commitments by Lender Type

Lender Type	2011 Total Commitments ($ Trillion)	2012 Total Commitments ($ Trillion)	2011% Total Commitments	2012% Total Commitments
U.S. Banks	$1.03	$1.21	41.5%	43.2%
FBOs	$0.96	$1.03	38.3%	36.9%
Nonbanks	$0.53	$0.55	20.2%	19.8%
Total	$2.52	$2.79	100.0%	100.0%

Loan Distribution by Credit Quality

While nonbank entities owned the smallest share of SNC commitments, they owned $122 billion of the $196 billion in total classified assets, or 62.4 percent (see Appendix C). U.S. banks owned $36 billion of classified assets, or 18.3 percent, and FBOs owned $38 billion, or 19.3 percent. In addition, 22.1 percent of nonbank assets were classified, compared with 3.0 percent of the U.S. bank portfolio and 3.7 percent of the FBO portfolio. FDIC-insured institutions owned $26 billion of classified assets, a classified percentage of 2.1 percent, down from 3.4 percent in 2011. Of nonaccrual loans, nonbank institutions owned 66.4 percent, or $57 billion; FDIC-insured institutions owned only 8.1 billion, or 9.5 percent.

Classified credits declined for each type of entity over the past year. Classified credits held by nonbanks decreased by $1.3 billion, or 1.1 percent, to $122.2 billion; U.S. bank classified credits decreased by $13.6 billion, or 27.5 percent, to $35.8 billion; and FBO classified credits decreased by $4.6 billion, or 9.4 percent, to $37.5 billion (see Appendix C).

PART 3: Leveraged Finance Trends

The 2012 SNC review included a review of 110 large leverage finance obligors, with $278 billion in commitments (approximately 34.3 percent of reviewed SNC commitments). The review again identified an excessive level of risk associated with this subset of the portfolio. The criticized rate remained consistent with last year's 51.0 percent which is substantially above the overall portfolio criticized rate of 10.6 percent. While leverage within this portfolio has moderately declined, 75 percent of transaction structures were cited as weak due to few financial covenants, excessive covenant headroom and minimal amortization requirements. The federal banking agencies revised guidance on leveraged lending will address the basis of the agencies' supervisory focus and review of supervised financial institutions involved in leveraged lending.

PART 4: Syndicated Loan Underwriting Trends

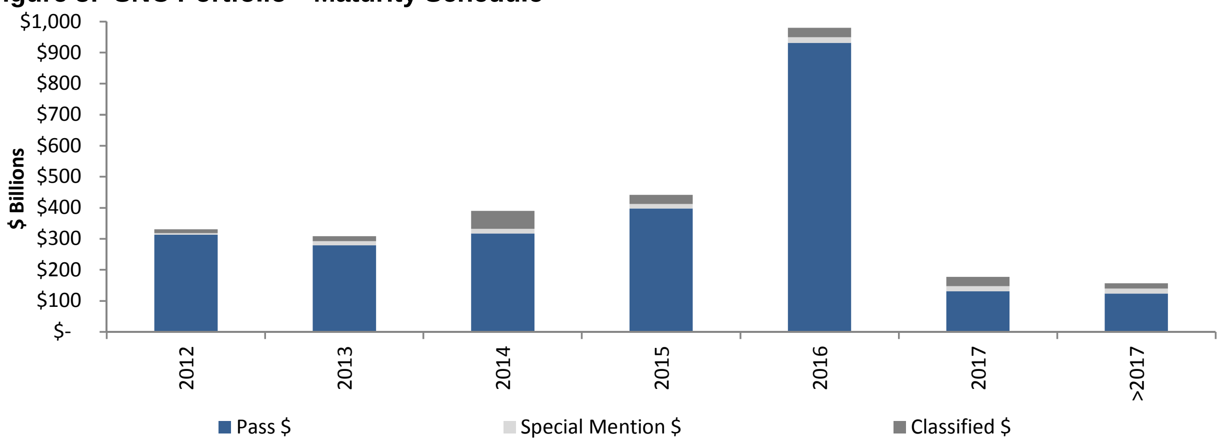
This is the sixth consecutive SNC Review in which examiners conducted an analysis of syndicated loan underwriting standards. The 2012 review included an evaluation of underwriting standards on approximately 830 SNCs originated in 2011. The review evaluated structure, repayment terms, pricing, collateral, loan agreements, and techniques for financial analysis and monitoring.

The number of SNCs originated in 2011 rose by 61 percent compared to 2010 loan originations, and equaled approximately 114 percent of the large volume of credits originated in 2007. While the overall quality of underwriting in 2011 was significantly better than in 2007, some easing of standards was noted, specifically in leveraged finance credits, compared with the relatively tighter standards present in 2009 and the latter half of 2008. The primary underwriting deficiencies identified during the 2012 SNC Review were minimal or no loan covenants, liberal repayment terms, repayment dependent on refinancing, and inadequate collateral valuations. The easing in standards may be due to aggressive competition and market liquidity, and was more pronounced in leveraged finance transactions.

Refinancing risk has declined in the SNC portfolio as only 37.1 percent of SNCs will mature over the next three years compared with 63.4 percent for the same time frame in the 2011 SNC Review. During 2011 and into 2012, syndications continued to modify loan agreements to extend maturities. These transactions had the effect of relieving near-term refinancing risk, but may not improve borrowers' ability to repay their debts in the longer term. Bank management should ensure such loan modification strategies are not used to substitute for realistic debt repayment, or to avoid recognizing problem loans.

Poorly underwritten credits originated in 2006 and 2007 continued to adversely affect the SNC portfolio throughout 2010 and into 2011. Approximately 60 percent of criticized assets were originated in these years, with most set to mature between 2012 and 2014 (see Figure 3).

Figure 3: SNC Portfolio—Maturity Schedule



Federal banking agencies expect banks and thrifts to originate syndicated loans using prudential underwriting standards, regardless of their intent to hold or sell the loan. Shared National Credits that are poorly underwritten will be subject to regulatory criticism or classification during annual SNC reviews.

Appendix A: Committed and Outstanding Balances

(In Billions of Dollars)

Committed and Outstanding Balances
(Dollars in Billions)

Year	Special Mention	Sub-Standard	Doubtful	Loss	Total Classified	Total Criticized	Total Committed	Total Outstanding
1989	24.0	18.5	3.5	0.9	22.9	46.9	692	245
1990	43.1	50.8	5.8	1.8	58.4	101.5	769	321
1991	49.2	65.5	10.8	3.5	79.8	129.0	806	361
1992	50.4	56.4	12.8	3.3	72.5	122.9	798	357
1993	31.7	50.4	6.7	3.5	60.6	92.3	806	332
1994	31.4	31.1	2.7	2.3	36.1	67.5	893	298
1995	18.8	25.0	1.7	1.5	28.2	47.0	1,063	343
1996	16.8	23.1	2.6	1.4	27.1	43.9	1,200	372
1997	19.6	19.4	1.9	0.9	22.2	41.8	1,435	423
1998	22.7	17.6	3.5	0.9	22.0	44.7	1,759	562
1999	30.8	31.0	4.9	1.5	37.4	68.2	1,829	628
2000	36.0	47.9	10.7	4.7	63.3	99.3	1,951	705
2001	75.4	87.0	22.5	8.0	117.5	192.8	2,049	769
2002	79.0	112.0	26.1	19.1	157.1	236.1	1,871	692
2003	55.2	112.1	29.3	10.7	152.2	207.4	1,644	600
2004	32.8	55.1	12.5	6.4	74.0	106.8	1,545	500
2005	25.9	44.2	5.6	2.7	52.5	78.3	1,627	522
2006	33.4	58.1	2.5	1.2	61.8	95.2	1,874	626
2007	42.5	69.6	1.2	0.8	71.6	114.1	2,275	835
2008	210.4	154.9	5.5	2.6	163.1	373.4	2,789	1,208
2009	195.3	337.1	56.4	53.3	446.8	642.1	2,881	1,563
2010	142.7	256.4	32.6	15.4	304.5	447.2	2,519	1,210
2011	106.4	190.7	14.0	9.9	214.6	321.0	2,524	1,118
2012	99.3	161.7	29.5	4.6	195.8	295.1	2,792	1,243

Note: Figures may not add to totals due to rounding

Appendix B: SNC Industry Trends by Sector

(In Billions of Dollars)

Industry	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Services											
Commitment	462.8	407.6	377.1	401.6	464.0	589.3	779.0	820.1	735.4	701.3	784.9
Classified	56.5	51.9	21.6	24.0	20.1	18.1	45.0	156.5	120.1	92.3	92.8
Special Mention	19.9	11.9	12.7	5.7	13.3	14.3	106.6	81.5	73.1	57.3	43.2
% Classified	12.2%	12.7%	5.7%	6.0%	4.3%	3.1%	5.8%	19.1%	16.3%	13.2%	11.8%
% Special Mention	4.3%	2.9%	3.4%	1.4%	2.9%	2.4%	13.7%	9.9%	9.9%	8.2%	5.5%
Commodities											
Commitment	395.1	345.7	312.0	325.6	364.1	439.6	578.1	658.8	592.3	593.0	665.0
Classified	35.2	55.3	32.7	18.0	18.3	10.7	12.7	77.8	57.7	42.5	34.8
Special Mention	26.7	26.7	15.2	8.9	7.6	7.0	53.6	34.9	20.4	14.0	22.4
% Classified	8.9%	16.0%	10.5%	5.5%	5.0%	2.4%	2.2%	11.8%	9.7%	7.2%	5.2%
% Special Mention	6.8%	7.7%	4.9%	2.7%	2.1%	1.6%	9.3%	5.3%	3.4%	2.4%	3.4%
Financial											
Commitment	414.4	381.6	372.7	363.2	431.1	506.3	541.0	470.9	391.3	435.4	462.6
Classified	12.0	9.5	4.2	0.9	2.1	19.2	32.5	60.4	32.6	27.6	24.7
Special Mention	4.7	3.7	0.6	0.5	2.9	3.3	13.7	28.0	17.7	9.6	9.6
% Classified	2.9%	2.5%	1.1%	0.3%	0.5%	3.8%	6.0%	12.8%	8.3%	6.3%	5.3%
% Special Mention	1.1%	1.0%	0.2%	0.1%	0.7%	0.7%	2.5%	5.9%	4.5%	2.2%	2.1%
Manufacturers											
Commitment	337.5	283.8	261.7	271.9	289.4	339.4	405.0	436.6	368.4	385.2	431.4
Classified	42.6	27.9	11.6	7.3	18.8	18.8	39.8	78.4	27.2	17.0	16.6
Special Mention	16.7	8.7	2.6	9.6	8.1	10.8	13.2	16.3	7.6	4.3	7.7
% Classified	12.6%	9.8%	4.4%	2.7%	6.5%	5.5%	9.8%	18.0%	7.4%	4.4%	3.9%
% Special Mention	5.0%	3.1%	1.0%	3.5%	2.8%	3.2%	3.3%	3.7%	2.1%	1.1%	1.8%
Real Estate											
Commitment	106.2	97.9	99.5	122.9	159.2	203.6	241.6	244.4	198.2	164.8	164.8
Classified	3.0	2.3	1.6	0.6	0.6	2.9	25.3	49.2	45.9	23.7	14.4
Special Mention	1.4	1.6	0.9	0.2	0.5	2.2	9.2	22.3	15.3	11.4	6.9
% Classified	2.8%	2.4%	1.6%	0.5%	0.4%	1.4%	10.5%	20.1%	23.1%	14.4%	8.8%
% Special Mention	1.3%	1.6%	0.9%	0.1%	0.3%	1.1%	3.8%	9.1%	7.7%	6.9%	4.2%
Distribution											
Commitment	129.7	112.0	108.7	122.3	146.1	175.7	216.0	220.5	199.0	225.9	268.7
Classified	8.0	5.4	2.2	1.7	1.5	1.9	7.7	23.2	19.6	10.0	10.7
Special Mention	9.5	2.6	0.9	1.0	0.9	4.7	13.9	12.1	8.4	9.8	8.9
% Classified	6.2%	4.8%	2.0%	1.4%	1.0%	1.1%	3.6%	10.5%	9.9%	4.4%	4.0%
% Special Mention	7.3%	2.3%	0.8%	0.8%	0.6%	2.7%	6.4%	5.5%	4.2%	4.4%	3.3%
Government											
Commitment	20.9	18.4	14.3	19.1	20.1	21.6	28.6	29.9	34.0	18.5	14.6
Classified	0.2	0.2	0.0	0.0	0.4	0.1	0.0	1.2	1.5	1.5	1.6
Special Mention	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.2	0.1	0.0	0.5
% Classified	0.9%	0.8%	0.3%	0.1%	1.8%	0.5%	0.0%	4.0%	4.3%	8.4%	11.0%
% Special Mention	0.5%	0.5%	0.6%	0.0%	0.4%	0.2%	0.4%	0.7%	0.4%	0.0%	3.4%
All Industries (Total)											
Commitment	1,866.7	1,647.0	1,546.1	1,626.6	1,873.9	2,275.4	2,789.2	2,881.2	2,518.5	2524.2	2792.0
Classified	157.5	152.4	74.0	52.5	61.8	71.7	163.1	446.8	304.5	214.6	195.8
Special Mention	79.1	55.3	32.8	25.9	33.4	42.4	210.4	195.3	142.7	106.4	99.3
% Classified	8.4%	9.3%	4.8%	3.2%	3.3%	3.2%	5.8%	15.5%	12.1%	8.5%	7.0%
% Special Mention	4.2%	3.4%	2.1%	1.6%	1.8%	1.9%	7.5%	6.8%	5.7%	4.2%	3.6%

Note: Figures may not add to totals due to rounding

Appendix C: Exposure by Entity Type

Share of Total Commitments (%)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
US Banking Institutions	**45.3**	**45.4**	**46.5**	**44.8**	**44.3**	**42.7**	**41.1**	**40.8**	**40.8**	**41.5**	**43.2**
Insured	42.8	42.5	43.4	41.5	40.8	38.9	37.4	35.0	36.4	36.3	38.6
Uninsured(*)	2.5	2.9	3.1	3.3	3.5	3.8	3.7	5.8	4.4	5.3	4.7
FBOs	**44.8**	**43.8**	**41.6**	**42.1**	**41.5**	**41.4**	**39.0**	**38.0**	**37.9**	**38.3**	**36.9**
Insured	5.1	5.4	5.5	6.0	6.2	6.4	5.1	5.8	5.8	5.7	6.3
Uninsured	39.7	38.4	36.1	36.1	35.3	35.0	33.9	32.2	32.1	32.6	30.6
Nonbanks	**9.9**	**10.8**	**12.0**	**13.1**	**14.3**	**15.9**	**19.9**	**21.2**	**21.3**	**20.2**	**19.8**

Total Classifications ($ billion)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
US Banking Institutions	**53.7**	**43.6**	**18.8**	**11.9**	**13.1**	**19.2**	**47.2**	**134.8**	**81.6**	**49.4**	**35.8**
Insured	47.6	37.8	16.0	8.6	9.0	13.2	38.3	96.3	57.9	31.2	22.3
Uninsured(*)	6.0	5.8	2.8	3.2	4.1	6.0	9.0	38.6	23.8	18.2	13.5
FBOs	**60.0**	**65.0**	**31.3**	**15.5**	**17.3**	**17.6**	**45.9**	**101.8**	**62.0**	**41.7**	**37.8**
Insured	8.4	6.8	2.8	1.5	1.6	2.3	5.1	11.7	11.2	5.2	4.0
Uninsured	51.6	58.3	28.5	14.0	15.7	15.4	40.8	90.1	50.8	36.5	33.8
Nonbanks	**42.1**	**43.6**	**24.0**	**25.0**	**31.5**	**34.8**	**70.0**	**210.2**	**160.9**	**123.5**	**122.2**
Totals	**155.8**	**152.2**	**74.2**	**52.5**	**61.8**	**71.6**	**163.1**	**446.8**	**304.5**	**214.6**	**195.8**

Classifieds as % of Commitments

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
US Banking Institutions	**6.4**	**5.8**	**2.6**	**1.6**	**1.6**	**2.0**	**4.1**	**11.5**	**7.9**	**4.7**	**3.0**
Insured	5.7	5.1	2.2	1.2	1.1	1.4	3.3	8.2	5.6	3.0	1.8
Uninsured(*)	0.7	0.8	0.4	0.4	0.5	0.6	0.8	3.3	2.3	1.7	1.1
FBOs	**7.2**	**9.0**	**4.9**	**2.3**	**2.2**	**1.9**	**4.2**	**9.3**	**6.0**	**4.3**	**3.7**
Insured	1.0	0.9	0.4	0.2	0.2	0.2	0.5	1.1	1.1	0.5	0.4
Uninsured	6.2	8.1	4.4	2.0	2.0	1.6	3.7	8.2	4.9	3.8	3.3
Nonbanks	**22.9**	**24.5**	**13.0**	**11.7**	**11.8**	**9.6**	**12.6**	**34.4**	**30.0**	**24.3**	**22.1**
Totals	**8.4**	**9.3**	**4.8**	**3.2**	**3.3**	**3.1**	**5.8**	**15.5**	**12.1**	**8.5**	**7.0**

Total Nonaccrual Commitments ($ billion)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
US Banking Institutions	**22.5**	**18.4**	**7.7**	**3.9**	**2.8**	**0.8**	**7.4**	**46.8**	**35.6**	**22.0**	**12.9**
Insured	19.4	16.5	0.1	3.1	1.8	0.5	6.3	35.5	24.2	12.8	7.1
Uninsured(*)	3.1	1.9	7.6	0.8	1.0	0.3	1.1	11.3	11.4	9.2	5.8
FBOs	**30.5**	**29.5**	**17.6**	**9.0**	**4.7**	**0.9**	**5.6**	**35.5**	**28.6**	**18.1**	**15.9**
Insured	3.9	3.2	-	0.4	0.4	0.2	1.0	3.6	3.1	2.0	1.1
Uninsured	26.6	26.3	17.6	8.6	4.3	0.7	4.6	31.9	25.5	16.1	14.8
Nonbanks	**21.1**	**20.5**	**12.3**	**11.9**	**10.2**	**2.2**	**9.3**	**89.8**	**87.0**	**61.0**	**56.9**
Totals	**74.1**	**68.4**	**37.6**	**24.8**	**17.7**	**3.9**	**22.3**	**172.1**	**151.2**	**101.1**	**85.6**

(*)Uninsured refers to organizations that do not take consumer deposits such as holding companies, brokerage firms, finance companies, etc.

Note: Figures may not add to totals due to rounding