Shared National Credits Program

2014 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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Executive Summary

The interagency Shared National Credits (SNC) Review for 2014 indicates that credit quality of syndicated loans remained broadly unchanged from last year's review of large syndicated 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. Criticized and classified assets remained elevated at 10.1 percent and 5.6 percent, respectively. The volume of criticized assets increased 12.8 percent to $340.8 billion. As a percentage of total commitments, the criticized asset rate remained relatively unchanged from the prior year, as the overall SNC portfolio grew as rapidly as weak assets. A criticized asset is an asset that is rated special mention, substandard, doubtful, or loss. Finally, special mention dollar volume increased 29.6 percent from the 2013 level.

The review also found serious deficiencies in underwriting standards and risk management of leveraged loans. Overall, the SNC review showed gaps between industry practices and the expectations for safe-and-sound banking articulated in the 2013 guidance[1]. Thirty-one percent of leveraged transactions originated within the past year exhibited structures that were cited as weak. In addition, transactions that increased leverage without a subsequent increase in cash flow should be viewed with greater caution. In many cases, examiners questioned the borrower capacity to repay newly underwritten loans if economic conditions deteriorated or if interest rates rose to historical norms. As noted in the 2013 guidance, financial institutions should ensure borrowers can repay credits when due, and that borrowers have sustainable capital structures, including bank borrowings and other debt, to support their continued operations through economic cycles. Please see the 2014 Leveraged Loan Supplement for additional discussion around leveraged lending.

The 2014 review included an evaluation of underwriting standards on SNCs that were originated in 2013. Examiners noted an increased frequency of weak underwriting during the past year, and this trend heightens the agencies' concern. Agents issued a high volume of syndicated leveraged loans to borrowers that may not have capacity to repay and de-lever to a sustainable level over a reasonable period. Borrowers also found it easier to increase leverage through dividend recapitalization transactions.

Nonbank entities continued to be the primary buyers of riskier, leveraged loans. Nonbank entities held a disproportionate share of classified assets compared with their overall ownership of the SNC portfolio. Nonbank entities owned[2] $140.8 billion, or 74.3 percent of all SNC classified credits. A classified asset is an asset that is rated substandard, doubtful or loss.

Near-term refinancing risk remained low in the SNC portfolio with only 15.0 percent of SNC commitments scheduled to mature in 2014 and 2015 compared with 39 percent that mature in 2016 and 2017. During 2013 and into 2014, borrowers continued to refinance and 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.

Other findings from the 2014 SNC Review include:

- Total SNC commitments increased by $379 billion to $3.39 trillion, or 12.6 percent from the 2013 review. Total SNC outstandings increased $206 billion to $1.57 trillion, an increase of 15.2 percent.

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[1] 78 Fed. Reg. 17766 (March 22, 2013)

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

- Criticized assets increased from $302 billion to $341 billion, representing 10.1 percent of the SNC portfolio, compared with 10.0 percent in 2013. Criticized dollar volume increased 12.8 percent from the 2013 level.
- Classified assets increased from $187 billion to $191 billion, representing 5.6 percent of the portfolio, compared with 6.2 percent in 2013. Classified dollar volume increased 2.1 percent from 2013.
- Credits rated special mention, which exhibit potential weakness and could result in further deterioration if uncorrected, increased from $115 billion to $149 billion, representing 4.4 percent of the portfolio, compared with 3.8 percent in 2013. Special mention dollar volume increased 29.6 percent from the 2013 level.
- The overall severity of classifications declined, with credits rated as doubtful decreasing from $14.5 billion to $11.8 billion and assets rated as loss decreasing slightly from $8 billion to $7.8 billion. Loans that were rated either doubtful or loss account for 0.6 percent of the portfolio, compared with 0.7 percent in the prior review. Adjusted for losses, nonaccrual loans declined from $61 billion to $43 billion, a 27.8 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 44.1 percent of total SNC loan commitments, FBOs owned 33.5 percent, and nonbanks owned 22 percent. Nonbanks continued to own a larger share of classified (73.6 percent) and nonaccrual (76.7 percent) assets than their total share of the SNC portfolio (22 percent). Institutions insured by the Federal Deposit Insurance Corporation (FDIC) owned 10.1 percent of classified assets and 6.7 percent of nonaccrual loans.

About the SNC Review

The SNC program, governed by an interagency agreement among the Board of Governors of the Federal Reserve System, the FDIC, and the Office of the Comptroller of the Currency (the agencies), is designed to review and assess risk in the largest and most complex credits shared by multiple financial institutions. The program provides uniform treatment of, and increased efficiency in, the risk analysis and classification of shared credits.

The annual SNC Review results are prepared and released jointly by the agencies. The 2014 SNC Review included examination of $975 billion in credit commitments covering 29 percent of the $3.39 trillion SNC portfolio. The sample was weighted toward noninvestment grade and criticized credits with 89.3 percent of all special mention and classified credits reviewed. Results of the review are based on analyses prepared in the second quarter of 2014, using credit-related data provided by federally supervised institutions as of December 31, 2013, and March 31, 2014.

Definitions

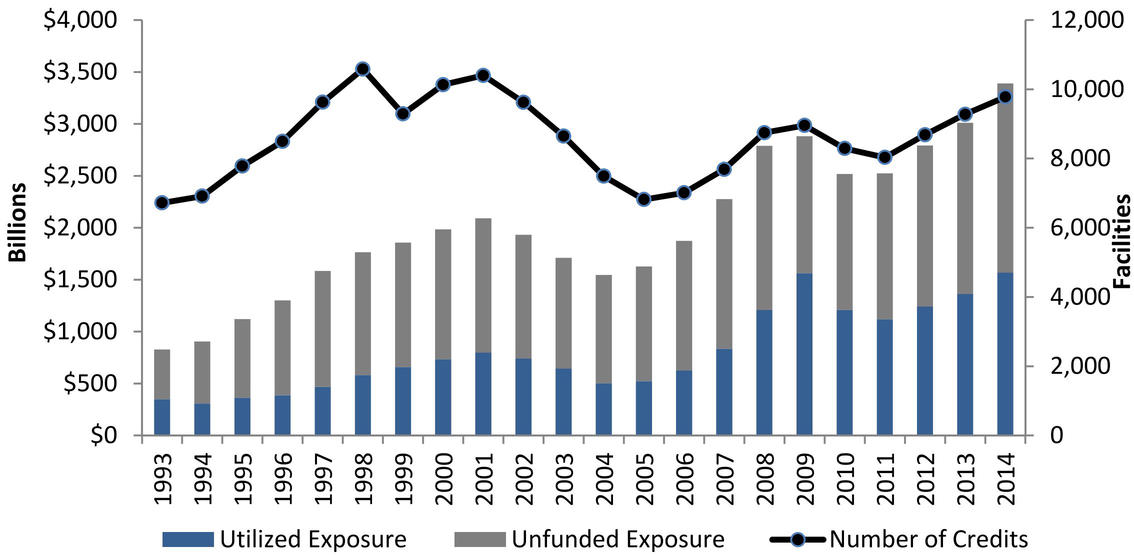
- **Credit Facilities**—Credit facilities include syndicated loans and loan commitments, letters of credit, and commercial leases, and other forms of credit. Commitment amounts include both drawn and undrawn portions of the loans, or facilities. The SNC review reports only the par amounts of commitments, 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 and 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 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.
- **Nonaccrual**—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 credit that is in good standing and is not criticized in any way.
- **Shared National Credit (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. Substandard assets 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 2014 SNC portfolio totaled $3.39 trillion, with 9,778 credit facilities to 6,166 borrowers (see Figure 1). The commitment amount rose by $378 billion, or 12.6 percent, from 2013, while the outstanding dollar volume of the portfolio increased by $206 billion, or 15.2 percent (see appendix A), and the number of credits increased by 502, or 5.4 percent. Appendix B contains a breakout of SNC results by major industry group.[3]

Figure 1: Overall Credit Facilities and Commitment Trends



Overall SNC Credit Quality and Trends

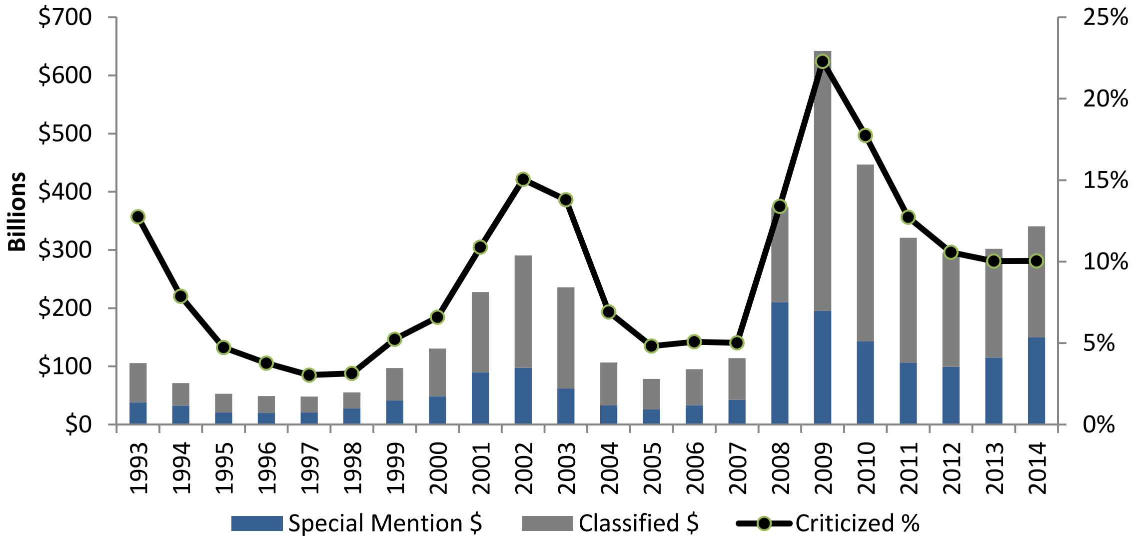
The percentages of criticized and classified assets remained elevated at 10.1 percent and 5.6 percent compared with 10.0 percent and 6.2 percent in 2013, respectively.[4] Asset quality improvement observed during the past three SNC cycles stalled in 2014. This is particularly troubling given the current economic environment and low interest rates. The criticized asset ratio remained double that of the pre-crisis period. Criticized assets increased by $38 billion to $341 billion (see Figure 2), a 12.8 percent increase from last year. Credits rated special mention increased by $34 billion to $149 billion, a 29.7 percent increase. Special mention credits represented 4.4 percent of the portfolio, compared with 3.8 percent in 2013. Credit quality in several industry groups improved over the past year, particularly in the commercial real estate segment. Classified credits increased by $4 billion to $191 billion, a 2.1 percent increase. The volume of nonaccrual loans net of loss dispositions declined from $61 billion to $43

[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.

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

billion, a 27.8 percent decrease, and represented 1.3 percent of the portfolio, down from 2.0 percent in 2013.

Figure 2: Overall Criticized Volume and Percentage Trends



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 decreased slightly from 44.4 percent to 43.4 percent. The percentage of SNC commitments owned by FBOs declined slightly from 35.8 percent to 34.5 percent and commitments for nonbanks remained increased from 19.7 percent to 22.1 percent of the portfolio. Nonbanks included securitization pools, hedge funds, insurance companies, and pension funds. FDIC-insured institutions' share of the SNC portfolio decreased slightly from 47.1 percent to 46.7 percent (see appendix C).

Table 1: Distribution of SNC Commitments by Lender Type

Lender Type	2013 Total Commitments ($ Trillion)	2014 Total Commitments ($ Trillion)	2013% Total Commitments	2014% Total Commitments
U.S. Banks	$1.34	$1.49	44.4%	43.4%
FBOs	$1.08	$1.14	35.8%	34.5%
Nonbanks	$0.59	$0.76	19.7%	22.1%
Total	$3.01	$3.39	100.0%	100.0%

Loan Distribution by Credit Quality

While nonbank entities owned the smallest share of SNC commitments (22.1 percent), they owned 73.5 percent of classified assets (see appendix C). U.S. banks owned 13.4 percent of classified assets, and FBOs owned 13.2 percent. In addition, 18.5 percent of nonbank assets were classified, compared with 1.7 percent of the U.S. bank portfolio and 2.2 percent of the FBO portfolio. FDIC-insured institutions owned $19.2 billion of classified assets, or 10.0 percent down from 12.2 percent in 2013. Of nonaccrual loans, nonbank institutions owned 76.3 percent, or $39.2 billion; FDIC-insured institutions owned only $3.4 billion, or 6.7 percent. Classified credits declined for U.S. banks and FBOs, but increased for nonbanks over the past year. Classified credits held by nonbanks increased by $15 billion, or 12.1 percent, to $140.6 billion; U.S. bank classified credits decreased by $3.6 billion, or 12.3 percent, to $25.6 billion; and FBO classified credits decreased by $7 billion, or 22.5 percent, to $25.1 billion (see appendix C).

PART 3: Syndicated Loan Underwriting Trends

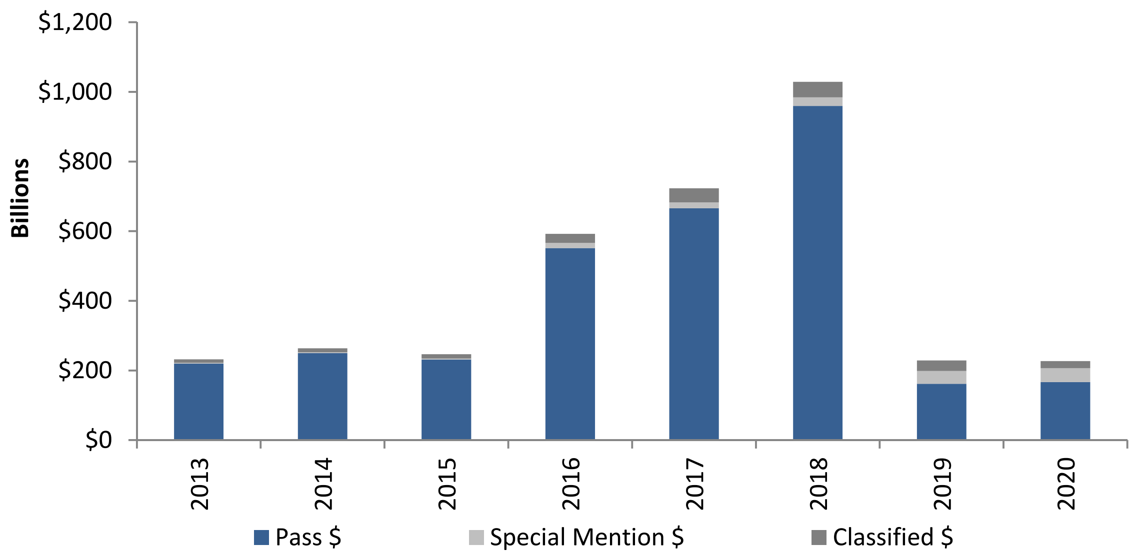
This is the eighth consecutive SNC Review in which examiners conducted an analysis of syndicated loan underwriting standards. The 2014 review included an evaluation of underwriting standards on 918 SNCs originated in 2013 compared with 691 in 2012 and 714 in 2013. Underwriting assessments covered 26.5 percent of the number of loans underwritten in 2013 and 28.8 percent of the dollar volume. The review evaluated structure, repayment terms, pricing, collateral, and loan agreements.

Of the 9,778 SNC reported facilities, 33 percent were originated in 2013. The SNC examination noted weak underwriting standards in 31 percent of the loan transactions sampled. This percentage compared unfavorably to 2012, 2011, 2010 and 2009 percentages of 24 percent, 19 percent, 16 percent and 13 percent, respectively. Leveraged lending transactions were the primary driver of this deterioration. The most frequently cited underwriting deficiencies identified during the 2014 SNC Review were minimal or no loan covenants, liberal repayment terms, repayment dependent on refinancing, and inadequate collateral valuations. The weak underwriting structures were in part attributable to aggressive competition and market liquidity.

PART 4: SNC Portfolio – Maturity Profile

Refinancing risk increased moderately in the SNC portfolio as 25.0 percent of SNC commitments will mature in 2015 and 2016, compared with 15 percent for the same period in the 2013 SNC Review. During 2013 and into 2014, syndicators continued to refinance and 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 substituted for realistic debt repayment, or to avoid recognizing problem loans.

Figure 3: SNC Portfolio—Maturity Schedule



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
2013	115.0	164.5	14.5	8.0	187.0	302.0	3,011	1,362
2014	149.2	171.0	11.8	7.8	191.3	340.6	3,389	1,568

Note: Figures may not add to totals due to rounding

Appendix B: SNC Industry Trends by Sector

(In Billions of Dollars)

Industry	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Services											
Commitment	377.1	401.6	464.0	589.3	779.0	820.1	735.4	701.3	784.9	821.2	927.3
Classified	21.6	24.0	20.1	18.1	45.0	156.5	120.1	92.3	92.8	86.2	85.5
Special Mention	12.7	5.7	13.3	14.3	106.6	81.5	73.1	57.3	43.2	47.3	65.2
% Classified	5.7%	6.0%	4.3%	3.1%	5.8%	19.1%	16.3%	13.2%	11.8%	10.5%	9.2%
% Special Mention	3.4%	1.4%	2.9%	2.4%	13.7%	9.9%	9.9%	8.2%	5.5%	5.8%	7.0%
Commodities											
Commitment	312.0	325.6	364.1	439.6	578.1	658.8	592.3	593.0	665.0	709.5	788.6
Classified	32.7	18.0	18.3	10.7	12.7	77.8	57.7	42.5	34.8	39.4	43.5
Special Mention	15.2	8.9	7.6	7.0	53.6	34.9	20.4	14.0	22.4	27.7	30.0
% Classified	10.5%	5.5%	5.0%	2.4%	2.2%	11.8%	9.7%	7.2%	5.2%	5.6%	5.6%
% Special Mention	4.9%	2.7%	2.1%	1.6%	9.3%	5.3%	3.4%	2.4%	3.4%	3.9%	3.9%
Financial											
Commitment	372.7	363.2	431.1	506.3	541.0	470.9	391.3	435.4	462.6	521.9	598.3
Classified	4.2	0.9	2.1	19.2	32.5	60.4	32.6	27.6	24.7	25.3	26.7
Special Mention	0.6	0.5	2.9	3.3	13.7	28.0	17.7	9.6	9.6	12.1	19.6
% Classified	1.1%	0.3%	0.5%	3.8%	6.0%	12.8%	8.3%	6.3%	5.3%	4.8%	4.5%
% Special Mention	0.2%	0.1%	0.7%	0.7%	2.5%	5.9%	4.5%	2.2%	2.1%	2.3%	3.3%
Manufacturers											
Commitment	261.7	271.9	289.4	339.4	405.0	436.6	368.4	385.2	431.4	480.1	531.8
Classified	11.6	7.3	18.8	18.8	39.8	78.4	27.2	17.0	16.6	15.7	16.5
Special Mention	2.6	9.6	8.1	10.8	13.2	16.3	7.6	4.3	7.7	13.0	16.4
% Classified	4.4%	2.7%	6.5%	5.5%	9.8%	18.0%	7.4%	4.4%	3.9%	3.3%	3.1%
% Special Mention	1.0%	3.5%	2.8%	3.2%	3.3%	3.7%	2.1%	1.1%	1.8%	2.7%	3.1%
Real Estate											
Commitment	99.5	122.9	159.2	203.6	241.6	244.4	198.2	164.8	164.8	171.9	222.1
Classified	1.6	0.6	0.6	2.9	25.3	49.2	45.9	23.7	14.4	5.1	3.9
Special Mention	0.9	0.2	0.5	2.2	9.2	22.3	15.3	11.4	6.9	2.1	2.0
% Classified	1.6%	0.5%	0.4%	1.4%	10.5%	20.1%	23.1%	14.4%	8.8%	3.0%	3.0%
% Special Mention	0.9%	0.1%	0.3%	1.1%	3.8%	9.1%	7.7%	6.9%	4.2%	1.2%	1.2%
Distribution											
Commitment	108.7	122.3	146.1	175.7	216.0	220.5	199.0	225.9	268.7	291.3	306.5
Classified	2.2	1.7	1.5	1.9	7.7	23.2	19.6	10.0	10.7	11.8	11.0
Special Mention	0.9	1.0	0.9	4.7	13.9	12.1	8.4	9.8	8.9	12.4	15.9
% Classified	2.0%	1.4%	1.0%	1.1%	3.6%	10.5%	9.9%	4.4%	4.0%	4.1%	4.1%
% Special Mention	0.8%	0.8%	0.6%	2.7%	6.4%	5.5%	4.2%	4.4%	3.3%	4.3%	4.3%
Government											
Commitment	14.3	19.1	20.1	21.6	28.6	29.9	34.0	18.5	14.6	15.3	15.8
Classified	0.0	0.0	0.4	0.1	0.0	1.2	1.5	1.5	1.6	3.4	4.2
Special Mention	0.1	0.0	0.1	0.1	0.1	0.2	0.1	0.0	0.5	0.3	0.2
% Classified	0.3%	0.1%	1.8%	0.5%	0.0%	4.0%	4.3%	8.4%	11.0%	22.4%	22.4%
% Special Mention	0.6%	0.0%	0.4%	0.2%	0.4%	0.7%	0.4%	0.0%	3.4%	2.1%	2.1%
All Industries (Total)											
Commitment	1,546.1	1,626.6	1,873.9	2,275.4	2,789.2	2,881.2	2,518.5	2,524.2	2,792.0	3,011.1	3,390.5
Classified	74.0	52.5	61.8	71.7	163.1	446.8	304.5	214.6	195.8	187.0	191.3
Special Mention	32.8	25.9	33.4	42.4	210.4	195.3	142.7	106.4	99.3	115.0	149.4
% Classified	4.8%	3.2%	3.3%	3.2%	5.8%	15.5%	12.1%	8.5%	7.0%	6.2%	5.6%
% Special Mention	2.1%	1.6%	1.8%	1.9%	7.5%	6.8%	5.7%	4.2%	3.6%	3.8%	4.4%

Note: Figures may not add to totals due to rounding

Appendix C: Exposure by Entity Type

Share of Total Commitments (%)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
US Banking Institutions	**46.5**	**46.5**	**44.3**	**42.7**	**41.1**	**40.8**	**40.8**	**41.5**	**43.2**	**44.4**	**43.4**
Insured	43.4	43.4	40.8	38.9	37.4	35.0	36.4	36.3	38.6	40.3	39.6
Uninsured(*)	3.1	3.1	3.5	3.8	3.7	5.8	4.4	5.3	4.7	4.1	3.8
FBOs	**41.6**	**41.6**	**41.5**	**41.4**	**39.0**	**38.0**	**37.9**	**38.3**	**36.9**	**35.8**	**34.5**
Insured	5.5	5.5	6.2	6.4	5.1	5.8	5.8	5.7	6.3	6.8	7.1
Uninsured	36.1	36.1	35.3	35.0	33.9	32.2	32.1	32.6	30.6	29.0	27.4
Nonbanks	**12.0**	**12.0**	**14.3**	**15.9**	**19.9**	**21.2**	**21.3**	**20.2**	**19.8**	**19.7**	**22.1**

Total Classifications ($ billion)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
US Banking Institutions	**18.8**	**11.9**	**13.1**	**19.2**	**47.2**	**134.8**	**81.6**	**49.4**	**35.8**	**29.2**	**25.6**
Insured	16.0	8.6	9.0	13.2	38.3	96.3	57.9	31.2	22.3	19.1	16.3
Uninsured(*)	2.8	3.2	4.1	6.0	9.0	38.6	23.8	18.2	13.5	10.1	9.3
FBOs	**31.3**	**15.5**	**17.3**	**17.6**	**45.9**	**101.8**	**62.0**	**41.7**	**37.8**	**32.4**	**25.1**
Insured	2.8	1.5	1.6	2.3	5.1	11.7	11.2	5.2	4.0	3.4	2.9
Uninsured	28.5	14.0	15.7	15.4	40.8	90.1	50.8	36.5	33.8	29.0	22.1
Nonbanks	**24.0**	**25.0**	**31.5**	**34.8**	**70.0**	**210.2**	**160.9**	**123.5**	**122.2**	**125.4**	**140.6**
Totals	**74.2**	**52.5**	**61.8**	**71.6**	**163.1**	**446.8**	**304.5**	**214.6**	**195.8**	**187.0**	**191.3**

Classifieds as % of Commitments

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
US Banking Institutions	**2.6**	**1.6**	**1.6**	**2.0**	**4.1**	**11.5**	**7.9**	**4.7**	**3.0**	**2.2**	**1.7**
Insured	2.2	1.2	1.1	1.4	3.3	8.2	5.6	3.0	1.8	1.4	1.1
Uninsured(*)	0.4	0.4	0.5	0.6	0.8	3.3	2.3	1.7	1.1	0.8	0.6
FBOs	**4.9**	**2.3**	**2.2**	**1.9**	**4.2**	**9.3**	**6.0**	**4.3**	**3.7**	**3.0**	**2.1**
Insured	0.4	0.2	0.2	0.2	0.5	1.1	1.1	0.5	0.4	0.3	0.3
Uninsured	4.4	2.0	2.0	1.6	3.7	8.2	4.9	3.8	3.3	2.7	1.9
Nonbanks	**13.0**	**11.7**	**11.8**	**9.6**	**12.6**	**34.4**	**30.0**	**24.3**	**22.1**	**21.1**	**18.8**
Totals	**4.8**	**3.2**	**3.3**	**3.1**	**5.8**	**15.5**	**12.1**	**8.5**	**7.0**	**6.2**	**5.6**

Total Nonaccrual Commitments ($ billion)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
US Banking Institutions	**7.7**	**3.9**	**2.8**	**0.8**	**7.4**	**46.8**	**35.6**	**22.0**	**12.9**	**7.9**	**5.4**
Insured	0.1	3.1	1.8	0.5	6.3	35.5	24.2	12.8	7.1	4.2	3.0
Uninsured(*)	7.6	0.8	1.0	0.3	1.1	11.3	11.4	9.2	5.8	3.7	2.4
FBOs	**17.6**	**9.0**	**4.7**	**0.9**	**5.6**	**35.5**	**28.6**	**18.1**	**15.9**	**11.2**	**6.5**
Insured	-	0.4	0.4	0.2	1.0	3.6	3.1	2.0	1.1	0.7	0.4
Uninsured	17.6	8.6	4.3	0.7	4.6	31.9	25.5	16.1	14.8	10.5	6.1
Nonbanks	**12.3**	**11.9**	**10.2**	**2.2**	**9.3**	**89.8**	**87.0**	**61.0**	**56.9**	**49.7**	**39.2**
Totals	**37.6**	**24.8**	**17.7**	**3.9**	**22.3**	**172.1**	**151.2**	**101.1**	**85.6**	**68.8**	**51.1**

(*)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