

Comptroller of the Currency Administrator of National Banks



# Quarterly Journal



#### Office of the Comptroller of the Currency Administrator of National Banks

John C. Dugan

Comptroller of the Currency

Volume 24, Number 3

September 2005 (Second quarter data)

### CONTENTS

	Page
Condition and Performance of Commercial Banks	1
Recent Licensing Decisions	15
Special Supervision and Enforcement Activities	18
Appeals Process	30
Speeches and Congressional Testimony	36
19 (900 - 1 ) 0 1 0 1 0 7 1 7 17 17 17	

4/26/2005, Acting Comptroller of the Currency Julie L. Williams Testifies before Senate Committee on Implementation of Bank Secrecy Act in the Context of Money Services Businesses [Testimony]

5/3/2005, Acting Comptroller Julie L. Williams Cites Foreclosures as Most Immediate Community Development Challenge; Stresses Need for Multi-Dimensional Mortgage Delinquency Interventions Programs [Speech]

5/6/2005, Acting Comptroller Julie L. Williams Discusses Management and Supervision of Reputation Risk in Large Banking Organizations; Stresses Important Role of Ethics and Corporate Values [Speech]

5/11/2005, Acting Comptroller Julie L. Williams Testifies before House Subcommittees on Basel II Framework Issues [Testimony]

5/12/2005, Acting Comptroller Julie L. Williams Tells Bankers Disclosures not Working for Consumers and Imposing Unnecessary Burdens, Calls for Re-Examination of Process of Developing Consumer Disclosures for Financial Products and Services [Speech]

5/17/2005, Acting Comptroller of the Currency Julie L. Williams Tells Senate Banking Committee Credit Card Disclosures Can be Improved, Urges New Approach to Consumer Disclosures for Financial Products and Services [Testimony]

5/27/2005, Acting Comptroller Julie L. Williams Tells Community Bankers OCC Working Hard to Make Regulation More Efficient and Less Burdensome [Speech]

6/09/2005, Acting Comptroller Julie L. Williams Urges Steps to Reduce Unnecessary Regulatory Burden and Improve Consumer Disclosure [Testimony]

6/21/2005, Acting Comptroller Julie L. Williams Supports Regulatory Burden Relief Legislation; Urges New Approach to Consumer Disclosure Requirements to Reduce Regulatory Burden and Deliver Information that Consumers Understand [Testimony]

Interpretations \_ 38

April [Interpretations and Actions]

1020, 2/8/2005, Letter concludes that national bank directors may meet the qualifying shares requirement under 12 USC 72 by purchasing trust preferred stock. [Note: Reprinted because of date error

1024, 3/21/2005, Letter concludes that a national bank that renews a loan to an insider violates section 215.4(a)(1) of Regulation O and section 22(h)(A) of the Federal Reserve Act if the loan either (i) is preferential or (ii) involves more than the normal risk of repayment or presents other unfavorable features.

1025, 4/6/2005, Letter concludes that it is permissible for a national bank to engage in customer-driven electricity derivative transaction and hedges, settled in cash and by transitory title transfer, as activities part of, or incidental to, bank permissible financial intermediation transactions.

May [Interpretations and Actions]

1026, 4/27/2005, Letter concludes that the bank's proposed securities conduit lending services are legally permissible for a national bank.

1027, 5/3/2005, Letter confirms that the bank may purchase and hold the preferred securities of two special purpose entities that hold interests in Australian mortgage assets.

1028, 5/9/2005, Letter concludes that the OCC would not find a violation of 12 CFR 37.3(a) in connection with a national bank's automobile loan that includes a GAP feature offered by the bank because the OCC views the underlying loan and the GAP feature as a single product, and the financial arrangement does not create a separate product.

*June* [Interpretations and Actions]

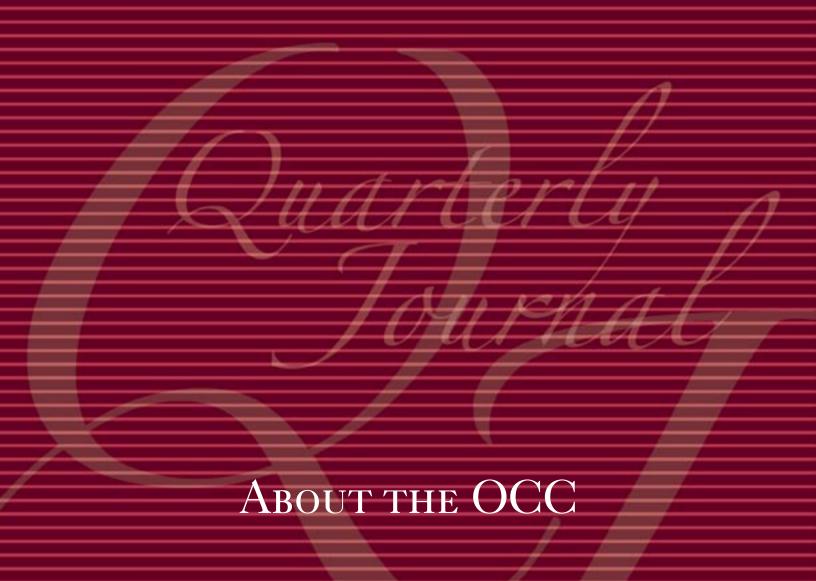
1029, 5/23/2005, Letter grants a request for a waiver of certain provisions of the OCC's securities confirmation rules at 12 CFR Part 12 in connection with the bank's transfer agent activities for various dividend reinvestment, stock purchase, and employee stock purchase plans.

1030, 5/26/2005, Letter concludes that national bank may continue to hold a separate account bank-owned life insurance investment that in turns holds interests in instruments with characteristics of debt securities and a rate of return, a portion of which is linked to equity securities, provided the bank's examiner-in-charge has no supervisory objection.

1031, 1/19/1995, Letter concludes that a bank may create a trust to purchase and hold investments beyond those allowed for national banks without violating 12 USC 24(Seventh) and 12 CFR Part 1.

1032, 6/16/2005, Letter concludes that "GAP Addendums" sold by a national bank to borrowers in connection with the bank's motor vehicle loans, in connection with a GAP program administered by an insurance company, are debt cancellation contracts subject to 12 CFR Part 37.

Mergers	41
Corporate Structure of the National Banking System	48
Financial Performance of National Banks	66
Index	81



#### **About the Office of the Comptroller of the Currency**

#### September 2005

Computing	John C. Dugan
Executive Committee	
First Senior Deputy Comptroller and Chief Counsel	Julie L. Williams
Chief of Staff and Public Affairs	Mark A. Nishan
Senior Deputy Comptroller and Chief National Bank Examiner	Emory Wayne Rushton
Senior Deputy Comptroller for Large Bank Supervision	Douglas W. Roeder
Senior Deputy Comptroller for Midsize and Community Bank Supervision	Timothy W. Long
Chief Information Officer	Jackquelyn E. Fletcher
Senior Deputy Comptroller for International and Economic Affairs	Jeffrey A. Brown
Senior Deputy Comptroller for Management and Chief Financial Officer	Thomas R. Bloom
Ombudsman	Samuel P. Golden

#### **Background**

The Office of the Comptroller of the Currency (OCC) was established in 1863 as a bureau of the Department of the Treasury. The OCC is headed by the Comptroller, who is appointed by the President, with the advice and consent of the Senate, for a five-year term.

The OCC regulates national banks by its power to:

- Examine the banks;
- Approve or deny applications for new charters, branches, capital, or other changes in corporate or banking structure;
- Take supervisory actions against banks that do not conform to laws and regulations or that otherwise engage in unsound banking
  practices, including removal of officers, negotiation of agreements to change existing banking practices, and issuance of cease and
  desist orders; and
- Issue rules and regulations concerning banking practices and governing bank lending and investment practices and corporate structure.

The OCC divides the United States into four geographical districts, with each headed by a deputy comptroller.

Th□

Banking Act of 1978, the OCC regulates federal branches and agencies of foreign banks in the United States.

#### The Comptroller

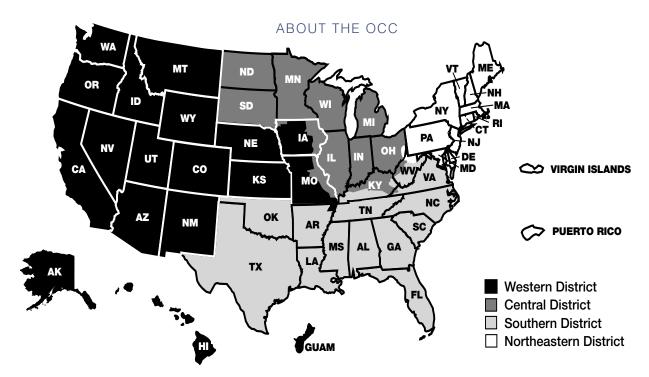


John C. Dugan was sworn in as the 29th Comptroller of the Currency on August 4, 2005. Prior to his appointment as Comptroller, Mr. Dugan was a partner at the law firm of Covington & Burling, where he chaired the firm's Financial Institutions Group. He specialized in banking and financial institution regulation. He also served as outside counsel to the ABA Securities Association. He served at the Department of the Treasury from 1989 to 1993 and was appointed assistant secretary for domestic finance in 1992. While at Treasury, Mr. Dugan had extensive responsibility for policy initiatives involving banks and financial institutions, including the savings and loan cleanup, Glass-Steagall and banking reform, and regulation of government-sponsored enterprises. In 1991, he oversaw a comprehensive study of the banking industry that formed the basis for the financial modernization legislation proposed by the administration of the first President Bush. From 1985 to 1989, Mr. Dugan was minority counsel and minority general counsel for

the U.S. Senate Committee on Banking, Housing, and Urban Affairs. There he advised the committee as it debated the Competitive Equality Banking Act of 1987, the Proxmire Financial Modernization Act of 1988, and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Among his professional and volunteer activities before becoming Comptroller, he served as a director of Minbanc, a charitable organization whose mission is to enhance professional and educational opportunities for minorities in the banking industry. He was also a member of the American Bar Association's committee on banking law, the Federal Bar Association's section of financial institutions and the economy, and the District of Columbia Bar Association's section of corporations, finance, and securities laws. A graduate of the University of Michigan in 1977 with an A.B. in English literature, Mr. Dugan also earned his J.D. from Harvard Law School in 1981.

The *Quarterly Journal* is the journal of record for significant actions and policies of the OCC. It is published four times a year, based on data released in March, June, September, and December. The *Quarterly Journal* is first released on the Web at www.occ.treas. gov/qj/qj.htm, and then, by subscription, on the CD-ROM *Quarterly Journal Library*, a cumulative collection starting with volume 17. The *Quarterly Journal* includes the press briefing on the condition and performance of commercial banks, statistical tables on the performance of FDIC-insured banks and OCC data on bank corporate structure, policy statements, decisions on banking structure, appeals to the ombudsman, links to selected speeches and congressional testimony and interpretive letters, summaries of enforcement actions, and other information of interest in the administration of national banks. Please send your comments and suggestions to Rebecca Miller, senior writer-editor, by fax to (202) 874-5263 or by e-mail to quarterlyjournal@occ.treas.gov. The subscription to the *Quarterly Journal Library* CD-ROM is available for \$50 a year by writing to Publications—QJ, OCC, Attn: Accounts Receivable, MS 4-8, 250 E St., SW, Washington, DC 20219 [order form].



#### **Northeastern District**

New York District Office 340 Madison Avenue 5th Floor New York, NY 10017-2613 (212) 790-4000

#### **Southern District**

Dallas District Office 500 North Akard Street Suite 1600 Dallas, TX 75201 (214) 720-0656

#### **Central District**

Chicago District Office One Financial Place, Suite 2700 440 South LaSalle Street Chicago, IL 60605-1073 (312) 360-8800

#### **Western District**

Denver District Office 1225 17th Street Suite 300 Denver, CO 80202 (720) 475-7600

#### **Headquarters**

Washington Office 250 E Street, SW Washington, DC 20219-0001 (202) 874-5000

#### Office of the Ombudsman

1301 McKinney Street, Suite 3400 Houston, TX 77010-9000 (713) 336-4350

#### **Customer Assistance Group**

1301 McKinney Street, Suite 3450 Houston, TX 77010-9050 (713) 336-4300 Toll-free (800) 613-6743

For more information on the Office of the Comptroller of the Currency, contact:

OCC Public Disclosure Room, Communications Division, Washington, DC 20219 fax: (202) 874-4448; e-mail: FOIA-PA@occ.treas.gov

See the Quarterly Journal on the World Wide Web at http://www.occ.treas.gov/qj/qj.htm

Comments or suggestions? e-mail quarterlyjournal@occ.treas.gov.

September 2005

#### **Quarterly Journal Library CD-ROM ordering**

The *Quarterly Journal* is available by subscription on CD-ROM, as the *Quarterly Journal Library*, and continues to be available on the Internet at <a href="http://www.occ.treas.gov/qj/qj.htm">http://www.occ.treas.gov/qj/qj.htm</a>. The CD-ROM subscription price is \$50 for four quarterly issues. An individual CD is \$15. Each issue of the *Quarterly Journal Library* CD-ROM will include Volume 17 (1998) through the current quarterly issue.

Quarterly Journal Library for Vols. 17 through current issue, in 4 CDs, issued quarterly: \$50.00 per year Single copy of the Quarterly Journal Library (CD-ROM): \$15.00 each

TO ORDER, PREPAYMENT IS REQUESTED. Please complete the form below and send it with a check, payable to the *Comptroller of the Currency*, to:

Comptroller of the Currency ATTN: Accounts Receivable 250 E Street, SW, MS 4-8 Washington, DC 20219

<b>C</b> ,	<u>Price</u> x	Quantity	=	<u>Amount</u>
Quarterly Journal Library annual subscription	\$50.00 x		=	
Single copy of <i>Quarterly Journal Library</i> : Vol, No	\$15.00 x		=	-
		Total amoun	t enclose	ed
Name of firm:				
Attention (person or department):				
Address:				
City/state/zipcode:				
Area code/phone number:				
Taxpayer Identification Number (TIN) (or EIN or	SSN):			
This number may be used for the collection and rewith the federal government, per 31 USC 7701.	porting of any delind	quent amount a	rising fro	m doing business

Please make your check payable to the *Comptroller of the Currency*. Payments by check will be converted into an electronic fund transfer. Please read the following notice on the reverse of this page (also at http://www.occ.treas.gov/NoticePaymentbyCheck.htm) if you are paying by check.

For advice or information about availability, or for an urgent need for a publication, please call OCC Publications Control at (202) 874-4960.

Thank you for your interest in the *Quarterly Journal*. We welcome your comments on how to make this publication more informative for you. We are particularly interested in your comments on the usefulness of the information and its presentation. Please send your comments to Rebecca Miller, Senior Writer-Editor, OCC Publishing Services, by fax at (202) 874-5263 or by e-mail at quarterlyjournal@occ.treas.gov.

(revised July 2005)

#### **Notice to Customers Making Payment by Check**

Authorization to convert your check: If you present a check to make your payment, your check will be converted into an electronic fund transfer. "Electronic fund transfer" is the term used to refer to the process in which a business or government agency electronically instructs your financial institution to transfer funds from your account to its account, rather than processing your paper check. By presenting your signed check to the OCC, you authorize the agency to copy the check and to use the account information from the check to make an electronic fund transfer from your account for the same amount as the check. If the electronic fund transfer cannot be processed for technical reasons, you authorize the OCC to process the copy of your check.

**Insufficient funds:** The electronic fund transfer from your account will usually occur within 24 hours, which is faster than a check is normally processed. Therefore, make sure sufficient funds are available in your checking account when you send your check to the OCC. If the electronic fund transfer cannot be completed because of insufficient funds, the OCC may attempt the transfer two additional times.

**Transaction information:** The electronic fund transfer from your account will be on the account statement you receive from your financial institution. However, the transfer may be in a different place on your statement than the place where your check entries normally appear. For example, it may appear under "other withdrawals" or "other transactions." You will not receive your original check back from your financial institution. For security reasons, the OCC will destroy your original check, but it will keep a copy of the check for record keeping.

**Your rights:** You should contact your financial institution immediately if you believe that the electronic fund transfer reported on your account statement was not properly authorized or is otherwise incorrect. Consumers have protections under a federal law called the Electronic Fund Transfer Act for an unauthorized or incorrect electronic fund transfer.



The condition of the banking industry report is not available in time for publication this quarter. The data tables, derived from the Federal Deposit Insurance Corporation call reports, for the key indicators and loan performance for both national banks and all commercial banks are provided here, as usual.

# Key indicators, FDIC-insured national banks Annual 2001--2004, year-to-date through June 30, 2005, second quarter 2004, and second quarter 2005 (Dollar figures in millions)

	2001	2002	2003	2004	Preliminary 2005YTD	2004Q2	Preliminary 2005Q2
Number of institutions reporting	2,138	2,077	1,999	1,906	1,864	1,957	1,864
Total employees (FTEs)	966,545	993,469	1,000,493	1,142,946	1,168,493	1,058,091	1,168,493
Selected income data (\$)							
Net income	\$44,172	\$56,484	\$62,995	\$68,086	\$37,479	\$17,311	\$17,958
Net interest income	125,366	141,377	143,148	159,215	84,635	38,586	42,249
Provision for loan losses	28,921	32,613	24,011	18,687	8,577	4,896	4,373
Noninterest income	100,094	109,531	116,164	127,313	72,671	30,866	35,815
Noninterest expense	131,736	136,822	144,938	170,819	93,524	39,242	47,662
Net operating income	42,943	54,341	60,625	65,717	37,115	16,881	17,523
Cash dividends declared	27,783	41,757	45,049	33,037	19,744	9,985	11,234
Net charge-offs	25,107	31,381	26,973	21,938	9,811	5,563	4,660
Selected condition data (\$)							
Total assets	3,635,053	3,908,025	4,292,228	5,601,529	5,821,502	4,596,343	5,821,502
Total loans and leases	2,269,248	2,445,291	2,630,614	3,166,990	3,294,812	2,788,853	3,294,812
Reserve for losses	45,537	48,338	48,627	48,994	46,649	47,875	46,649
Securities	576,550	653,702	753,642	908,069	933,973	841,289	933,973
Other real estate owned	1,799	2,075	1,941	1,530	1,451	1,793	1,451
Noncurrent loans and leases	34,261	38,166	34,876	29,606	28,013	28,956	28,013
Total deposits	2,384,414	2,565,771	2,786,714	3,581,416	3,690,057	2,984,533	3,690,057
Domestic deposits	2,001,243	2,168,876	2,322,009	2,848,717	2,943,236	2,444,608	2,943,236
Equity capital	340,657	371,434	390,492	557,993	584,038	434,715	584,038
Off-balance-sheet derivatives	20,549,785	25,953,772	31,554,693	86,319,427	94,478,194	36,297,177	94,478,194
Performance ratios (annualized %)							
Return on equity	13.84	15.79	16.47	13.95	13.02	16.50	12.39
Return on assets	1.25	1.50	1.53	1.28	1.30	1.53	1.24
Net interest income to assets	3.56	3.76	3.47	3.00	2.95	3.41	2.92
Loss provision to assets	0.82	0.87	0.58	0.35	0.30	0.43	0.30
Net operating income to assets	1.22	1.44	1.47	1.24	1.29	1.49	1.21
Noninterest income to assets	2.84	2.91	2.82	2.40	2.53	2.73	2.47
Noninterest expense to assets	3.74 1.28	3.63 1.38	3.51 0.95	3.22 0.62	3.26	3.47 0.72	3.29 0.54
Loss provision to loans and leases  Net charge-offs to loans and leases	1.20	1.33	1.07	0.62	0.53 0.61	0.72	0.54
Loss provision to net charge-offs	115.19	103.93	89.02	85.18	87.42	88.01	93.85
Performance ratios (%)							
Percent of institutions unprofitable	7.48	6.93	5.60	5.30	4.99	6.08	5.26
Percent of institutions with earnings gains	56.83	71.21	55.93	63.12	62.23	57.28	62.34
Nonint. income to net operating revenue	44.40	43.65	44.80	44.43	46.20	44.44	45.88
Nonint. expense to net operating revenue	58.43	54.53	55.89	59.62	59.45	56.50	61.06
Condition ratios (%)							
Nonperforming assets to assets	1.01	1.06	0.89	0.57	0.51	0.69	0.51
Noncurrent loans to loans	1.51	1.56	1.33	0.93	0.85	1.04	0.85
Loss reserve to noncurrent loans	132.91	126.65	139.43	165.49	166.53	165.33	166.53
Loss reserve to loans	2.01	1.98	1.85	1.55	1.42	1.72	1.42
Equity capital to assets	9.37	9.50	9.10	9.96	10.03	9.46	10.03
Leverage ratio	7.81	7.88	7.70	7.31	7.37	7.48	7.37
Risk-based capital ratio	12.60	12.66	12.65	12.26	12.17	12.57	12.17
Net loans and leases to assets	61.17	61.33	60.15	55.66	55.80	59.63	55.80
Securities to assets	15.86	16.73	17.56	16.21	16.04	18.30	16.04
Appreciation in securities (% of par)	0.47	2.12	0.88	0.55	0.53	-0.74	0.53
Residential mortgage assets to assets	22.55	24.72	24.44	23.46	23.66	24.79	23.66
Total deposits to assets	65.60	65.65	64.92	63.94	63.39	64.93	63.39
Core deposits to assets	48.08	48.75	48.03	43.83	43.33	47.18	43.33
Volatile liabilities to assets	31.23	30.31	30.57	33.90	34.99	32.44	34.99

#### Loan performance, FDIC-insured national banks Annual 2001--2004, year-to-date through June 30, 2005, second quarter 2004, and second quarter 2005 (Dollar figures in millions)

	1					T	
					Preliminary		Preliminary
	2001	2002	2003	2004	2005YTD	2004Q2	2005Q2
Percent of loans past due 30-89 days							
Total loans and leases	1.38	1.14	1.02	0.87	0.77	0.83	0.77
Loans secured by real estate (RE)	1.42	1.07	0.91	0.75	0.70	0.75	0.70
1- to 4-family residential mortgages	1.84	1.45	1.30	1.05	0.98	1.10	0.98
Home equity loans	0.79	0.61	0.45	0.39	0.41	0.35	0.41
Multifamily residential mortgages	0.82	0.42	0.54	0.39	0.39	0.43	0.39
Commercial RE loans	0.85	0.58	0.47	0.44	0.37	0.40	0.37
Construction RE loans	1.28	0.91	0.66	0.61	0.54	0.61	0.54
Commercial and industrial loans	0.94	0.76	0.63	0.56	0.46	0.55	0.46
Loans to individuals	2.38	2.15	2.08	1.84	1.62	1.79	1.62
Credit cards	2.52	2.57	2.48	2.21	2.00	2.18	2.00
Installment loans and other plans	2.62	2.07	1.95	1.67	1.45	1.66	1.45
All other loans and leases	0.84	0.55	0.34	0.31	0.30	0.24	0.30
Percent of loans noncurrent							
Total loans and leases	1.51	1.56	1.33	0.93	0.85	1.04	0.85
Loans secured by real estate (RE)	1.05	0.97	0.95	0.68	0.72	0.79	0.72
1- to 4-family residential mortgages	1.06	1.02	1.14	0.86	0.97	0.97	0.97
Home equity loans	0.38	0.32	0.24	0.18	0.17	0.18	0.17
Multifamily residential mortgages	0.54	0.48	0.45	0.42	0.45	0.44	0.45
Commercial RE loans	1.02	1.05	0.97	0.71	0.70	0.86	0.70
Construction RE loans	1.15	1.03	0.71	0.44	0.44	0.60	0.44
Commercial and industrial loans	2.44	3.00	2.19	1.22	0.91	1.57	0.91
Loans to individuals	1.49	1.60	1.78	1.66	1.47	1.62	1.47
Credit cards	2.05	2.16	2.24	2.03	1.74	1.90	1.74
Installment loans and other plans	1.24	1.30	1.55	1.46	1.39	1.56	1.39
All other loans and leases	1.19	1.11	0.74	0.39	0.35	0.45	0.35
Percent of loans charged-off, net							
Total loans and leases	1.11	1.33	1.07	0.73	0.61	0.81	0.57
Loans secured by real estate (RE)	0.26	0.19	0.21	0.08	0.06	0.09	0.06
1- to 4-family residential mortgages	0.32	0.17	0.24	0.08	0.06	0.09	0.05
Home equity loans	0.35	0.23	0.23	0.10	0.09	0.14	0.09
Multifamily residential mortgages	0.04	0.11	0.03	0.04	0.05	0.13	0.07
Commercial RE loans	0.16	0.17	0.13	0.05	0.05	0.07	0.06
Construction RE loans	0.15	0.19	0.14	0.04	0.02	0.03	-0.02
Commercial and industrial loans	1.50	1.80	1.35	0.44	0.18	0.51	0.17
Loans to individuals	3.13	4.02	3.45	3.14	2.84	3.51	2.74
Credit cards	5.06	6.58	5.48	5.15	4.64	5.95	4.57
Installment loans and other plans	1.66	1.91	1.81	1.51	1.27	1.48	1.20
All other loans and leases	0.87	1.24	0.88	0.23	0.07	0.10	0.02
Loans outstanding (\$)							
Total loans and leases	\$2,269,248	\$2,445,291	\$2,630,614	\$3,166,990	\$3,294,812	\$2,788,853	\$3,294,812
Loans secured by real estate (RE)	976,094	1,139,263	1,254,981	1,572,071	1,665,892	1,358,784	1,665,892
1- to 4-family residential mortgages	472,680	573,669	605,100	745,212	781,378	630,795	781,378
Home equity loans	102,131	141,058	192,703	294,919	325,687	237,377	325,687
Multifamily residential mortgages	30,075	33,968	35,652	39,942	43,116	35,677	43,116
Commercial RE loans	236,489	253,427	269,936	301,700	308,484	285,178	308,484
Construction RE loans	91,437	95,361	104,218	128,622	148,272	114,715	148,272
Farmland loans	12,615	13,225	13,614	14,678	15,322	14,444	15,322
RE loans from foreign offices	30,668	28,556	33,758	46,998	43,633	40,598	43,633
Commercial and industrial loans	597,301	546,050	500,005	580,240	644,968	515,454	644,968
Loans to individuals	389,947	450,604	527,991	615,760	596,982	517,182	596,982
Credit cards*	166,628	209,971	250,893	300,351	274,667	235,816	274,667
Other revolving credit plans	29,258	33,243	32,883	34,258	34,586	32,200	34,586
Installment loans	194,060	207,390	244,215	281,151	287,729	249,165	287,729
All other loans and leases	307,851	311,822	349,521	401,143	388,862	399,391	388,862
Less: Unearned income	1,944	2,449	1,884	2,224	1,891	1,959	1,891

#### Key indicators, FDIC-insured national banks by asset size Second quarter 2004 and second quarter 2005 (Dollar figures in millions)

	Less than	\$100M	\$100M t	o \$1B	\$1B to \$	\$10B	Greater t	han \$10B
	2004Q2	2005Q2	2004Q2	2005Q2	2004Q2	2005Q2	2004Q2	2005Q2
Number of institutions reporting	815	728	974	965	122	126	46	45
Total employees (FTEs)	18,831	16,371	93,733	90,038	85,593	86,738	859,934	975,346
Selected income data (\$)								
Net income	\$109	\$108	\$877	\$873	\$1,268	\$1,351	\$15,058	\$15,626
Net interest income	426	391	2,503	2,533	3,105	3,024	32,553	36,301
Provision for loan losses	31	19	147	145	447	181	4,272	4,028
Noninterest income	162	140	1,342	1,235	2,281	2,319	27,080	32,120
Noninterest expense	416	371	2,505	2,455	3,023	3,150	33,298	41,687
Net operating income	109	109	876	874	1,261	1,345	14,635	15,196
Cash dividends declared	77	77	457	548	1,049	969	8,402	9,641
Net charge-offs	21	13	118	106	400	172	5,025	4,369
Selected condition data (\$)								
Total assets	44,886	40,395	271,778	270,233	361,306	356,223	3,918,373	5,154,651
Total loans and leases	26,630	23,893	172,443	174,513	222,231	225,158	2,367,549	2,871,248
Reserve for losses	390	340	2,398	2,220	3,157	2,805	41,930	41,284
Securities	11,880	11,001	68,495	63,133	86,296	76,749	674,618	783,091
Other real estate owned	71	57	278	242	177	134	1,266	1,019
Noncurrent loans and leases	312	245	1,409	1,249	1,595	1,389	25,641	25,130
Total deposits	37,476	33,538	218,358	217,726	237,684	243,542	2,491,015	3,195,251
Domestic deposits	37,464	33,524	218,187	217,459	234,941	241,158	1,954,016	2,451,095
Equity capital	5,164	4,816	27,239	28,541	39,242	39,347	363,070	511,333
Off-balance-sheet derivatives	10	13	2,639	4,241	17,940	16,960	36,708,189	95,147,037
Performance ratios (annualized %)								
Return on equity	8.31	9.11	12.85	12.42	13.07	13.97	17.29	12.30
Return on assets	0.97	1.08	1.31	1.31	1.42	1.54	1.56	1.22
Net interest income to assets	3.81	3.91	3.73	3.79	3.48	3.44	3.38	2.83
Loss provision to assets	0.27	0.18	0.22	0.22	0.50	0.21	0.44	0.31
Net operating income to assets  Noninterest income to assets	0.98 1.45	1.08 1.40	1.30 2.00	1.31 1.85	1.41 2.56	1.53 2.64	1.52 2.81	1.18 2.50
Noninterest expense to assets	3.72	3.70	3.73	3.67	3.39	3.58	3.46	3.25
Loss provision to loans and leases	0.47	0.32	0.35	0.34	0.81	0.33	0.74	0.57
Net charge-offs to loans and leases	0.47	0.32	0.33	0.25	0.73	0.33	0.74	0.62
Loss provision to net charge-offs	147.04	143.20	124.70	137.00	111.85	105.29	85.01	92.21
Performance ratios (%)								
Percent of institutions unprofitable	11.41	9.89	2.05	2.18	4.92	3.97	0.00	0.00
Percent of institutions with earnings gains	53.01	58.38	58.83	63.63	66.39	76.98	76.09	57.78
Nonint. income to net operating revenue	27.56	26.36	34.90	32.78	42.36	43.40	45.41	46.95
Nonint. expense to net operating revenue	70.72	69.82	65.15	65.16	56.13	58.94	55.84	60.93
Condition ratios (%)								
Nonperforming assets to assets	0.86	0.75	0.62	0.55	0.49	0.43	0.71	0.52
Noncurrent loans to loans	1.17	1.02	0.82	0.72	0.72	0.62	1.08	0.88
Loss reserve to noncurrent loans	125.12	138.74	170.22	177.70	197.93	202.02	163.53	164.28
Loss reserve to loans	1.46	1.42	1.39	1.27	1.42	1.25	1.77	1.44
Equity capital to assets	11.51	11.92	10.02	10.56	10.86	11.05	9.27	9.92
Leverage ratio	11.40	11.85	9.46	9.63	9.29	9.06	7.13	7.09
Risk-based capital ratio	18.80	19.37	14.75	14.73	15.46	13.62	12.14	11.91
Net loans and leases to assets	58.46	58.31	62.57	63.76	60.63	62.42	59.35	54.90
Securities to assets	26.47	27.23	25.20	23.36	23.88	21.55	17.22	15.19
Appreciation in securities (% of par)	-0.81	-0.44	-0.79	-0.15	-0.56	-0.06	-0.75	0.66
Residential mortgage assets to assets	20.74	20.75	23.11	22.39	26.92	26.37	24.76	23.57
Total deposits to assets	83.49	83.03	80.34	80.57	65.78	68.37	63.57	61.99
Core deposits to assets	71.02	70.14	67.66	66.47	56.37	57.14	44.64	40.95
Volatile liabilities to assets	14.89	15.39	17.89	18.63	23.73	25.14	34.45	36.69

#### Loan performance, FDIC-insured national banks by asset size Second quarter 2004 and second quarter 2005 (Dollar figures in millions)

	Less than	\$100M	\$100M t	to \$1B	\$1B to	\$10B	Greater t	han \$10B
	2004Q2	2005Q2	2004Q2	2005Q2	2004Q2	2005Q2	2004Q2	2005Q2
Percent of loans past due 30-89 days								
Total loans and leases	1.30	1.27	0.85	0.80	0.65	0.56	0.84	0.78
Loans secured by real estate (RE)	1.13	1.18	0.72	0.69	0.42	0.38	0.79	0.73
1- to 4-family residential mortgages	1.56	1.58	1.04	1.00	0.57	0.55	1.15	1.01
Home equity loans	0.51	0.65	0.33	0.38	0.25	0.26	0.36	0.41
Multifamily residential mortgages	0.93	0.40	0.50	0.54	0.29	0.17	0.43	0.42
Commercial RE loans	0.80	1.06	0.56	0.49	0.30	0.30	0.38	0.34
Construction RE loans	1.11	0.92	0.68	0.75	0.46	0.32	0.63	0.56
Commercial and industrial loans	1.58	1.40	0.94	1.02	0.98	0.96	0.47	0.39
Loans to individuals	2.35	2.25	1.80	1.55	1.53	1.00	1.80	1.64
Credit cards	1.93	1.98	3.32	2.67	2.51	1.75	2.15	2.00
Installment loans and other plans All other loans and leases	2.40 0.73	2.30 0.66	1.53 0.59	1.44 0.53	1.09 0.36	0.92 0.47	1.69 0.22	1.47 0.29
Percent of loans noncurrent								
Total loans and leases	1.17	1.02	0.82	0.72	0.72	0.62	1.08	0.88
Loans secured by real estate (RE)	1.00	0.90	0.74	0.67	0.60	0.56	0.81	0.74
1- to 4-family residential mortgages	0.96	0.91	0.69	0.64	0.50	0.56	1.03	1.02
Home equity loans	0.11	0.48	0.15	0.15	0.18	0.17	0.18	0.17
Multifamily residential mortgages	0.65	1.01	0.52	0.53	0.27	0.34	0.45	0.46
Commercial RE loans	1.12	1.02	0.82	0.76	0.85	0.79	0.86	0.66
Construction RE loans	0.88	0.51	0.80	0.60	0.43	0.36	0.60	0.44
Commercial and industrial loans	2.05	1.71	1.20	0.99	1.04	0.84	1.65	0.91
Loans to individuals	0.82	0.80	0.81	0.57	0.97	0.51	1.68	1.53
Credit cards	1.68	1.12	2.64	1.73	2.23	1.32	1.88	1.75
Installment loans and other plans	0.79	0.81	0.45	0.43	0.34	0.39	1.71	1.50
All other loans and leases	1.18	0.95	0.68	0.71	0.50	0.47	0.44	0.33
Percent of loans charged-off, net								
Total loans and leases	0.32	0.22	0.28	0.25	0.73	0.31	0.87	0.62
Loans secured by real estate (RE)	0.07	0.07	0.06	0.08	0.10	0.08	0.10	0.06
1- to 4-family residential mortgages	0.08	0.05	0.07	0.05	0.11	0.06	0.09	0.05
Home equity loans	0.04 -0.01	0.01 0.81	0.03	0.06 0.18	0.09 0.52	0.06 0.08	0.14 0.07	0.10 0.05
Multifamily residential mortgages Commercial RE loans	0.10	0.81	0.03 0.06	0.18	0.52	0.08	0.07	0.05
Construction RE loans	0.10	0.05	0.00	0.10	0.07	0.13	0.07	-0.03
Commercial and industrial loans	0.93	0.03	0.48	0.39	0.00	0.43	0.02	0.13
Loans to individuals	0.93	0.73	1.50	1.18	4.66	1.65	3.54	2.83
Credit cards	4.05	2.27	6.66	5.98	11.00	5.14	5.75	4.55
Installment loans and other plans	0.82	0.69	0.45	0.53	1.29	1.00	1.56	1.25
All other loans and leases	0.10	0.11	0.28	0.60	0.09	0.39	0.10	0.00
Loans outstanding (\$)								
Total loans and leases	\$26,630	\$23,893	\$172,443	\$174,513	\$222,231	\$225,158	\$2,367,549	\$2,871,248
Loans secured by real estate (RE)	16,350	14,890	118,252	124,186	136,272	147,495	1,087,910	1,379,321
1- to 4-family residential mortgages	6,462	5,927	38,199	39,026	51,932	49,915	534,202	686,510
Home equity loans	531	506	7,201	6,961	10,350	12,252	219,295	305,968
Multifamily residential mortgages	433	335	4,419	4,135	5,066	7,004	25,760	31,642
Commercial RE loans	5,222	4,692	47,973	49,408	47,484	49,436	184,498	204,947
Construction RE loans	1,719	1,534	14,661	18,612	19,105	25,519	79,230	102,608
Farmland loans	1,983	1,897	5,796	6,042	1,753	2,466	4,913	4,918
RE loans from foreign offices	0	0	3	2	583	904	40,012	42,727
Commercial and industrial loans	4,290	3,749	28,091	27,507	44,248	48,711	438,826	565,001
Loans to individuals	3,050	2,436	16,122	13,663	24,022	20,014	473,988	560,869
Credit cards*	140	58	2,698	1,597	8,203	3,199	224,776	269,814
Other revolving credit plans Installment loans	37	40	335	353	1,115	1,156 15,659	30,713	33,035
All other loans and leases	2,873 2,965	2,338 2,836	13,088 10,154	11,712 9,327	14,705 17,794	9,068	218,499 368,478	258,019 367,630
Less: Unearned income	2,965	2,836	10,154	170	17,794	9,068	1,653	1,572

#### Key indicators, FDIC-insured national banks by region Second quarter 2005 (Dollar figures in millions)

Northeast   Southeast   Central   Midwest   Southwest   West   Institutions								
Number of institutions reporting Total employees (FTEs)   318,326   270,402   299,475   161,044   78,710   40,536   1,168,493		Northoast	Southoast	Control	Midwost	Southwost	Wost	All
Selected income data (\$)         \$4,520         \$5,661         \$3,582         \$2,194         \$749         \$1,252         \$17,958           Net income         \$4,520         \$5,661         \$3,582         \$2,194         \$749         \$1,252         \$17,958           Net interest income         10,390         10,928         9,948         5,359         2,081         3,543         42,249           Provision for loan losses         2,077         (93)         307         615         100         1,366         4,373           Noninterest income         11,022         6,930         9,672         4,804         1,063         2,324         35,815           Noninterest expense         12,946         9,616         14,292         6,219         2,006         2,583         47,662           Net operating income         4,401         5,389         3,553         2,169         750         1,261         17,523           Cash dividends declared         2,760         2,150         2,270         864         486         2,704         11,234           Net charge-offs         1,373,255         1,671,734         1,752,618         530,813         235,825         257,257         5,821,502           Total loans and leases         <	Number of institutions reporting							
Net income         \$4,520         \$5,661         \$3,582         \$2,194         \$749         \$1,252         \$17,958           Net interest income         10,390         10,928         9,948         5,359         2,081         3,543         42,249           Provision for loan losses         2,077         (93)         307         615         100         1,366         4,373           Noninterest income         11,022         6,930         9,672         4,804         1,063         2,324         35,815           Noninterest expense         12,946         9,616         14,292         6,219         2,006         2,583         47,662           Net operating income         4,401         5,389         3,553         2,169         750         1,261         17,523           Cash dividends declared         2,760         2,150         2,270         864         486         2,704         11,234           Net charge-offs         2,067         147         683         630         71         1,062         4,660           Selected condition data (\$)           Total assets         1,373,255         1,671,734         1,752,618         530,813         235,825         257,257         5,821,502								
Net interest income         10,390         10,928         9,948         5,359         2,081         3,543         42,249           Provision for loan losses         2,077         (93)         307         615         100         1,366         4,373           Noninterest income         11,022         6,930         9,672         4,804         1,063         2,324         35,815           Noninterest expense         12,946         9,616         14,292         6,219         2,006         2,583         47,662           Net operating income         4,401         5,389         3,553         2,169         750         1,261         17,523           Cash dividends declared         2,760         2,150         2,270         864         486         2,704         11,234           Net charge-offs         2,067         147         683         630         71         1,062         4,660           Selected condition data (\$)           Total assets         1,373,255         1,671,734         1,752,618         530,813         235,825         257,257         5,821,502           Total loans and leases         767,714         878,233         909,390         398,027         148,478         192,970         3,294,812 <td>Selected income data (\$)</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Selected income data (\$)							
Provision for loan losses         2,077         (93)         307         615         100         1,366         4,373           Noninterest income         11,022         6,930         9,672         4,804         1,063         2,324         35,815           Noninterest expense         12,946         9,616         14,292         6,219         2,006         2,583         47,662           Net operating income         4,401         5,389         3,553         2,169         750         1,261         17,523           Cash dividends declared         2,760         2,150         2,270         864         486         2,704         11,234           Net charge-offs         2,067         147         683         630         71         1,062         4,660           Selected condition data (\$)           Total assets         1,373,255         1,671,734         1,752,618         530,813         235,825         257,257         5,821,502           Total loans and leases         767,714         878,233         909,390         398,027         148,478         192,970         3,294,812           Reserve for losses         13,754         8,681         11,682         5,629         1,705         5,198         46,649 <td>Net income</td> <td>\$4,520</td> <td>\$5,661</td> <td>\$3,582</td> <td>\$2,194</td> <td>\$749</td> <td>\$1,252</td> <td>\$17,958</td>	Net income	\$4,520	\$5,661	\$3,582	\$2,194	\$749	\$1,252	\$17,958
Noninterest income         11,022         6,930         9,672         4,804         1,063         2,324         35,815           Noninterest expense         12,946         9,616         14,292         6,219         2,006         2,583         47,662           Net operating income         4,401         5,389         3,553         2,169         750         1,261         17,523           Cash dividends declared         2,760         2,150         2,270         864         486         2,704         11,234           Net charge-offs         2,067         147         683         630         71         1,062         4,660           Selected condition data (\$)           Total assets         1,373,255         1,671,734         1,752,618         530,813         235,825         257,257         5,821,502           Total loans and leases         767,714         878,233         909,390         398,027         148,478         192,970         3,294,812           Reserve for losses         13,754         8,681         11,682         5,629         1,705         5,198         46,649           Securities         243,679         371,005         184,885         51,254         50,763         32,388         933,973<	Net interest income	10,390	10,928	9,948	5,359	2,081	3,543	42,249
Noninterest expense         12,946         9,616         14,292         6,219         2,006         2,583         47,662           Net operating income         4,401         5,389         3,553         2,169         750         1,261         17,523           Cash dividends declared         2,760         2,150         2,270         864         486         2,704         11,234           Net charge-offs         2,067         147         683         630         71         1,062         4,660           Selected condition data (\$)           Total assets         1,373,255         1,671,734         1,752,618         530,813         235,825         257,257         5,821,502           Total loans and leases         767,714         878,233         909,390         398,027         148,478         192,970         3,294,812           Reserve for losses         13,754         8,681         11,682         5,629         1,705         5,198         46,649           Securities         243,679         371,005         184,885         51,254         50,763         32,388         933,973           Other real estate owned         136         313         535         190         230         47         1,451     <	Provision for loan losses	2,077	(93)	307	615	100	1,366	4,373
Net operating income         4,401         5,389         3,553         2,169         750         1,261         17,523           Cash dividends declared         2,760         2,150         2,270         864         486         2,704         11,234           Net charge-offs         2,067         147         683         630         71         1,062         4,660           Selected condition data (\$)           Total assets         1,373,255         1,671,734         1,752,618         530,813         235,825         257,257         5,821,502           Total loans and leases         767,714         878,233         909,390         398,027         148,478         192,970         3,294,812           Reserve for losses         13,754         8,681         11,682         5,629         1,705         5,198         46,649           Securities         243,679         371,005         184,885         51,254         50,763         32,388         933,973           Other real estate owned         136         313         535         190         230         47         1,451           Noncurrent loans and leases         8,636         3,699         8,469         4,214         1,063         1,932         28,013	Noninterest income	11,022	6,930	9,672	4,804	1,063	2,324	35,815
Cash dividends declared         2,760         2,150         2,270         864         486         2,704         11,234           Net charge-offs         2,067         147         683         630         71         1,062         4,660           Selected condition data (\$)           Total assets         1,373,255         1,671,734         1,752,618         530,813         235,825         257,257         5,821,502           Total loans and leases         767,714         878,233         909,390         398,027         148,478         192,970         3,294,812           Reserve for losses         13,754         8,681         11,682         5,629         1,705         5,198         46,649           Securities         243,679         371,005         184,885         51,254         50,763         32,388         933,973           Other real estate owned         136         313         535         190         230         47         1,451           Noncurrent loans and leases         8,636         3,699         8,469         4,214         1,063         1,932         28,013           Total deposits         890,816         1,096,593         1,022,301         368,978         177,476         133,893 <td< td=""><td>Noninterest expense</td><td>12,946</td><td></td><td>14,292</td><td>6,219</td><td>2,006</td><td>2,583</td><td></td></td<>	Noninterest expense	12,946		14,292	6,219	2,006	2,583	
Selected condition data (\$)         1,373,255         1,671,734         1,752,618         530,813         235,825         257,257         5,821,502           Total assets         1,373,255         1,671,734         1,752,618         530,813         235,825         257,257         5,821,502           Total loans and leases         767,714         878,233         909,390         398,027         148,478         192,970         3,294,812           Reserve for losses         13,754         8,681         11,682         5,629         1,705         5,198         46,649           Securities         243,679         371,005         184,885         51,254         50,763         32,388         933,973           Other real estate owned         136         313         535         190         230         47         1,451           Noncurrent loans and leases         8,636         3,699         8,469         4,214         1,063         1,932         28,013           Total deposits         890,816         1,096,593         1,022,301         368,978         177,476         133,893         3,690,057           Domestic deposits         499,423         962,677         836,557         340,634         174,895         129,050         2,943,236	. •	4,401	5,389	3,553	2,169	750	1,261	
Selected condition data (\$)           Total assets         1,373,255         1,671,734         1,752,618         530,813         235,825         257,257         5,821,502           Total loans and leases         767,714         878,233         909,390         398,027         148,478         192,970         3,294,812           Reserve for losses         13,754         8,681         11,682         5,629         1,705         5,198         46,649           Securities         243,679         371,005         184,885         51,254         50,763         32,388         933,973           Other real estate owned         136         313         535         190         230         47         1,451           Noncurrent loans and leases         8,636         3,699         8,469         4,214         1,063         1,932         28,013           Total deposits         890,816         1,096,593         1,022,301         368,978         177,476         133,893         3,690,057           Domestic deposits         499,423         962,677         836,557         340,634         174,895         129,050         2,943,236           Equity capital         145,883         163,682         161,287         59,190         22,421								
Total assets         1,373,255         1,671,734         1,752,618         530,813         235,825         257,257         5,821,502           Total loans and leases         767,714         878,233         909,390         398,027         148,478         192,970         3,294,812           Reserve for losses         13,754         8,681         11,682         5,629         1,705         5,198         46,649           Securities         243,679         371,005         184,885         51,254         50,763         32,388         933,973           Other real estate owned         136         313         535         190         230         47         1,451           Noncurrent loans and leases         8,636         3,699         8,469         4,214         1,063         1,932         28,013           Total deposits         890,816         1,096,593         1,022,301         368,978         177,476         133,893         3,690,057           Domestic deposits         499,423         962,677         836,557         340,634         174,895         129,050         2,943,236           Equity capital         145,883         163,682         161,287         59,190         22,421         31,576         584,038	Net charge-offs	2,067	147	683	630	71	1,062	4,660
Total loans and leases         767,714         878,233         909,390         398,027         148,478         192,970         3,294,812           Reserve for losses         13,754         8,681         11,682         5,629         1,705         5,198         46,649           Securities         243,679         371,005         184,885         51,254         50,763         32,388         933,973           Other real estate owned         136         313         535         190         230         47         1,451           Noncurrent loans and leases         8,636         3,699         8,469         4,214         1,063         1,932         28,013           Total deposits         890,816         1,096,593         1,022,301         368,978         177,476         133,893         3,690,057           Domestic deposits         499,423         962,677         836,557         340,634         174,895         129,050         2,943,236           Equity capital         145,883         163,682         161,287         59,190         22,421         31,576         584,038	Selected condition data (\$)							
Reserve for losses         13,754         8,681         11,682         5,629         1,705         5,198         46,649           Securities         243,679         371,005         184,885         51,254         50,763         32,388         933,973           Other real estate owned         136         313         535         190         230         47         1,451           Noncurrent loans and leases         8,636         3,699         8,469         4,214         1,063         1,932         28,013           Total deposits         890,816         1,096,593         1,022,301         368,978         177,476         133,893         3,690,057           Domestic deposits         499,423         962,677         836,557         340,634         174,895         129,050         2,943,236           Equity capital         145,883         163,682         161,287         59,190         22,421         31,576         584,038	Total assets		1,671,734	1,752,618	530,813	235,825		5,821,502
Securities         243,679         371,005         184,885         51,254         50,763         32,388         933,973           Other real estate owned         136         313         535         190         230         47         1,451           Noncurrent loans and leases         8,636         3,699         8,469         4,214         1,063         1,932         28,013           Total deposits         890,816         1,096,593         1,022,301         368,978         177,476         133,893         3,690,057           Domestic deposits         499,423         962,677         836,557         340,634         174,895         129,050         2,943,236           Equity capital         145,883         163,682         161,287         59,190         22,421         31,576         584,038		1						
Other real estate owned         136         313         535         190         230         47         1,451           Noncurrent loans and leases         8,636         3,699         8,469         4,214         1,063         1,932         28,013           Total deposits         890,816         1,096,593         1,022,301         368,978         177,476         133,893         3,690,057           Domestic deposits         499,423         962,677         836,557         340,634         174,895         129,050         2,943,236           Equity capital         145,883         163,682         161,287         59,190         22,421         31,576         584,038		· ·						,
Noncurrent loans and leases         8,636         3,699         8,469         4,214         1,063         1,932         28,013           Total deposits         890,816         1,096,593         1,022,301         368,978         177,476         133,893         3,690,057           Domestic deposits         499,423         962,677         836,557         340,634         174,895         129,050         2,943,236           Equity capital         145,883         163,682         161,287         59,190         22,421         31,576         584,038		1						
Total deposits         890,816         1,096,593         1,022,301         368,978         177,476         133,893         3,690,057           Domestic deposits         499,423         962,677         836,557         340,634         174,895         129,050         2,943,236           Equity capital         145,883         163,682         161,287         59,190         22,421         31,576         584,038								
Domestic deposits         499,423         962,677         836,557         340,634         174,895         129,050         2,943,236           Equity capital         145,883         163,682         161,287         59,190         22,421         31,576         584,038								,
Equity capital 145,883 163,682 161,287 59,190 22,421 31,576 584,038	·	1 '						, ,
	•							, ,
		1						
Off-balance-sheet derivatives 22,711,585 23,644,198 47,325,309 693,294 63,420 40,389 94,478,194	Off-balance-sneet derivatives	22,/11,585	23,644,198	47,325,309	693,294	63,420	40,389	94,478,194
Performance ratios (annualized %)	· · · · · · · · · · · · · · · · · · ·							
Return on equity 12.54 14.01 8.88 15.03 13.60 15.58 12.39								
Return on assets 1.34 1.36 0.82 1.65 1.29 1.97 1.24								
Net interest income to assets 3.07 2.63 2.27 4.03 3.58 5.56 2.92								
Loss provision to assets 0.61 -0.02 0.07 0.46 0.17 2.14 0.30	•							
Net operating income to assets 1.30 1.30 0.81 1.63 1.29 1.98 1.21								
Noninterest income to assets 3.26 1.67 2.20 3.61 1.83 3.65 2.47 Noninterest expense to assets 3.83 2.31 3.25 4.68 3.45 4.06 3.29								
'	•							
·	· ·							
Net charge-offs to loans and leases         1.09         0.07         0.30         0.63         0.20         2.23         0.57           Loss provision to net charge-offs         100.50         -62.84         44.99         97.74         140.02         128.68         93.85	<u> </u>							
25.05 provision to flet charge-ons 100.50 -02.04 44.99 97.74 140.02 120.00 95.05	Loss provision to het charge-ons	100.50	-02.04	44.33	37.74	140.02	120.00	93.63
Performance ratios (%)		7.40	0.45	0.70	4.47	5.50	0.04	5.00
Percent of institutions unprofitable 7.18 6.45 2.79 4.17 5.50 8.61 5.26	·							
Percent of institutions with earnings gains         65.07         69.12         56.70         58.59         64.04         65.56         62.34           Nonint. income to net operating revenue         51.48         38.81         49.30         47.27         33.80         39.62         45.88	5 5							
Nonint. expense to net operating revenue 60.46 53.84 72.84 61.19 63.82 44.03 61.06								
Notifile, expense to flet operating revenue 60.46 55.64 72.64 61.19 65.62 44.05 61.06	Nonlint. expense to het operating revenue	00.46	33.04	72.04	01.19	03.02	44.03	01.00
Condition ratios (%)	` ,							
Nonperforming assets to assets 0.64 0.25 0.53 0.83 0.55 0.77 0.51	. 5							
Noncurrent loans to loans 1.12 0.42 0.93 1.06 0.72 1.00 0.85								
Loss reserve to noncurrent loans 159.25 234.69 137.94 133.57 160.45 269.03 166.53								
Loss reserve to loans 1.79 0.99 1.28 1.41 1.15 2.69 1.42								
Equity capital to assets 10.62 9.79 9.20 11.15 9.51 12.27 10.03								
Leverage ratio 8.02 6.56 6.71 8.49 8.38 10.29 7.37 Risk-based capital ratio 13.73 11.16 11.38 12.58 12.95 14.21 12.17	<u> </u>							
Risk-based capital ratio       13.73       11.16       11.38       12.58       12.95       14.21       12.17         Net loans and leases to assets       54.90       52.01       51.22       73.92       62.24       72.99       55.80	•							
Securities to assets 17.74 22.19 10.55 9.66 21.53 12.59 16.04								
Appreciation in securities (% of par)  0.63  0.43  0.44  0.53  0.53  17.74  22.19  10.05  9.00  21.05  12.09  10.04  0.53								
Residential mortgage assets to assets 14.83 36.23 18.52 25.05 25.43 19.70 23.66								
Total deposits to assets 64.87 65.60 58.33 69.51 75.26 52.05 63.39	5 5							
Core deposits to assets 28.86 51.41 40.66 56.74 58.90 44.29 43.33								
Volatile liabilities to assets 47.08 30.41 35.26 19.99 26.87 36.84 34.99	•							

## Loan performance, FDIC-insured national banks by region Second quarter 2005

(Dollar figures in millions)

	(Dollar figures in millions)							
	Northeast	Southeast	Central	Midwest	Southwest	West	All institutions	
Percent of loans past due 30-89 days								
Total loans and leases	0.93	0.52	0.76	0.87	0.68	1.24	0.77	
Loans secured by real estate (RE)	0.72	0.59	0.82	0.74	0.61	0.65	0.70	
1- to 4-family residential mortgages	0.91	0.81	1.21	1.09	0.92	1.08	0.98	
Home equity loans	0.39	0.40	0.37	0.50	0.38	0.14	0.41	
Multifamily residential mortgages	0.19	0.35	0.57	0.15	0.47	0.47	0.39	
Commercial RE loans	0.34	0.24	0.53	0.30	0.48	0.35	0.37	
Construction RE loans	0.40	0.44	0.73	0.68	0.42	0.39	0.54	
Commercial and industrial loans	0.43	0.26	0.52	0.60	0.69	0.87	0.46	
Loans to individuals	1.78	1.20	1.17	1.82	1.31	2.15	1.62	
Credit cards	1.94	0.97	1.56	2.27	1.77	2.24	2.00	
Installment loans and other plans	1.95	1.29	1.08	1.34	1.34	1.84	1.45	
All other loans and leases	0.28	0.16	0.46	0.28	0.51	0.29	0.30	
Percent of loans noncurrent								
Total loans and leases	1.12	0.42	0.93	1.06	0.72	1.00	0.85	
Loans secured by real estate (RE)	0.64	0.32	1.06	1.16	0.72	0.42	0.72	
1- to 4-family residential mortgages	0.47	0.33	1.65	2.08	1.08	0.44	0.97	
Home equity loans	0.11	0.14	0.22	0.21	0.18	0.04	0.17	
Multifamily residential mortgages	0.35	0.45	0.47	0.85	0.36	0.16	0.45	
Commercial RE loans	0.76	0.48	1.00	0.66	0.70	0.49	0.70	
Construction RE loans	0.40	0.38	0.56	0.37	0.47	0.39	0.44	
Commercial and industrial loans	1.06	0.61	1.17	0.64	0.88	0.64	0.91	
Loans to individuals	2.12	0.81	0.57	1.37	0.40	1.84	1.47	
Credit cards	1.72	0.79	1.23	2.06	1.13	1.92	1.74	
Installment loans and other plans	3.20	0.86	0.34	0.52	0.37	1.67	1.39	
All other loans and leases	0.17	0.40	0.42	0.45	0.54	0.37	0.35	
Percent of loans charged-off, net								
Total loans and leases	1.09	0.07	0.30	0.63	0.20	2.23	0.57	
Loans secured by real estate (RE)	0.08	0.02	0.12	0.03	0.05	0.03	0.06	
<ul> <li>1- to 4-family residential mortgages</li> </ul>	0.04	0.02	0.12	0.03	0.06	0.04	0.05	
Home equity loans	0.04	0.05	0.16	0.09	0.11	0.00	0.09	
Multifamily residential mortgages	0.28	0.00	0.03	0.00	0.05	0.16	0.07	
Commercial RE loans	0.12	0.00	0.16	0.01	0.02	0.00	0.06	
Construction RE loans	0.01	0.01	-0.04	-0.16	0.07	-0.01	-0.02	
Commercial and industrial loans	0.24	-0.02	0.08	0.32	0.34	0.99	0.17	
Loans to individuals	3.26	0.56	1.42	3.06	0.81	5.40	2.74	
Credit cards	4.09	1.59	3.54	4.87	3.05	6.01	4.57	
Installment loans and other plans	2.29	0.54	0.64	0.64	0.67	1.29	1.20	
All other loans and leases	-0.20	0.14	0.09	0.10	0.34	-0.15	0.02	
Loans outstanding (\$)								
Total loans and leases	\$767,714	\$878,233	\$909,390	\$398,027	\$148,478	\$192,970	\$3,294,812	
Loans secured by real estate (RE)	256,227	544,476	457,064	232,962	96,188	78,975	1,665,892	
1- to 4-family residential mortgages	115,323	290,649	207,622	103,616	30,842	33,325	781,378	
Home equity loans	41,133	100,930	104,309	64,104	9,668	5,544	325,687	
Multifamily residential mortgages	6,800	11,010	14,765	4,433	2,293	3,815	43,116	
Commercial RE loans	42,405	89,374	82,304	38,651	30,757	24,991	308,484	
Construction RE loans	11,302	46,883	42,491	17,533	19,911	10,152	148,272	
Farmland loans	858	1,895	4,083	4,625	2,716	1,147	15,322	
RE loans from foreign offices	38,406	3,736	1,491	0	0	0	43,633	
Commercial and industrial loans	158,917	162,091	202,697	59,170	32,370	29,723	644,968	
Loans to individuals	241,034	63,836	133,580	71,192	12,900	74,440	596,982	
Credit cards	130,826	922	37,256	40,031	745	64,888	274,667	
Other revolving credit plans	20,315	3,983	5,384	2,604	495	1,805	34,586	
Installment loans	89,893	58,932	90,940	28,557	11,660	7,747	287,729	
All other loans and leases	112,867	108,124	116,113	34,730	7,108	9,920	388,862	
Less: Unearned income	1,330	295	64	26	88	89	1,891	

Key indicators, FDIC-insured commercial banks Annual 2001--2004, year-to-date through June 30, 2005, second quarter 2004, and second quarter 2005 (Dollar figures in millions)

	2001	2002	2003	2004	Preliminary 2005YTD	2004Q2	Preliminary 2005Q2
Number of institutions reporting	8,080	7,888	7,770	7,630	7,549	7,694	7,549
Total employees (FTEs)	1,701,721	1,745,614	1,759,517	1,814,491	1,849,134	1,815,328	1,849,134
Selected income data (\$)							
Net income	\$73,830	\$89,722	\$102,463	\$104,631	\$57,439	\$26,642	\$27,988
Net interest income	214,676	236,656	239,987	249,615	132,938	63,906	66,722
Provision for loan losses	43,337	48,195	34,837	26,219	11,398	6,640	5,898
Noninterest income	158,206	172,408	186,535	184,005	99,738	48,811	49,384
Noninterest expense	223,254	233,587	245,992	257,600	137,043	67,315	69,560
Net operating income	71,002	85,425	98,216	101,958	56,917	26,111	27,469
Cash dividends declared	54,228	67,536	77,838	55,681	30,171	17,002	16,355
Net charge-offs	36,474	44,538	37,933	29,154	12,479	7,462	6,002
Selected condition data (\$)							
Total assets	6,552,421	7,076,584	7,601,170	8,413,084	8,724,590	8,050,205	8,724,590
Total loans and leases	3,884,336	4,156,181	4,428,850	4,904,746	5,129,186	4,672,547	5,129,186
Reserve for losses	72,273	76,999	77,151	73,525	70,711	75,418	70,711
Securities	1,172,540	1,334,826	1,456,312	1,551,287	1,585,315	1,559,157	1,585,315
Other real estate owned	3,569	4,165	4,218	3,373	3,222	3,915	3,222
Noncurrent loans and leases	54,578	60,550	52,949	42,079	39,861	44,897	39,861
Total deposits	4,377,558	4,689,852	5,035,056	5,592,812	5,794,697	5,334,345	5,794,697
Domestic deposits	3,748,042	4,031,815	4,293,884	4,726,920	4,899,529	4,506,714	4,899,529
Equity capital	593,696	647,448	691,903	850,265	892,275	742,251	892,275
Off-balance-sheet derivatives	45,325,982	56,208,607	71,098,899	87,872,661	96,200,813	81,023,600	96,200,813
Performance ratios (annualized %)							
Return on equity	13.09	14.47	15.31	13.80	13.12	14.63	12.68
Return on assets	1.15	1.33	1.40	1.31	1.34	1.34	1.29
Net interest income to assets	3.35	3.50	3.27	3.12	3.09	3.22	3.08
Loss provision to assets	0.68	0.71	0.48	0.33	0.27	0.33	0.27
Net operating income to assets	1.11	1.26	1.34	1.28	1.32	1.32	1.27
Noninterest income to assets	2.47	2.55	2.54	2.30	2.32	2.46	2.28
Noninterest expense to assets	3.48	3.46	3.35	3.22	3.19	3.39	3.21
Loss provision to loans and leases	1.12	1.21	0.82	0.56	0.45	0.58	0.47
Net charge-offs to loans and leases	0.95	1.12	0.89	0.63	0.50	0.65	0.47
Loss provision to net charge-offs	118.82	108.21	91.84	89.93	91.34	88.98	98.27
Performance ratios (%)							
Percent of institutions unprofitable	8.13	6.64	6.01	5.81	5.46	5.72	5.54
Percent of institutions with earnings gains	56.27	72.68	59.19	65.02	65.05	57.58	64.68
Nonint. income to net operating revenue	42.43	42.15	43.73	42.43	42.87	43.30	42.53
Nonint. expense to net operating revenue	59.87	57.10	57.67	59.41	58.90	59.72	59.91
Condition ratios (%)							
Nonperforming assets to assets	0.92	0.94	0.77	0.55	0.50	0.62	0.50
Noncurrent loans to loans	1.41	1.46	1.20	0.86	0.78	0.96	0.78
Loss reserve to noncurrent loans	132.42	127.17	145.71	174.73	177.39	167.98	177.39
Loss reserve to loans	1.86	1.85	1.74	1.50	1.38	1.61	1.38
Equity capital to assets	9.06	9.15	9.10	10.11	10.23	9.22	10.23
Leverage ratio	7.78	7.83	7.85	7.83	7.95	7.73	7.95
Risk-based capital ratio	12.70	12.77	12.75	12.62	12.56	12.73	12.56
Net loans and leases to assets	58.18	57.64	57.25	57.43	57.98	57.11	57.98
Securities to assets	17.89	18.86	19.16	18.44	18.17	19.37	18.17
Appreciation in securities (% of par)	0.82	2.22	0.84	0.43	0.33	-0.84	0.33
Residential mortgage assets to assets	21.64	23.30	23.28	23.29	23.78	23.73	23.78
Total deposits to assets	66.81	66.27	66.24	66.48	66.42	66.26	66.42
Core deposits to assets	48.72	48.68	48.63	47.56	47.04	48.01	47.04
Volatile liabilities to assets	31.45	31.41	30.95	31.68	32.54	32.51	32.54

#### Loan performance, FDIC-insured commercial banks Annual 2001--2004, year-to-date through June 30, 2005, second quarter 2004, and second quarter 2005 (Dollar figures in millions)

					Preliminary		Preliminary
	2001	2002	2003	2004	2005YTD	2004Q2	2005Q2
Percent of loans past due 30-89 days							
Total loans and leases	1.37	1.17	1.02	0.86	0.77	0.83	0.77
Loans secured by real estate (RE)	1.31	1.08	0.90	0.73	0.69	0.72	0.69
1- to 4-family residential mortgages	1.69	1.49	1.29	1.05	1.02	1.01	1.02
Home equity loans	0.79	0.59	0.45	0.37	0.39	0.34	0.39
Multifamily residential mortgages	0.72	0.46	0.48	0.36	0.36	0.36	0.36
Commercial RE loans	0.90	0.68	0.56	0.49	0.45	0.50	0.45
Construction RE loans	1.21	0.89	0.69	0.58	0.53	0.61	0.53
Commercial and industrial loans	1.01	0.89	0.72	0.64	0.55	0.66	0.55
Loans to individuals	2.46	2.22	2.08	1.82	1.58	1.76	1.58
Credit cards Installment loans and other plans	2.70 2.54	2.72 2.08	2.53 1.93	2.24 1.62	1.96 1.43	2.24 1.57	1.96 1.43
All other loans and leases	0.84	0.58	0.48	0.38	0.35	0.33	0.35
Percent of loans noncurrent							
Total loans and leases	1.41	1.46	1.20	0.86	0.78	0.96	0.78
Loans secured by real estate (RE)	0.96	0.89	0.86	0.65	0.66	0.72	0.66
1- to 4-family residential mortgages	0.97	0.93	1.00	0.82	0.88	0.84	0.88
Home equity loans	0.37	0.30	0.24	0.18	0.18	0.18	0.18
Multifamily residential mortgages	0.46	0.38	0.38	0.35	0.37	0.37	0.37
Commercial RE loans	0.96	0.94	0.90	0.69	0.66	0.82	0.66
Construction RE loans	1.06	0.98	0.70	0.44	0.40	0.57	0.40
Commercial and industrial loans	2.41	2.93	2.10	1.17	0.93	1.62	0.93
Loans to individuals	1.43	1.51	1.53	1.46	1.28	1.37	1.28
Credit cards Installment loans and other plans	2.12 1.12	2.24 1.14	2.22 1.14	2.00 1.12	1.70 1.07	1.89 1.12	1.70 1.07
All other loans and leases	0.97	1.01	0.66	0.40	0.36	0.44	0.36
Percent of loans charged-off, net							
Total loans and leases	0.95	1.12	0.89	0.63	0.50	0.65	0.47
Loans secured by real estate (RE)	0.19	0.15	0.17	0.08	0.06	0.09	0.06
1- to 4-family residential mortgages	0.22	0.14	0.19	0.08	0.06	0.09	0.06
Home equity loans	0.27	0.19	0.20	0.10	0.09	0.14	0.10
Multifamily residential mortgages	0.04	0.08	0.03	0.04	0.03	0.07	0.04
Commercial RE loans	0.13	0.15	0.13	0.07	0.05	0.08	0.07
Construction RE loans	0.14	0.17	0.14	0.05	0.02	0.05	0.01
Commercial and industrial loans Loans to individuals	1.43 2.73	1.76 3.34	1.26 3.04	0.50 2.81	0.23 2.51	0.55 2.95	0.23 2.44
Credit cards	5.12	6.38	5.57	5.02	4.50	5.70	4.47
Installment loans and other plans	1.29	1.46	1.45	1.28	1.06	1.18	1.00
All other loans and leases	0.80	1.15	0.80	0.31	0.09	0.13	0.05
Loans outstanding (\$)							
Total loans and leases	\$3,884,336	\$4,156,181	\$4,428,850	\$4,904,746	\$5,129,186	\$4,672,547	\$5,129,186
Loans secured by real estate (RE)	1,800,228	2,068,153	2,272,850	2,624,802	2,817,582	2,462,648	2,817,582
1- to 4-family residential mortgages	810,781	945,708	994,156	1,083,208	1,161,553	1,056,501	1,161,553
Home equity loans	154,193	214,724	284,511	398,895	434,835	341,193	434,835
Multifamily residential mortgages	64,131	71,934	79,678	87,915	92,593	83,153	92,593
Commercial RE loans	505,882	555,990	602,724	667,070	697,110	635,475	697,110
Construction RE loans	193,014 35,533	207,452	231,510	290,040	337,900	256,102	337,900
Farmland loans RE loans from foreign offices	36,695	38,066 34,280	40,699 39,572	44,609 53,066	46,303 47,289	42,978 47,248	46,303 47,289
Commercial and industrial loans	981,130	910,808	869,257	907,936	980,301	874,997	980,301
Loans to individuals	629,412	703,748	770,358	839,005	813,660	757,921	813,660
Credit cards*	232,448	275,957	316,014	371,687	338,523	298,094	338,523
Other revolving credit plans	34,202	38,209	37,556	39,159	39,613	36,604	39,613
Installment loans	362,762	389,582	416,788	428,160	435,523	423,223	435,523
All other loans and leases	476,689	476,873	519,254	536,210	520,568	579,901	520,568
Less: Unearned income	3,123	3,401	2,870	3,207	2,925	2,920	2,925

#### Key indicators, FDIC-insured commercial banks by asset size Second quarter 2004 and second quarter 2005 (Dollar figures in millions)

	Less than \$100M		\$100M to \$1B		\$1B to \$	\$10B	Greater than \$10B		
	2004Q2	2005Q2	2004Q2	2005Q2	2004Q2	2005Q2	2004Q2	2005Q2	
Number of institutions reporting	3,818	3,571	3,447	3,524	343	370	86	84	
Total employees (FTEs)	75,354	68,893	301,454	299,504	226,847	233,874	1,211,673	1,246,863	
Selected income data (\$)									
Net income	\$494	\$484	\$2,900	\$3,188	\$3,350	\$3,485	\$19,898	\$20,830	
Net interest income	1,885	1,815	8,691	9,400	8,168	8,664	45,162	46,843	
Provision for loan losses	113	91	523	520	831	484	5,172	4,803	
Noninterest income	475	442	3,309	3,169	5,079	4,894	39,949	40,879	
Noninterest expense	1,628	1,549	7,555	7,753	7,462	7,861	50,670	52,396	
Net operating income	491	486	2,885	3,187	3,304	3,475	19,431	20,322	
Cash dividends declared	286	288	1,380	1,540	2,915	1,989	12,421	12,538	
Net charge-offs	71	55	361	342	750	404	6,280	5,201	
Selected condition data (\$)									
Total assets	197,748	185,699	924,318	968,034	935,348	992,466	5,992,791	6,578,391	
Total loans and leases	121,880	116,083	613,446	660,001	584,833	644,298	3,352,388	3,708,805	
Reserve for losses	1,795	1,663	8,613	8,698	8,889	8,427	56,121	51,924	
Securities	50,133	45,911	211,794	202,667	232,546	224,511	1,064,683	1,112,226	
Other real estate owned	296	253	1,183	1,023	547	461	1,889	1,485	
Noncurrent loans and leases	1,336	1,086	4,847	4,411	4,678	4,029	34,037	30,335	
Total deposits	165,686	154,187	748,220	782,629	635,317	691,110	3,785,121	4,166,771	
Domestic deposits	165,674	154,173	746,678	781,287	626,152	682,456	2,968,210	3,281,612	
Equity capital	22,220	22,038	89,959	98,109	98,030	107,905	532,042	664,223	
Off-balance-sheet derivatives	157	125	5,981	9,234	58,653	67,808	81,630,927	96,854,556	
Performance ratios (annualized %)									
Return on equity	8.81	8.92	12.87	13.25	13.73	13.14	15.36	12.64	
Return on assets	1.00	1.05	1.27	1.34	1.46	1.42	1.35	1.27	
Net interest income to assets	3.83	3.95	3.81	3.94	3.56	3.54	3.06	2.86	
Loss provision to assets	0.23	0.20	0.23	0.22	0.36	0.20	0.35	0.29	
Net operating income to assets  Noninterest income to assets	1.00 0.97	1.06 0.96	1.26 1.45	1.34 1.33	1.44 2.21	1.42 2.00	1.32 2.71	1.24 2.50	
Noninterest expense to assets	3.31	3.37	3.31	3.25	3.25	3.21	3.43	3.20	
Loss provision to loans and leases	0.38	0.32	0.35	0.32	0.58	0.31	0.63	0.52	
Net charge-offs to loans and leases	0.24	0.32	0.33	0.32	0.52	0.26	0.03	0.52	
Loss provision to net charge-offs	157.99	166.19	145.05	151.88	110.81	119.78	82.37	92.35	
Performance ratios (%)									
Percent of institutions unprofitable	9.35	9.61	2.09	1.84	2.33	2.70	3.49	0.00	
Percent of institutions with earnings gains	54.37	57.77	59.94	70.29	65.60	77.84	73.26	65.48	
Nonint. income to net operating revenue	20.11	19.59	27.58	25.21	38.34	36.09	46.94	46.60	
Nonint. expense to net operating revenue	68.99	68.60	62.96	61.69	56.33	57.98	59.53	59.73	
Condition ratios (%)									
Nonperforming assets to assets	0.83	0.72	0.65	0.56	0.56	0.45	0.62	0.49	
Noncurrent loans to loans	1.10	0.94	0.79	0.67	0.80	0.63	1.02	0.82	
Loss reserve to noncurrent loans	134.40	153.03	177.68	197.20	190.03	209.13	164.88	171.17	
Loss reserve to loans	1.47	1.43	1.40	1.32	1.52	1.31	1.67	1.40	
Equity capital to assets	11.24	11.87	9.73	10.13	10.48	10.87	8.88	10.10	
Leverage ratio	11.15	11.77	9.37	9.61	9.32	9.46	7.11	7.36	
Risk-based capital ratio	17.76	18.36	14.11	14.01	14.42	13.64	12.13	12.05	
Net loans and leases to assets	60.73	61.62	65.44	67.28	61.58	64.07	55.00	55.59	
Securities to assets	25.35	24.72	22.91	20.94	24.86	22.62	17.77	16.91	
Appreciation in securities (% of par)	-0.76	-0.27	-0.77	-0.03	-0.86	-0.07	-0.86	0.50	
Residential mortgage assets to assets	20.63	20.11	22.12	21.11	26.12	24.84	23.71	24.12	
Total deposits to assets	83.79	83.03	80.95	80.85	67.92	69.64	63.16	63.34	
Core deposits to assets	71.25	69.76	67.69	65.73	55.88	55.51	42.98	42.38	
Volatile liabilities to assets	14.74	15.59	18.00	19.71	25.66	27.12	36.40	35.73	

#### Loan performance, FDIC-insured commercial banks by asset size Second quarter 2004 and second quarter 2005 (Dollar figures in millions)

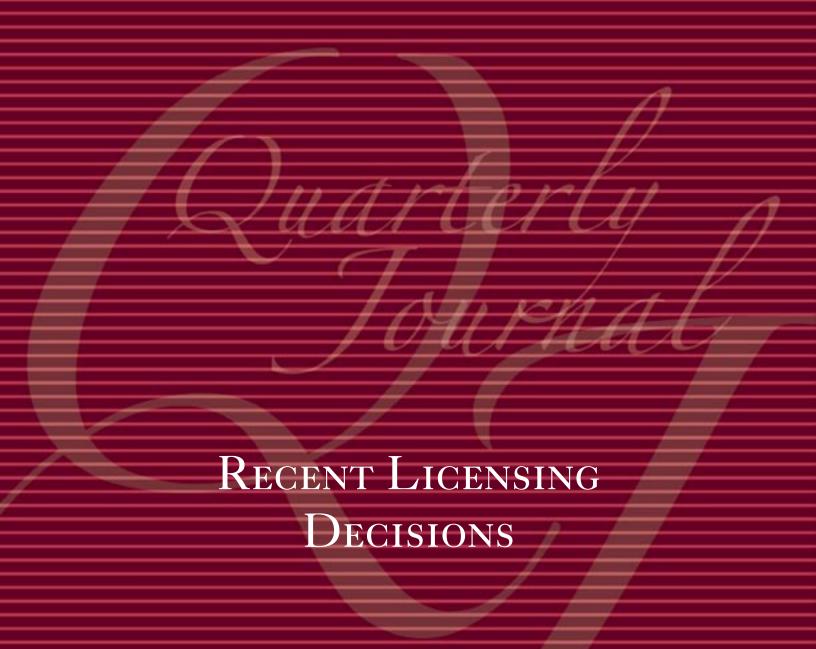
	Less than \$100M		\$100M to \$1B		\$1B to \$10B		Greater than \$10B	
	2004Q2	2005Q2	2004Q2	2005Q2	2004Q2	2005Q2	2004Q2	2005Q2
Percent of loans past due 30-89 days								
Total loans and leases	1.27	1.23	0.87	0.80	0.76	0.60	0.82	0.78
Loans secured by real estate (RE)	1.13	1.13	0.74	0.69	0.51	0.45	0.74	0.74
<ul> <li>1- to 4-family residential mortgages</li> </ul>	1.63	1.65	1.14	1.09	0.68	0.64	1.02	1.04
Home equity loans	0.53	0.50	0.36	0.39	0.33	0.33	0.34	0.40
Multifamily residential mortgages	0.53	0.53	0.47	0.47	0.23	0.25	0.38	0.36
Commercial RE loans	0.84	0.90	0.57	0.53	0.44	0.39	0.46	0.40
Construction RE loans	0.86	0.77	0.64	0.56	0.49	0.43	0.63	0.56
Commercial and industrial loans	1.52	1.38	1.01	1.01	1.03	0.85	0.51	0.42
Loans to individuals	2.37	2.29	1.90	1.75	1.95	1.20	1.71	1.59
Credit cards	2.37	1.95	4.42	3.44	3.04	1.15	2.13	1.98
Installment loans and other plans All other loans and leases	2.40 0.72	2.33 0.68	1.64 0.60	1.63 0.51	1.50 0.44	1.29 0.45	1.54 0.30	1.39 0.32
Percent of loans noncurrent								
Total loans and leases	1.10	0.94	0.79	0.67	0.80	0.63	1.02	0.82
Loans secured by real estate (RE)	0.96	0.81	0.70	0.60	0.69	0.56	0.72	0.69
1- to 4-family residential mortgages	0.97	0.91	0.73	0.66	0.72	0.67	0.88	0.95
Home equity loans	0.20	0.22	0.19	0.19	0.21	0.19	0.18	0.17
Multifamily residential mortgages	0.55	0.47	0.58	0.44	0.28	0.24	0.32	0.40
Commercial RE loans	1.05	0.84	0.76	0.67	0.85	0.67	0.81	0.63
Construction RE loans	0.84	0.49	0.59	0.40	0.58	0.39	0.54	0.40
Commercial and industrial loans	1.71	1.48	1.19	1.00	1.17	0.92	1.76	0.91
Loans to individuals	0.95	0.88	0.80	0.68	0.93	0.50	1.46	1.39
Credit cards	1.57	1.17	2.88	1.95	2.01	0.94	1.87	1.73
Installment loans and other plans	0.95	0.89	0.56	0.57	0.41	0.37	1.28	1.23
All other loans and leases	1.08	0.91	0.81	0.67	0.57	0.62	0.39	0.30
Percent of loans charged-off, net	0.04	0.40	0.04	0.04	0.50	0.00	0.70	0.57
Total loans and leases	0.24	0.19	0.24	0.21	0.52	0.26	0.76	0.57
Loans secured by real estate (RE)  1- to 4-family residential mortgages	0.06 0.09	0.06 0.07	0.07 0.08	0.06 0.05	0.09 0.09	0.06 0.07	0.09 0.09	0.06 0.05
Home equity loans	0.09	0.07	0.06	0.05	0.09	0.07	0.09	0.05
Multifamily residential mortgages	0.07	0.03	0.00	0.05	0.17	0.03	0.14	0.10
Commercial RE loans	0.02	0.06	0.04	0.03	0.09	0.03	0.03	0.04
Construction RE loans	0.01	0.05	0.04	0.02	0.04	0.01	0.06	0.00
Commercial and industrial loans	0.60	0.46	0.55	0.49	0.57	0.36	0.55	0.16
Loans to individuals	0.82	0.73	1.11	1.15	3.12	1.39	3.12	2.64
Credit cards	3.71	2.52	4.76	5.80	7.20	3.33	5.60	4.51
Installment loans and other plans	0.76	0.70	0.64	0.66	1.08	0.75	1.27	1.08
All other loans and leases	0.17	0.10	0.25	0.29	0.22	0.26	0.12	0.02
Loans outstanding (\$)								
Total loans and leases	\$121,880	\$116,083	\$613,446	\$660,001	\$584,833	\$644,298	\$3,352,388	\$3,708,805
Loans secured by real estate (RE)	75,719	72,915	436,303	482,849	375,369	431,743	1,575,258	1,830,076
1- to 4-family residential mortgages	29,525	27,756	130,718	136,904	122,669	125,132	773,589	871,761
Home equity loans	2,569	2,541	25,151	26,300	29,549	35,311	283,923	370,682
Multifamily residential mortgages	1,753	1,614	16,612	17,230	19,176	24,173	45,611	49,576
Commercial RE loans	23,606	22,652	178,893	193,338	141,291	162,372	291,685	318,747
Construction RE loans	8,051	8,295	65,159	87,887	56,226	76,617	126,666	165,101
Farmland loans RE loans from foreign offices	10,215 0	10,057 0	19,733 36	21,160 29	5,500 958	7,181 956	7,530 46,254	7,904 46,304
Commercial and industrial loans	19,785	18,541	98,648	102,629	958 109,564	122,216	647,000	736,916
Loans to individuals	19,785	18,541	98,648 49,073	102,629 45,013	109,564 63,527	122,216 61,027	632,732	696,513
Credit cards*	278	172	5,493	45,013	21,035	15,605	271,288	318,553
Other revolving credit plans	162	172	1,423	1,450	2,376	2,273	32,643	35.713
Installment loans	12,149	10,758	42,157	39,369	40,116	43,149	328,800	342,247
All other loans and leases	13,869	13,587	29,967	30,104	36,844	29,826	499,221	447,051
Less: Unearned income	82	67	545	594	471	514	1,823	1,750

#### Key indicators, FDIC-insured commercial banks by region Second quarter 2005 (Dollar figures in millions)

							All
No contract of the state state of the state of	Northeast	Southeast	Central	Midwest	Southwest	West	institutions
Number of institutions reporting	586	1,069	1,557	1,973	1,686	678	7,549
Total employees (FTEs)	465,575	462,562	423,756	218,458	165,237	113,546	1,849,134
Selected income data (\$)							
Net income	\$7,010	\$8,096	\$5,319	\$2,876	\$1,522	\$3,165	\$27,988
Net interest income	15,903	16,798	14,229	7,184	4,439	8,170	66,722
Provision for loan losses	2,429	382	493	703	206	1,686	5,898
Noninterest income	15,804	10,911	11,650	5,298	1,799	3,923	49,384
Noninterest expense	19,162	15,402	17,913	7,565	3,958	5,560	69,560
Net operating income	6,850	7,792	5,285	2,854	1,522	3,166	27,469
Cash dividends declared	4,080	3,236	3,356	1,205	845	3,635	16,355
Net charge-offs	2,474	509	855	697	150	1,317	6,002
Selected condition data (\$)							
Total assets	2,142,699	2,418,842	2,279,091	721,030	478,658	684,271	8,724,590
Total loans and leases	1,149,149	1,393,603	1,268,756	532,763	301,146	483,770	5,129,186
Reserve for losses	19,188	15,123	16,089	7,530	3,746	9,035	70,711
Securities	480,163	506,460	283,615	89,699	112,154	113,224	1,585,315
Other real estate owned	294	789	961	408	587	184	3,222
Noncurrent loans and leases	11,538	6,467	11,011	5,176	2,223	3,446	39,861
Total deposits	1,408,354	1,630,628	1,412,102	518,878	374,360	450,375	5,794,697
Domestic deposits	922,509	1,474,058	1,200,348	490,534	371,662	440,418	4,899,529
Equity capital	227,448	243,796	211,168	78,765	47,089	84,009	892,275
Off-balance-sheet derivatives	23,982,283	23,852,727	47,469,594	696,666	65,172	134,371	96,200,813
Porformance ratios (appualized 9/)							
Performance ratios (annualized %) Return on equity	12.48	13.47	10.11	14.82	13.17	15.09	12.68
Return on assets	1.33	1.35	0.93	1.60	1.29	1.87	1.29
Net interest income to assets	3.01	2.80	2.50	3.99	3.75	4.83	3.08
Loss provision to assets	0.46	0.06	0.09	0.39	0.17	1.00	0.27
Net operating income to assets	1.30	1.30	0.93	1.59	1.29	1.87	1.27
Noninterest income to assets	2.99	1.82	2.04	2.94	1.52	2.32	2.28
Noninterest expense to assets	3.63	2.56	3.14	4.20	3.35	3.29	3.21
Loss provision to loans and leases	0.86	0.11	0.16	0.53	0.28	1.42	0.47
Net charge-offs to loans and leases	0.87	0.15	0.27	0.53	0.20	1.11	0.47
Loss provision to net charge-offs	98.17	74.95	57.62	100.79	137.24	128.08	98.27
Performance ratios (%)	8.19	8.14	3.34	3.40	5.81	9.73	5.54
Percent of institutions unprofitable Percent of institutions with earnings gains	68.43	73.15	61.46	58.64	64.59	73.30	64.68
Nonint. income to net operating revenue	49.84	39.38	45.02	42.45	28.84	32.44	42.53
Nonint. expense to net operating revenue	60.44	55.58	69.22	60.61	63.44	45.98	59.91
Normit. expense to het operating revenue	00.44	33.36	09.22	00.01	03.44	45.50	39.91
Condition ratios (%)							
Nonperforming assets to assets	0.55	0.31	0.54	0.78	0.59	0.53	0.50
Noncurrent loans to loans	1.00	0.46	0.87	0.97	0.74	0.71	0.78
Loss reserve to noncurrent loans	166.30	233.86	146.12	145.49	168.46	262.19	177.39
Loss reserve to loans	1.67	1.09	1.27	1.41	1.24	1.87	1.38
Equity capital to assets	10.62	10.08	9.27	10.92	9.84	12.28	10.23
Leverage ratio	8.19	7.20	7.23	8.83	8.77	10.70	7.95
Risk-based capital ratio	13.91	11.50	11.66	12.90	13.57	14.25	12.56
Net loans and leases to assets	52.74	56.99	54.96	72.84	62.13	69.38	57.98
Securities to assets	22.41	20.94	12.44	12.44	23.43	16.55	18.17
Appreciation in securities (% of par)	0.24	0.43	0.26	1.21	-0.22	0.21	0.33
Residential mortgage assets to assets	19.99	32.98	19.30	23.09	25.00	17.95	23.78
Total deposits to assets	65.73	67.41	61.96	71.96	78.21	65.82	66.42
Core deposits to assets	33.42	52.59	44.70	59.37	62.12	54.37	47.04
Volatile liabilities to assets	44.71	28.61	32.68	19.42	24.02	27.71	32.54

#### Loan performance, FDIC-insured commercial banks by region Second quarter 2005 (Dollar figures in millions)

	N I a willia a a a i	0	Oambual	Midwas	0	\A/+	All
Percent of loans past due 30-89 days	Northeast	Southeast	Central	Midwest	Southwest	West	institutions
Total loans and leases	0.96	0.58	0.75	0.88	0.79	0.82	0.77
Loans secured by real estate (RE)	0.86	0.59	0.79	0.76	0.69	0.44	0.69
1- to 4-family residential mortgages	1.21	0.82	1.16	1.11	1.08	0.76	1.02
Home equity loans	0.36	0.37	0.38	0.52	0.37	0.21	0.39
Multifamily residential mortgages	0.18	0.38	0.53	0.28	0.45	0.27	0.36
Commercial RE loans	0.52	0.35	0.60	0.43	0.51	0.29	0.45
Construction RE loans	0.58	0.45	0.63	0.77	0.51	0.39	0.53
Commercial and industrial loans	0.50	0.36	0.58	0.74	0.83	0.76	0.55
Loans to individuals	1.75	1.41	1.18	1.82	1.55	1.71	1.58
Credit cards	1.92	2.19	1.56	2.27	1.68	2.01	1.96
Installment loans and other plans	1.83	1.36	1.11	1.44	1.59	1.15	1.43
All other loans and leases	0.38	0.19	0.44	0.38	0.60	0.30	0.35
Percent of loans noncurrent							
Total loans and leases	1.00	0.46	0.87	0.97	0.74	0.71	0.78
Loans secured by real estate (RE)	0.64	0.38	0.95	1.01	0.69	0.39	0.66
1- to 4-family residential mortgages	0.60	0.43	1.47	1.81	0.90	0.40	0.88
Home equity loans	0.13	0.14	0.23	0.22	0.19	0.09	0.18
Multifamily residential mortgages	0.19	0.50	0.49	0.62	0.47	0.08	0.37
Commercial RE loans	0.70	0.48	0.92	0.68	0.73	0.47	0.66
Construction RE loans	0.49	0.32	0.52	0.40	0.44	0.30	0.40
Commercial and industrial loans	1.11	0.63 0.83	1.08	0.77	0.97	0.91 1.28	0.93
Loans to individuals  Credit cards	1.92	1.40	0.55 1.22	1.32 2.07	0.55 1.04	1.28	1.28 1.70
Installment loans and other plans	2.45	0.78	0.35	0.54	0.54	0.45	1.70
All other loans and leases	0.21	0.78	0.33	0.54	0.54	0.43	0.36
7 iii otilor louris and louses	0.21	0.07	0.40	0.50	0.01	0.40	0.00
Percent of loans charged-off, net							
Total loans and leases	0.87	0.15	0.27	0.53	0.20	1.11	0.47
Loans secured by real estate (RE)	0.07	0.03	0.11	0.04	0.06	0.03	0.06
<ul> <li>1- to 4-family residential mortgages</li> </ul>	0.03	0.03	0.12	0.03	0.08	0.03	0.06
Home equity loans	0.03	0.07	0.15	0.11	0.11	0.00	0.10
Multifamily residential mortgages	0.10	0.01	0.03	0.01	0.06	0.03	0.04
Commercial RE loans	0.09	0.02	0.13	0.05	0.06	0.05	0.07
Construction RE loans	0.09	0.01	0.00	-0.11	0.05	0.00	0.01
Commercial and industrial loans	0.19	0.11	0.15	0.32	0.40	0.71	0.23
Loans to individuals	3.12	1.05	1.31	2.87	0.80	3.76	2.44
Credit cards	4.22	4.05	3.57	4.90	2.99	5.24	4.47
Installment loans and other plans	1.95	0.54	0.62	0.61	0.68	0.63	1.00
All other loans and leases	-0.10	0.15	0.10	0.09	0.27	0.02	0.05
Loans outstanding (\$)							
Total loans and leases	\$1,149,149	\$1,393,603	\$1,268,756	\$532,763	\$301,146	\$483,770	\$5,129,186
Loans secured by real estate (RE)	471,494	897,383	679,702	319,548	202,857	246,598	2,817,582
1- to 4-family residential mortgages	211,533	410,555	276,561	127,310	64,082	71,513	
Home equity loans	60,851	144,979	131,357	68,340	12,929	16,378	434,835
Multifamily residential mortgages	18,608	20,021	24,946	7,244	4,977	16,796	92,593
Commercial RE loans	108,212	189,809	159,178	69,981	71,958	97,972	697,110
Construction RE loans	30,751	120,530	75,298	31,337	40,938	39,044	337,900
Farmland loans	1,961 39,578	5,930	10,840	15,336	7,973	4,263	46,303 47,289
RE loans from foreign offices		5,558	1,522	0	0 57.040	632	· '
Commercial and industrial loans Loans to individuals	225,320 298,437	238,230 124,751	288,056 159,472	83,164 80,234	57,242 26,622	88,290 124,144	980,301 813,660
Credit cards	155,124		38,247			84,613	338,523
Other revolving credit plans	21,324	17,589 6,038	6,033	41,613 2,767	1,339 745	2,706	39,613
Installment loans	121,989	101,124	115,192	35,854	24,538	36,825	435,523
All other loans and leases	155,422	133,756	141,674	49,871	14,624	25,222	520,568
Less: Unearned income	1,524	516	148	54	199	484	2,925
	.,	0.0		<u> </u>			,



### RECENT LICENSING DECISIONS

#### Cases Published during April, May, and June 2005

#### **CRA Decisions**

On April 25, 2005, the OCC conditionally approved the application to combine Riggs Bank National Association, McLean, VA, with PNC Bank, National Association, Pittsburgh, PA. The OCC received comments from one community organization expressing Community Reinvestment Act (CRA) concerns. Based on both banks' "outstanding" rating in their latest CRA public evaluations and other analyses and information considered, the OCC found approval consistent with the CRA. [Conditional Approval No. 687]

#### Change in Bank Control

On March 4, 2005, the OCC did not disapprove Change in Bank Control Notices filed in connection with the proposed acquisition of First National Bank of Marin, Las Vegas, NV (collectively, "notices"), by Sherman Financial Group LLC, Radian Group, Inc., and MGIC Investment Corporation. The OCC's action is expressly conditioned on compliance with the agreement made in connection with these notices between Sherman Financial Group LLC and the OCC dated February 25, 2005, which agreement may be enforced under 12 USC 1818. [Corporate Decision No. 2005-01]

#### Mergers

On April 11, 2005, the OCC conditionally approved the application to establish Atlantic Trust, National Association, Chicago, IL (Interim Bank), and the subsequent merger of Atlantic Trust Company, National Association, Boston, MA, and Atlantic Trust Co., National Association, District of Columbia, into Atlantic Trust, National Association ("bank"), under the charter number of the latter and with the title of "Atlantic Trust, National Association." This conditional approval was subject to several conditions including within 30 days after consummating the mergers, the board of directors of the bank shall execute a formal agreement with the OCC, the terms of which shall be subject to the OCC's discretion. [Conditional Approval No. 685]

#### RECENT LICENSING DECISIONS

#### **Operating Subsidiaries**

On March 24, 2005, the OCC approved the application by JPMorgan Chase Bank, National Association, New York, NY ("bank"), to acquire Vastera, Inc. ("Vastera") as an operating subsidiary of the bank. Vastera provides global trade management services. The OCC found that the activities performed by Vastera are part of the business of banking or incidental to the business of banking under 12 USC 24(Seventh) and the bank's systems and controls are sufficient to enable it to conduct the activities in a safe and sound manner. [Corporate Decision No. 2005-02]

#### Capital

On April 7, 2005, the OCC conditionally approved the application by First National Bank of Mayfield, Mayfield, KY ("bank"), to elect corporate governance provisions of Kentucky law and complete a reverse stock split in accordance with those provisions. This represents the first OCC approval of a reverse stock split conducted under Kentucky corporate governance procedures. This approval was subject to condition requiring the bank: to elect the corporate governance provisions of Kentucky law, provide for dissenters' rights comparable to those found in relevant statutes, pay the cost of any appraisal that may occur if any shareholders dissent, and pay for binding arbitration by an independent third party to appraise the stock if the appropriate court(s) decline to accept jurisdiction of an appraisal action. [Conditional Approval No. 683]



# Special Supervision and Enforcement Activities

The Special Supervision Division of the Midsize and Community Bank Supervision Department supervises critical problem banks through rehabilitation or through other resolution processes such as orderly failure management or the sale, merger, or liquidation of such institutions. The Special Supervision Division monitors the supervision of delegated problem banks, coordinates safety and soundness examinations, provides training, analyzes and disseminates information, and supports OCC supervisory objectives as an advisor and liaison to OCC management and field staff on emerging problem bank-related issues.

This section includes information on problem national banks, national bank failures, and enforcement actions. Data on problem banks and bank failures is provided by OCC's Special Supervision Division and the FDIC's Department of Resolutions in Washington. Information on enforcement actions is provided by the Enforcement and Compliance Division (E&C) of the Law Department. The latter is principally responsible for presenting and litigating administrative actions on the OCC's behalf against banks requiring special supervision.

# **Problem National Banks and National Bank Failures**

Problem banks represented less than 1 percent of the national bank population as of June 30, 2005. The volume of problem banks, those with a CAMELS rating of 4 or 5, has been stable for several years and declined in 2005. The CAMELS rating is the composite bank rating based on examiner assessment of capital, asset quality, management, earnings, liquidity, and sensitivity to market risk. The total number of problem banks is 14 at June 30, 2005. This low volume of problem banks reflects the stable economy and generally favorable economic conditions enjoyed for the past several years. No banks have failed as of June 30, 2005.

1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 (6/30)

Figure 1-Problem national bank historical trend line

Source: Special Supervision

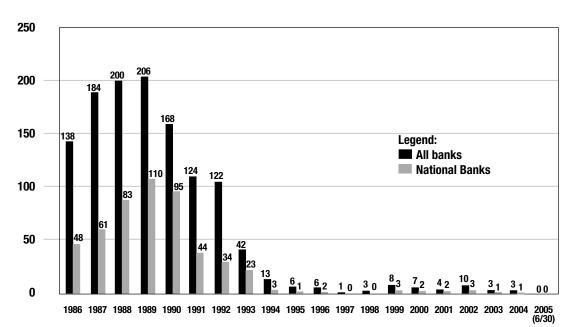


Figure 2-Number of bank failures

Source: Federal Deposit Insurance Corporation

#### **Enforcement Actions**

The OCC has a number of remedies with which to carry out its supervisory responsibilities. When it identifies safety and soundness or compliance problems, these remedies range from advice and moral suasion to informal and formal enforcement actions. These mechanisms are designed to achieve expeditious corrective and remedial action to return the bank to a safe and sound condition.

The OCC takes enforcement actions against national banks, parties affiliated with national banks, and servicing companies that provide data processing and other services to national banks. The OCC's informal enforcement actions against banks include commitment letters and memorandums of understanding (MOUs). Informal enforcement actions are meant to handle less serious supervisory problems identified by the OCC in its supervision of national banks. Failure to honor informal enforcement actions will provide strong evidence of the need for the OCC to take formal enforcement action. The charts below show total numbers of the various types of informal enforcement actions completed by the OCC against banks in the last several years.

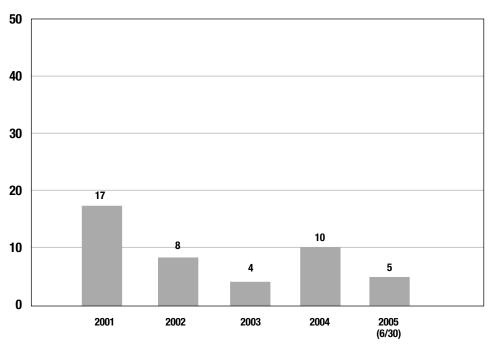


Figure 3—Commitment letters

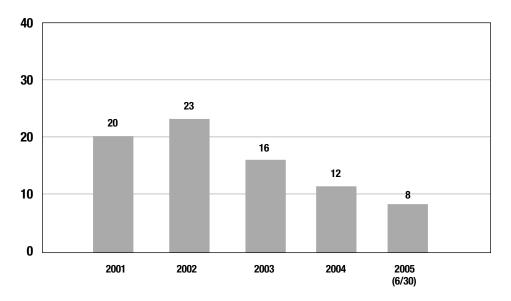


Figure 4—Memorandums of understanding

Source: OCC Systems. Note that totals for previous years' completed enforcement actions may be adjusted to reflect revised aggregates.

The most common types of formal enforcement actions issued by the OCC against banks over the past several years have been formal agreements and cease-and-desist orders. Formal agreements are documents signed by a national bank's board of directors and the OCC in which specific corrective and remedial measures are enumerated as necessary to return the bank to a safe and sound condition. Cease-and-desist orders (C&Ds), sometimes issued as consent orders, are similar in content to formal agreements, but may be enforced either through assessment of civil money penalties (CMPs) or by an action for injunctive relief in federal district court. The OCC may also assess CMPs against banks, and in 2005, the OCC assessed CMPs against 10 banks.

(6/30) 

Figure 5—Formal agreements

Source: OCC Systems. Note that totals for previous years' completed enforcement actions may be adjusted to reflect revised aggregates.

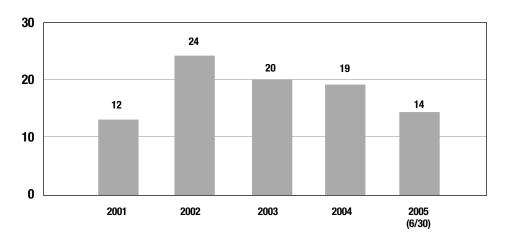


Figure 6—Cease-and-desist orders against banks

The most common enforcement actions against individuals and other institution-affiliated parties are CMPs, personal C&Ds, and removal and prohibition orders. CMPs are authorized for violations of laws, rules, regulations, formal written agreements, final orders, conditions imposed in writing, unsafe or unsound banking practices, and breaches of fiduciary duty. Personal C&Ds may be used to restrict activities, order payment of restitution, or require institution-affiliated parties to take other affirmative action to correct the results of past conduct. Removal and prohibition actions, which are used in the most serious cases, result in lifetime bans from the banking industry.

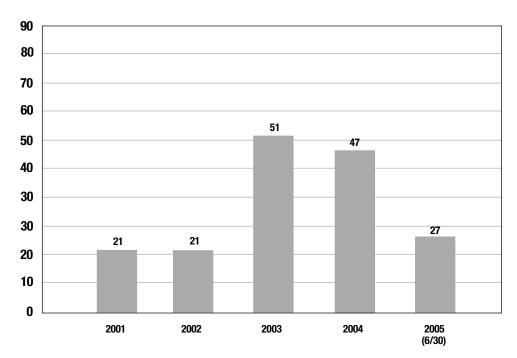


Figure 7—Civil money penalties against institution-affiliated parties

(6/30) 

Figure 8—Cease-and-desist orders against institution-affiliated parties

Source: OCC Systems. Note that totals for previous years' completed enforcement actions may be adjusted to reflect revised aggregates.

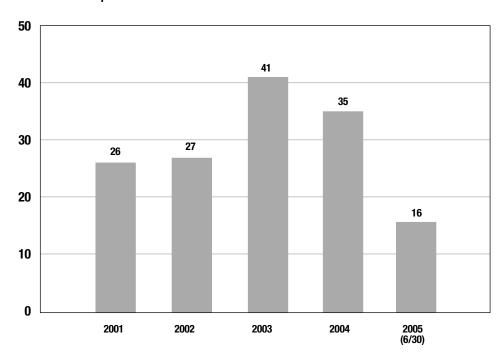


Figure 9—Removal and prohibition orders

#### Recent Enforcement Cases

Below are summaries of the significant cases completed between January 1 and June 30, 2005:

#### A. Actions Involving Anti-Money Laundering/Bank Secrecy Act Compliance

Banks ordered to comply with BSA/AML provisions. The OCC brought enforcement actions against banks for failing to maintain adequate BSA/AML compliance programs and ordered those banks to provide for internal controls, auditing, and employee training and to designate a BSA compliance officer. In the Matter of Asian Pacific National Bank, San Gabriel, Calif., Doc. No. 2005-3 (Jan. 24, 2005); In the Matter of Arab Bank PLC, New York, N.Y. (federal branch), Doc. Nos. 2005-13 (Feb. 8, 2005) and 2005-14 (Feb. 24, 2005); In the Matter of City National Bank, Beverly Hills, Calif., Doc. No. 2005-16 (Feb. 23, 2005); United Americas Bank, N.A., Atlanta, Ga., Doc. No. 2005-19 (Feb. 23, 2005); The Fulton County National Bank and Trust Company, McConnellsburg, Penn., Doc. No. 2005-29 (Mar. 23, 2005); Interbusiness Bank, N.A., Diamond Bar, Calif., Doc. No. 2005-53 (May 16, 2005); Far East National Bank, Los Angeles, Calif., Doc. No. 2205-63 (June 13, 2005); United National Bank, San Marino, Calif., Doc. No. 2005-64 (June 16, 2005); and Continental National Bank of Miami, Miami, Fla., Doc. No. 2005-65 (June 22, 2005).

Order issued against bank and bank officer prohibited and ordered to pay fine. The OCC issued a cease-and-desist order by consent against the federal branch of Banco de Chile for deficiencies in the branch's internal controls, particularly in the area of BSA/AML compliance. The OCC also issued a prohibition order by consent and assessed a \$200,000 civil money penalty against the branch's former general manager. In the Matter of Banco de Chile, New York, N.Y. (federal branch), Doc. No. 2005-2 (Feb. 1, 2005); In the Matter of Hernan Donoso, Doc. No. 2005-42 (Apr. 14, 2005).

#### **B. Unfair and Deceptive Acts or Practices**

Banks given guidance on unfair real estate lending practices. On Feb. 2, 2005, the OCC issued residential real estate lending standards and, on May 16, 2005, issued (jointly with other financial regulators) Credit Risk Management Guidance for Home Equity Lending, to assist national banks in their efforts to avoid becoming involved in predatory, abusive, unfair, or deceptive residential mortgage lending practices. (OCC Bulletin 2005-3, News Release 2005-48)

Former bank officer fined for real estate-secured lending practices. The OCC issued prohibition and cease-and-desist orders by consent and assessed a \$20,000 civil money penalty against a former bank vice president and loan officer for making tax lien loans that violated the Home Ownership Equity Protection Act, the Truth in Lending Act, the Real Estate Settlement Procedures Act, and the Federal Trade Commission Act and for receiving a large portion of excessive and duplicative fees collected by the bank from customers, including fees for services that were never performed. The OCC had earlier required the bank to make restitution to affected customers and

had issued a cease-and-desist order by consent against the company that marketed, originated, serviced, and collected the tax lien loans to restrict its conduct of business with insured depository institutions. In the Matter of Michael K. Muckleroy, Doc. No. 2005-46 (Apr. 19, 2005).

# C. Actions to Combat Identity Theft

Former bank teller prohibited and ordered to make restitution. The OCC issued prohibition and restitution orders by consent against a former bank teller for allegedly making unauthorized and fraudulent withdrawals from a bank customer's account, for his own benefit. In the Matter of Bradley A. Odom, Bank of America, N.A., Charlotte, N.C., Doc. No. 2005-50 (Apr. 28, 2005).

Former bank employee prohibited and ordered to make restitution. Following the OCC's issuance of a Notice of Charges, the Federal Reserve Board issued a prohibition order and the OCC issued a restitution order against a former bank employee for allegedly altering bank records to inflate the amount of deposits into customers' accounts and depositing the surplus into his own account and for diverting for his own use a cash overage that resulted when he conducted an improper transaction. In the Matter of Kenneth L. Coleman, PNC Bank, N.A., Pittsburgh, Pa., and Mellon Bank, N.A., Pittsburgh, Pa., Doc. No. 2005-37 (Mar. 1, 2005); In the Matter of Kenneth L. Coleman, Doc. No. 2005-38 (Mar. 2, 2005).

Former bank employee prohibited and ordered to pay fine. The OCC issued a prohibition order by consent and assessed a \$5,000 civil money penalty against a former bank employee who allegedly made unauthorized transfers from her relatives' accounts into her business account; made unauthorized loans to, and withdrawals from, accounts of unrelated bank customers; and provided falsified bank documents to another bank for the purpose of obtaining a business loan. In the Matter of Angie Cox, The Peoples National Bank of McLeansboro, McLeansboro, Ill., Doc. No. 2005-20 (Feb. 9, 2005).

Bank operating subsidiary ordered to pay fine. The OCC assessed a \$180,000 civil money penalty by consent against a bank's operating subsidiary for allegedly failing to dispose of confidential customer information in a secure fashion, in violation of OCC regulations governing the security of customer information. In the Matter of First Horizon Home Loan Corporation (operating subsidiary of First Tennessee Bank N.A., Memphis, Tenn.), Doc. No. 2005-78 (June 30, 2005).

# D. Actions to Enforce Flood Insurance Requirements

In the first half of 2005, the OCC assessed civil money penalties totaling \$650,700 against 8 banks for violations of flood insurance requirements.

Banks ordered to pay fines for flood insurance violations. The OCC assessed civil money penalties of \$500,000 and \$115,000, respectively, against two banks for allegedly engaging in patterns of making loans in special flood hazard areas without requiring coverage of the property securing the loans by requisite flood insurance. The first bank also allegedly failed to provide required

notice to borrowers of insufficient flood insurance, and failed to purchase flood insurance on borrowers' behalf where required. In the Matter of Charter One Bank, N.A., Cleveland, Ohio, Doc. No. 2005-55 (May 17, 2005); In the Matter of Wells Fargo Bank, N.A., Sioux Falls, S.D., Doc. No. 2005-77 (June 27, 2005).

# E. Actions to Combat Insider Abuse

Actions against bank officers and directors for violations of law, unsafe or unsound practices, and breaches of fiduciary duty. The OCC issued prohibition and restitution (\$50,000) orders by consent and assessed a \$20,000 civil money penalty against the former president of a bank. The Federal Reserve issued a prohibition order against the bank's former vice president and director on an action initiated by the OCC, which also assessed a \$50,000 civil money penalty. The bank, which had been operating under a formal agreement since 2001, allegedly failed to correct deficiencies in lending practices, asset quality, and internal controls and allegedly failed to correct violations of law, including suspected violations of the legal lending limit. The bank's four outside directors consented to assessments of civil money penalties in amounts ranging from \$5,000 to \$18,000. Three of those directors consented to cease-and-desist orders and the fourth consented to a prohibition order. In the Matter of Robert C. Hobgood, First National Bank, Lubbock, Tex., Doc. No. 2005-33 (Feb. 18, 2005); In the Matter of Walter C. "Charlie" Cleveland, Doc. Nos. 2005-79 (June 20, 2005) and 2005-121 (Aug. 17, 2005); In the Matter of Kim Morris, Doc. No. 2004-111 (Sept. 3, 2004); In the Matter of Darrell Hobgood, Doc. No. 2004-110 (Sept. 28, 2004); In the Matter of Brian Burns, Doc. No. 2004-125 (Oct. 13, 2004); In the Matter of Johnny Bob Carruth, Doc. No. 2004-109 (Sept. 22, 2004).

Joint action by OCC and HUD against banks' settlement agent. The OCC issued a cease-anddesist order by consent and, jointly with the Dept. of Housing and Urban Development, assessed a \$5 million civil money penalty against a title insurance company for an alleged pattern of violation of the Real Estate Settlement Procedures Act by providing inaccurate HUD-1 Settlement Statements to borrowers and to federally insured depository institutions and for unsafe or unsound settlement practices. Two loan officers, one of whom is suspected to have engaged in misconduct at two successive banks, allegedly received payments and other benefit for making several million dollars' worth of loans to non-creditworthy borrowers for the benefit of a third party and to the detriment of the banks issuing the loans. The OCC issued prohibition actions by consent and assessed civil money penalties of \$250,000 and \$130,000 against those two former bank officers for misconduct in connection with the origination of loans. In the Matter of Chicago Title Insurance Co., settlement agent for Whitney National Bank, New Orleans, La.; Southwest Bank of Texas, N.A., Houston, Tex., and Frost National Bank, San Antonio, Tex., Doc. No. 2005-12 (Feb. 24, 2005); In the Matter of Tom J. Trammell, Southwest Bank of Texas, N.A., and Whitney National Bank, Doc. No. 2005-11 (Feb. 4, 2005); In the Matter of David A. Ranostaj, Whitney National Bank, Doc. No. 2004-152 (Dec. 23, 2004).

Action against bank for insider abuse. The OCC issued a cease-and-desist order against a community bank for alleged insider abuse and for failure to comply with a 2002 Formal Agreement. In the Matter of First National Bank of Shelby County, Columbiana, Ala., Doc. No. 2005-52 (May 18, 2005).

Petitions for review of enforcement actions rejected by Ninth Circuit Court of Appeals. In 2003, following the OCC's issuance of Notices of Charges, the Federal Reserve Board issued orders for prohibition against two former bank insiders, and the OCC issued an order for joint payment of \$232,000 in restitution and assessed civil money penalties of \$35,000 and \$20,000. In April 2005, a panel of the Ninth Circuit Court of Appeals rejected the insiders' petitions for review of the earlier orders. In the Matter of Gene Ulrich and Susan Diehl McCarthy, Six Rivers National Bank, Eureka, Calif., 9th Cir. Ct. Docket Nos. 03-73491, 03-73591, 03-73854, 03-73997 (Apr. 27, 2005); In the Matter of Gene Ulrich and Susan Diehl McCarthy, Doc. Nos. 2003-169 (Sept. 2, 2003) and 2003-170 (Oct. 15, 2003).

Former bank officer prohibited and ordered to pay fine. The OCC issued a prohibition order by consent and assessed a \$2,500 civil money penalty against a former bank senior vice president for a pattern of misconduct involving unsafe or unsound lending practices and extending credit in violation of the bank's legal lending limits. In the Matter of Daniel R. Kline, The National Union Bank of Kinderhook, Kinderhook, N.Y., Doc. No. 2005-30 (Mar. 28, 2005).

# F. Early Intervention for Problem Banks

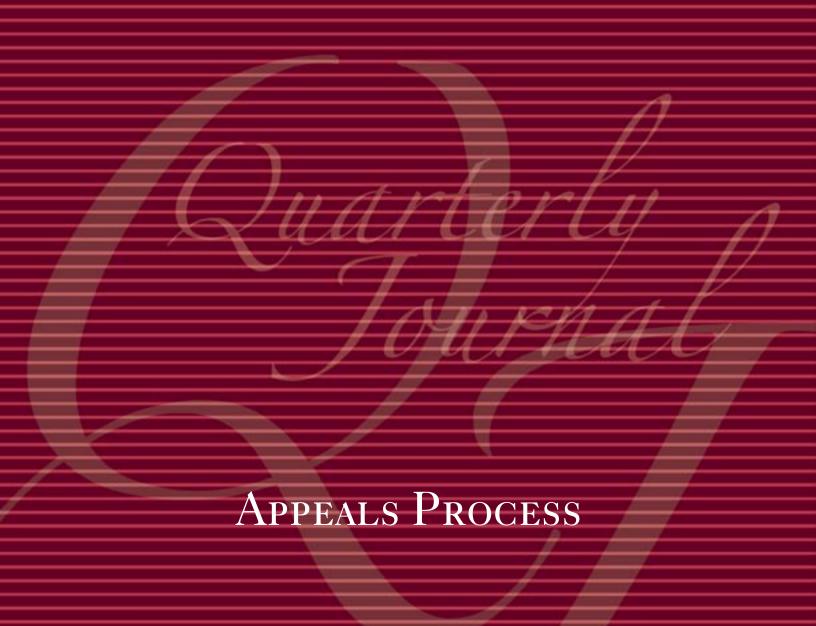
Former bank president ordered to pay fine and take remedial action. The OCC issued a ceaseand-desist order by consent and assessed a \$35,000 civil money penalty against the former president of a bank that had allegedly engaged in a questionable loan transaction with The Central Bank of the Gambia. Seven of the bank's directors previously had consented to the OCC's assessments of civil money penalties for varying levels of alleged culpability for the loan transaction and other deficiencies in the bank's operations. In the Matter of Richard Dean, First Liberty National Bank, Washington, D.C., Doc. Nos. 2005-41 and 2005-48 (Apr. 13, 2005); In the Matter of Arthur Mason, Doc. No. 2004-104; In the Matter of Madhu Mohan, Doc. No. 2004-105; In the Matter of Patrick M. Donahue, Doc. No. 2004-99; In the Matter of John J. Mahoney, Doc. No. 2004-103; In the Matter of Shailendra Kumar, Doc. No. 2004-102; In the Matter of Kailash C. Goel, Doc. No. 2004-100; In the Matter of John M. Jacquemin, Doc. No. 2004-101 (Sept. 22, 2004).

Actions against bank's chairman of the board and directors. The OCC issued a cease-and-desist order by consent and assessed a \$27,500 civil money penalty against a bank's former chairman of the board for allegedly engaging in unsafe or unsound practices or breaches of fiduciary duty by (a) his continued unreasonable disregard of examination findings and direction of the OCC and (b) repeatedly failing to ensure that bank management for which he was responsible took steps to accurately report the bank's condition, as required by 12 USC 161. In addition, he allegedly

engaged in unsafe and unsound practices or breaches of fiduciary duty while acting as the bank's outside counsel by failing to obtain approval of the bank's board of directors and failing to apprise the OCC of his law firm's stipulation to an injunction against the bank in a suit against the bank, which stipulation consented to an encumbrance of all of the bank's assets. The OCC also assessed civil money penalties ranging from \$10,000 to \$15,000 against five bank directors for alleged disregard of regulatory direction and inaccurate regulatory reports. In the Matter of David A. Barrett, Guaranty National Bank of Tallahassee, Tallahassee, Fla., Doc. No. 2005-66 (June 24, 2005); In the Matter of Linda Alexionok, Doc. No. 2005-54 (May 17, 2005); In the Matter of Rica Barrett, Doc. No. 2005-67 (June 14, 2005); In the Matter of Kenneth Fuqua, Doc. No. 2005-68 (June 24, 2005); In the Matter of Wilma Lauder, Doc. No. 2005-69 (June 8, 2005).

# G. Fast Track Enforcement Cases

The OCC continued its Fast Track Enforcement program, initiated in 1996, which ensures that bank insiders who have engaged in criminal acts in banks but who are not being criminally prosecuted are prohibited from working in the banking industry. As part of the Fast Track Enforcement program, the OCC secured 5 consent prohibition orders against institution-affiliated parties from January 1, 2005, through May 25, 2005. Four of these orders incorporated restitution to the appropriate bank for losses incurred, and one of the orders incorporated a civil money penalty. During the same period, the OCC sent out notifications to 220 former bank employees who were convicted of crimes of dishonesty; the letters informed them that under federal law they are prohibited from working again in any federally insured depository institution.



# Appeals Process

# **Appeal 1—Appeal of Semiannual Assessment Fee**

# **Background**

A bank formally appealed the OCC's right to retain the full semiannual assessment fee for the period of January 1 through June 30 since the bank converted to a state chartered commercial bank on January 1.

# **Discussion**

The bank requested a full refund of its semiannual assessment because the supervisory responsibility shifted from the OCC to the state on January 1 and therefore no supervisory activities would be conducted by the OCC during the period covered by the assessment.

The ombudsman reviewed OCC regulations regarding payment of semiannual assessment fees. According to paragraph (5) under section (a) of 12 CFR 8 Assessment of Fees, "Each bank subject to the jurisdiction of the Comptroller of the Currency on the date of the second or fourth quarterly Call Report required by the OCC under 12 USC 161 is subject to the full assessment for the next six-month period." The OCC assessment is levied against all institutions that are in the national banking system as of December 31st and June 30th. Therefore, any bank that is a national bank on the assessment date is required to pay the full semiannual assessment for the upcoming six-month period.

# Conclusion

After careful review of OCC regulations, and finding no basis for an exception, the ombudsman determined that no refund was due to the bank

# **Appeal 2—Appeal of Composite and Component Ratings**

# **Background**

The bank's board of directors appealed the downgrade to a 3 of its overall composite rating and the component ratings for asset quality, management, and consumer compliance. Additionally,

### APPEALS PROCESS

the board appealed the violations of law of the legal lending limit. The bank was placed under a formal agreement prior to filing the appeal.

# Discussion

The appeal states that the report of examination (ROE) contains unfounded allegations regarding the bank's relationship with a third-party subprime mortgage vendor, which resulted in unsatisfactory ratings in asset quality, management, and consumer compliance. Furthermore, the board stated that the legal lending limit violations were based on the manner in which the lending program operated as opposed to the written agreements between the subprime mortgage vendor and the bank.

According to the appeal, even when considering the subprime nature of the mortgage loan portfolio, the bank had not experienced losses as a result of its relationship with the subprime mortgage vendor. Bank management stated that the supervisory office was advised of the bank's interest in purchasing participations from the subprime mortgage vendor and raised no objections. Management questioned the OCC's decision to pursue an administrative action, including civil money penalties, after the bank decided to wind down its participation with the subprime mortgage vendor. The appeal also stated that the component ratings that were downgraded in this examination had been assigned satisfactory ratings only four months prior. Finally, the appeal states that the bank has not done anything wrong, much less illegal, predatory or abusive, in its relationship with the subprime mortgage vendor.

The supervisory office stated that bank management failed to provide adequate oversight of its relationship with the subprime mortgage vendor. The lack of policies and procedures for the subprime mortgage portfolio, poor loan administration and risk management practices coupled with the predatory nature of the portfolio, exposed the bank to increased reputation and financial risk. Loan officers responsible for the subprime mortgage portfolio lacked the knowledge necessary to identify violations of law and regulation in the portfolio. This indicated a lack of proper training over consumer laws and regulations along with weak internal controls. Based on the weaknesses noted in the areas of credit, risk management, and consumer compliance, including the resulting violations of law, management and board supervision were considered weak.

# Conclusion

The ombudsman conducted a review of the information submitted by the bank and support documentation from the supervisory office. The review included meetings with the bank's senior management and legal counsel, as well as with members of the supervisory office.

Because the bank was operating under an enforcement action, the ombudsman's review was limited to a determination of reasonableness as defined in OCC Bulletin 2002-9, "National Bank Appeals Process," (February 25, 2002). Essentially, the ombudsman used a process similar to that of a federal appeals judge versus the de-novo review process that is customarily employed on

# **APPEALS PROCESS**

non-enforcement-related appellate matters. Therefore, the review focused on whether the ratings were reasonable as assigned based on the condition of the bank at the time of the examination. Additionally, the violations of law were deemed to be outside of the scope of the appeal.

The ombudsman ruled that the conclusions reached by the supervisory office regarding asset quality, management, and consumer compliance were reasonable and well supported by the facts at the time of the examination. Additionally, the overall condition of the bank met the criteria of a composite-3-rated bank as prescribed by the Uniform Financial Institutions Rating System (UFIRS), (OCC Bulletin 97-1, "Uniform Financial Institutions Rating System and Disclosure of Component Ratings," January 3, 1997).

# **Appeal 3—Appeal of the Composite and Certain Component Ratings**

# **Background**

A bank, operating under a formal agreement, appealed the composite and component ratings for capital, asset quality, management, earnings, and liquidity assigned at the most recent examination.

# **Discussion**

The bank's board of directors appealed the conclusions noted in the most recent safety and soundness examination that resulted in the downgrade of the bank's composite rating from 2 to 4. According to the appeal, the primary cause of the criticisms noted in the report of examination (ROE) can be traced to a former senior loan officer and were not reflective of overall bank supervision. The appeal further states that the downgrades for capital, asset quality, management, earnings, and liquidity were primarily based upon the perception that classified assets were increasing, and this increase would cause net losses and liquidity issues. Since the examination, the board believes that management has improved asset quality problems, created an adequate allowance for loan and lease losses, collected a significant amount of classified assets, and implemented proper policies and procedures in the lending area. Consequently, the perceived negative impact on capital, earnings, and liquidity did not materialize. Therefore, the board believes the composite, capital, asset quality, management, and earnings ratings each merit a 3 and liquidity should be rated 2.

The supervisory office response notes that the appeal discusses actions taken by the board postexamination but does not refute findings noted during the examination. As such, conclusions cited in the ROE are a valid representation of the bank's condition at that time. Asset quality was deemed unacceptable and credit risks were high. The board had failed to implement adequate procedures to prevent insider abuse and to implement an effective risk management system. Earnings performance was poor; loan losses and increased provision expenses led to net losses for the year

## APPEALS PROCESS

and the current quarter. These factors as well as an increasing overall risk profile had an impact on capital adequacy. The diminishing level of secondary funding sources also affected liquidity. The supervisory office restated its position that the assigned composite of 4 and component ratings of 4, 4, 4, and 3 for capital, asset quality, management, earnings, and liquidity, respectively, met the criteria in the Uniform Financial Institutions Ratings System (UFIRS).

# Conclusion

The ombudsman reviewed the bank's submission as well as information supplied by the supervisory office. Because the bank was operating under an enforcement action, the ombudsman's review was limited to a determination of reasonableness as defined in OCC Bulletin 2002-9, "National Bank Appeals Process." Essentially, the ombudsman used a process similar to that of a federal appeals judge versus the de-novo review process that is customarily employed on nonenforcement-related appellate matters. Therefore, the review focused on whether the ratings were reasonable as assigned based on the condition of the bank at the time of the examination.

The ombudsman opined that the conclusions reached by the supervisory office were reasonable, well supported by the facts at the time of the examination, and met the definition of a composite 4 bank as prescribed by UFIRS. The ombudsman also found that the assigned component ratings for capital, asset quality, management, earnings, and liquidity were reasonable and accurately reflected the bank's condition at the time of the examination.

# SPEECHES AND CONGRESSIONAL TESTIMONY

# Speeches and Congressional Testimony

4/26/2005, Acting Comptroller of the Currency Julie L. Williams Testifies before Senate Committee on Implementation of Bank Secrecy Act in the Context of Money Services Businesses Testimony]

5/3/2005, Acting Comptroller Julie L. Williams Cites Foreclosures as Most Immediate Community Development Challenge; Stresses Need for Multi-Dimensional Mortgage Delinquency Interventions Programs [Speech]

5/6/2005, Acting Comptroller Julie L. Williams Discusses Management and Supervision of Reputation Risk in Large Banking Organizations; Stresses Important Role of Ethics and Corporate Values [Speech]

5/11/2005, Acting Comptroller Julie L. Williams Testifies before House Subcommittees on Basel II Framework Issues [Testimony]

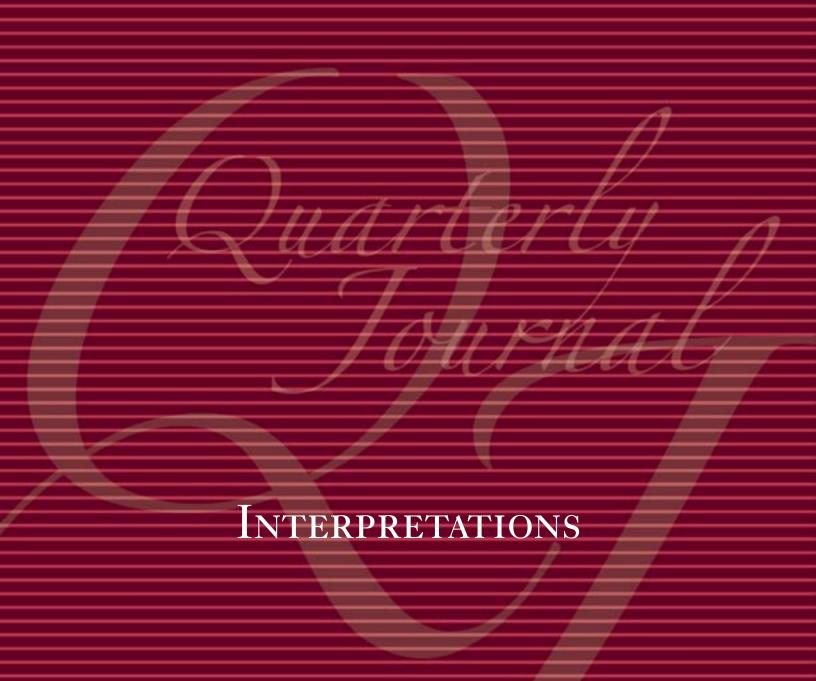
5/12/2005, Acting Comptroller Julie L. Williams Tells Bankers Disclosures not Working for Consumers and Imposing Unnecessary Burdens, Calls for Re-Examination of Process of Developing Consumer Disclosures for Financial Products and Services [Speech]

5/17/2005, Acting Comptroller of the Currency Julie L. Williams Tells Senate Banking Committee Credit Card Disclosures Can be Improved, Urges New Approach to Consumer Disclosures for Financial Products and Services [Testimony]

5/27/2005, Acting Comptroller Julie L. Williams Tells Community Bankers OCC Working Hard to Make Regulation More Efficient and Less Burdensome [Speech]

6/09/2005, Acting Comptroller Julie L. Williams Urges Steps to Reduce Unnecessary Regulatory Burden and Improve Consumer Disclosure [Testimony]

6/21/2005, Acting Comptroller Julie L. Williams Supports Regulatory Burden Relief Legislation; Urges New Approach to Consumer Disclosure Requirements to Reduce Regulatory Burden and Deliver Information that Consumers Understand [Testimony]



# Interpretations

# April [Interpretations and Actions]

**1020**, 2/8/2005, Letter concludes that national bank directors may meet the qualifying shares requirement under 12 USC 72 by purchasing trust preferred stock. [Note: Reprinted because of date error]

**1024,** 3/21/2005, Letter concludes that a national bank that renews a loan to an insider violates section 215.4(a)(1) of Regulation O and section 22(h)(A) of the Federal Reserve Act if the loan either (i) is preferential or (ii) involves more than the normal risk of repayment or presents other unfavorable features.

**1025**, 4/6/2005, Letter concludes that it is permissible for a national bank to engage in customer-driven electricity derivative transaction and hedges, settled in cash and by transitory title transfer, as activities part of, or incidental to, bank permissible financial intermediation transactions.

# May [Interpretations and Actions]

**1026**, 4/27/2005, Letter concludes that the bank's proposed securities conduit lending services are legally permissible for a national bank.

**1027**, 5/3/2005, Letter confirms that the bank may purchase and hold the preferred securities of two special purpose entities that hold interests in Australian mortgage assets.

**1028**, 5/9/2005, Letter concludes that the OCC would not find a violation of 12 CFR 37.3(a) in connection with a national bank's automobile loan that includes a GAP feature offered by the bank because the OCC views the underlying loan and the GAP feature as a single product, and the financial arrangement does not create a separate product.

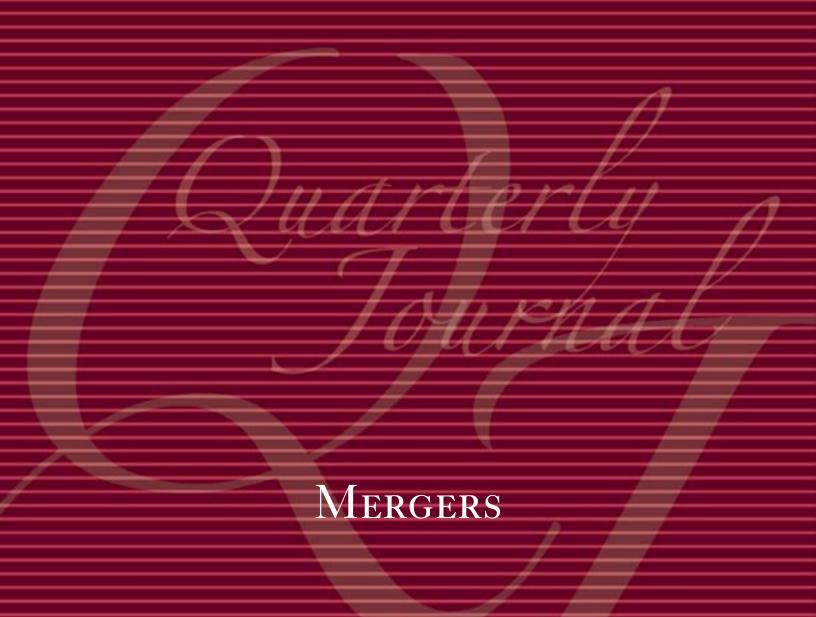
# June [Interpretations and Actions]

**1029,** 5/23/2005, Letter grants a request for a waiver of certain provisions of the OCC's securities confirmation rules at 12 CFR Part 12 in connection with the bank's transfer agent activities for various dividend reinvestment, stock purchase, and employee stock purchase plans.

1030, 5/26/2005, Letter concludes that national bank may continue to hold a separate account bank-owned life insurance investment that in turns holds interests in instruments with characteristics of debt securities and a rate of return, a portion of which is linked to equity securities, provided the bank's examiner-in-charge has no supervisory objection.

**1031**, 1/19/1995, Letter concludes that a bank may create a trust to purchase and hold investments beyond those allowed for national banks without violating 12 USC 24(Seventh) and 12 CFR Part 1.

1032, 6/16/2005, Letter concludes that "GAP Addendums" sold by a national bank to borrowers in connection with the bank's motor vehicle loans, in connection with a GAP program administered by an insurance company, are debt cancellation contracts subject to 12 CFR Part 37.



# Mergers—April 1 to June 30, 2005

	Page
Nonaffiliated mergers (mergers consummated involving two or more nonaffiliated operating banks)	42
Nonaffiliated merger—thrift (merger consummated involving nonaffiliated national banks and savings and loan associations)	43
Affiliated mergers (mergers consummated involving affiliated operating banks)	44
Affiliated merger—thrift (merger consummated involving affiliated national bank and savings and loan association)	46

# Mergers—April 1 to June 30, 2005

Most transactions in this section do not have accompanying decisions. In those cases, the OCC reviewed the competitive effects of the proposals by using its standard procedures for determining whether the transaction has minimal or no adverse competitive effects. The OCC found the proposals satisfied its criteria for transactions that clearly had no or minimal adverse competitive effects. In addition, the Attorney General either filed no report on the proposed transaction or found that the proposal would not have a significantly adverse effect on competition.

# Nonaffiliated mergers (mergers consummated involving two or more nonaffiliated operating banks), from April 1 to June 30, 2005

Title and location (charter number)	Total assets
Florida Commercebank, National Association, Coral Gables (016804) and First Texoma Bank, Houston, Texas merged on April 22, 2005, under the title of Commercebank, National Association, Coral Gables (016804)	3,534,385,000 5,000,000 3,534,385,000
Indiana Horizon Bank, National Association, Michigan City (002747) and Alliance Banking Company, New Buffalo, Michigan merged on June 10, 2005, under the title of Horizon Bank, National Association, Michigan City (002747)	913,831,000 129,971,000 1,043,186,000
Kansas Sunflower Bank, National Association, Salina (004742) and First National Bank-Colorado, Fowler, Colorado (007637) merged on April 7, 2005, under the title of Sunflower Bank, National Association, Salina (004742)	1,081,047,000 67,061,000 1,148,108,000
Louisiana Whitney National Bank, New Orleans (014977) and Destin Bank, Destin, Florida merged on April 22, 2005, under the title of Whitney National Bank, New Orleans (014977)	8,064,053,000 470,275,000 8,064,053,000
New Jersey Valley National Bank, Passaic (015790) and NorCrown Bank, Livingston, New Jersey merged on June 3, 2005, under the title of Valley National Bank, Passaic (015790)	11,370,247,000 632,176,000 12,103,796,000
Union Center National Bank, Union (012425) and Red Oak Bank, Hanover Township, New Jersey merged on May 20, 2005, under the title of <b>Union Center National Bank, Union</b> (012425)	930,665,000 95,628,000 1,041,454,000
South Carolina South Carolina Bank and Trust, National Association, Orangeburg (013918) and New Commerce Bank, National Association, Greenville, South Carolina (023818) merged on April 8, 2005, under the title of South Carolina Bank and Trust, National Association, Orangeburg (013918)	1,222,000 94,000 1,309,000
West Virginia City National Bank of West Virginia, Charleston (014807) and Classic Bank, Ashland, Kentucky merged on May 20, 2005, under the title of City National Bank of West Virginia, Charleston (014807)	2,208,983,000 344,745,000 2,562,587,000

# Nonaffiliated merger—thrift (merger consummated involving nonaffiliated national banks and savings and loan associations), from April 1 to June 30, 2005

Title and location (charter number)	Total assets
New Jersey Marathon Interim Bank N.J., National Association, Fort Lee (024599) and Ocwen Federal Bank, FSB, Fort Lee, New Jersey merged on June 30, 2005, under the title of Marathon Interim Bank N.J., National Association, Fort Lee (024599)	25,000 280,634,000 280,634,000

# Affiliated mergers (mergers consummated involving two or more affiliated operating banks), from April 1 to June 30, 2005

Title and location (charter number)	Total assets
Arkansas First National Bank, Hot Springs (016952) and First National Bank in Mena, Mena, Arkansas (013693) and First National Bank, Hot Springs, Arkansas (024333) merged on April 23, 2005, under the title of First National Bank, Hot Springs (024333)	184,742,000 116,694,000 74,384,000 375,820,000
California First National Bank of Northern California, Daly City (015089) and Sequoia National Bank, San Francisco, California (021337) merged on April 30, 2005, under the title of First National Bank of Northern California, Daly City (015089)	485,387,000 65,561,000 550,948,000
Regents Bank, National Association, San Diego (La Jolla) (024214) and Regents Savings Bank, Vancouver, merged on April 18, 2005, under the title of <b>Regents Bank, National Association, San Diego (La Jolla)</b> (024214)	168,559,000 168,560,000
Delaware HSBC Bank USA, National Association, Wilmington (024522) and Bank of Bermuda (New York) Limited, New York, New York 93 merged on March 1, 2005, under the title of HSBC Bank USA, National Association, Wilmington (024522)	126,908,000,000 127,001,000,000
Illinois Harris Bank Glencoe-Northbrook National Association , Glencoe (014583) and Harris Bank West, National Association , Roselle, Illinois (024567) merged on May 27, 2005, under the title of Harris Bank Glencoe-Northbrook, National Association, Glencoe (014583)	526,236,000 541,303,000 1,067,539,000
Harris Bank Glencoe-Northbrook, National Association, Glencoe (014583) and Harris Bank Huntley, Huntley, Illinois and Harris Bank Libertyville, Libertyville, Illinois and Harris Bank Narengo, Marengo, Illinois and Harris Bank Naperville, Naperville, Illinois and Harris Bank Naperville, Naperville, Illinois and Harris Bank Nathorok Terrace, Oakbrook Terrace, Illinois and Harris Bank St. Charles, Saint Charles, Illinois and Harris Bank Westchester, Westchester, Illinois and Harris Bank Woodstock, Woodstock, Illinois and Harris Bank Barrington, National Association, Barrington, Illinois (011283) and Harris Bank Barrington, National Association, Barrington, Illinois (014942) and Harris Bank Batavia, National Association, Aurora, Illinois (014942) and Harris Bank Batavia, National Association, Batavia, Illinois (004646) and Harris Bank Hinsdale National Association, Hinsdale, Illinois (011308) and Harris Bank Hinsdale National Association, Hinsdale, Illinois (011308) and Harris Bank Joliet, National Association, Joliet, Illinois (013705) and Harris Bank Palatine, National Association, Palatine, Illinois (014494) and Harris Bank Wilmette National Association, Wilmette, Illinois (016176) and Harris Bank Argo, Summit, Illinois and Harris Bank Barlett, Bartlett, Illinois and Harris Bank Cary-Grove, Cary, Illinois and Harris Bank Rrankfort, Frankfort, Illinois and Harris Bank Hoffman-Schaumburg , Hoffman Estates, Illinois merged on May 27, 2005, under the title of Harris Bank Glencoe-Northbrook National Association, Glencoe (014583)	1,067,539,000 125,461,000 385,804,000 93,844,000 821,944,000 142,113,000 489,846,000 204,857,000 274,802,000 20,157,943,000 1,307,399,000 191,150,000 198,613,000 170,201,000 810,537,000 1,274,121,000 595,813,000 472,925,000 394,229,000 324,925,000 281,205,000 281,205,000 282,367,000 206,994,000 305,559,000 112,430,000 30,242,141,000
Atlantic Trust, National Association , Chicago (024582) and Atlantic Trust Company (Atlantic), National Association, Washington, District of Columbia (022590) and Atlantic Trust Company, National Association , Boston, Massachusetts (021452) merged on April 30, 2005, under the title of <b>Atlantic Trust Company, National Association, Chicago</b> (024582)	14,023,000 146,120,000 160,143,000

# Affiliated mergers (mergers consummated involving two or more affiliated operating banks), from April 1 to June 30, 2005 (continued)

Title and location (charter number)	Total assets
New Jersey Commerce Bank, National Association , Cherry Hill (017094) and Commerce Bank/Delaware, National Association , Wilmington, Delaware (023558) merged on May 1, 2005, under the title of Commerce Bank, National Association, Cherry Hill (017094)	21,468,096,000 381,363,000 21,849,459,000
New York  Marathon National Bank of New York, Astoria, Fort Lee, New Jersey (021686) and Marathon Interim Bank N.J., National Association (024599) merged on June 30, 2005, under the title of Marathon National Bank of New York, Astoria (021686)	687,375,000 280,634,000 968,009,000
North Carolina Bank of America, National Association, Charlotte (013044) and Fleet National Bank, Providence, Rhode Island (000200) June 13, 2005, under the title of Bank of America, National Association, Charlotte (013044)	690,572,545,000 195,323,000,000 913,692,028,000
Ohio Bank One, National Association, Columbus (007621) and First Chicago NBD Mortgage Company, Troy, Michigan and Bank One Mortgage Corporation, Indianapolis, merged on September 1, 2001, under the title of Bank One, National Association, Columbus (007621)	38,768,134,000 2,540,420,000 41,205,320,000
Bank One, National Association , Columbus (007621) and Banc One Services Corporation, Columbus, Ohio 351,897 merged on October 1, 2002, under the title of <b>Bank One, National Association, Columbus</b> (007621)	51,757,952,000 52,109,849,000
U.S. Bank National Association, Cincinnati (000024) and U.S. Bank Trust Interim National Association, Connecticut, Hartford, Connecticut (024590) merged on May 2, 2005, under the title of <b>U.S. Bank National Association, Cincinnati</b> (000024)	192,453,403,000 49,011,000 192,455,639,000
Pennsylvania PNC Bank, National Association, Pittsburgh (001316) and Riggs National Trust Company, McLean, Virginia (024597) merged on May 13, 2005, under the title of PNC Bank, National Association, Pittsburgh (001316)	73,809,168,000 6,196,000,000 80,005,000,000
Rhode Island Fleet National Bank, Providence (000200) and Fleet Maine, National Association , South Portland, Maine (022818) merged on March 18, 2005, under the title of Fleet National Bank, Providence (000200)	209,561,316,000 48,375,000 209,566,691,000
Tennessee National Bank of Commerce, Memphis (013681) and NBC Interim Bank, National Association, Memphis, Tennessee (024594) merged on April 22, 2005, under the title of National Bank of Commerce, Memphis (013681)	23,936,766,000 26,666,000 23,967,423,000

# Affiliated merger—thrift (merger consummated involving affiliated national banks and savings and loan associations), from April 1 through June 30, 2005

Title and location (charter number)	Total assets
Alabama Colonial Bank, National Association, Montgomery (024444) and First Federal Savings Bank of Lake County, Leesburg, Florida merged on June 2, 2005, under the title of Colonial Bank, National Association, Montgomery (024444)	18,884,741,000 1,065,217,000 18,884,741,000



# **Contents**

	Page
Changes in the corporate structure of the national banking system, by state,  January 1 to June 30, 2005	49
Applications for new, full-service national bank charters, approved and denied, by state, January 1 to June 30, 2005	51
Applications for new, limited-purpose national bank charters, approved and denied, by state, January 1 to June 30, 2005	52
New, full-service national bank charters issued, January 1 to June 30, 2005	53
New, limited-purpose national bank charters issued, January 1 to June 30, 2005	54
State-chartered bank converted to full-service national bank, January 1 to June 30, 2005	55
State-chartered banks converted to limited-purpose national banks, January 1 to June 30, 2005	56
Nonbanking institutions converted to full-service national banks, January 1 to June 30, 2005	57
Applications for national bank charters, by state and charter type, January 1 to June 30, 2005	58
Voluntary liquidations of national banks, January 1 to June 30, 2005	60
National banks merged out of the national banking system, January 1 to June 30, 2005	61
National banks converted out of the national banking system, January 1 to June 30, 2005_	63
Federal branches and agencies of foreign banks in operation, January 1 to June 30, 2005	64

# Changes in the corporate structure of the national banking system, by state, **January 1 to June 30, 2005**

						12 US	C 214	
	In operation January 1, 2005	Organized and open for business	Merged	Voluntary liquidations	Payouts	Converted to non-national institutions	Merged with non-national institutions	In operation June 30, 2005
Alabama	23	0	0	0	0	0	1	22
Alaska	4	0	0	0	0	0	0	4
Arizona	14	2	0	0	0	1	0	15
Arkansas	44	1	4	0	0	0	0	41
California	81	5	2	0	0	1	2	81
Colorado	47	1	1	0	0	1	2	44
Connecticut	11	1	1	0	0	0	0	11
Delaware	15	0	1	0	0	0	0	14
District of Columbia	5	0	1	0	Ö	0	0	4
Florida	71	0	0	0	Ö	1	5	65
Georgia	55	ŏ	ŏ	ŏ	Ŏ	Ö	2	53
Hawaii	1	ŏ	ŏ	ŏ	Ŏ	Ŏ	0	1
Idaho	2	Õ	0	Õ	0	Ö	Ö	2
Illinois	165	3	10	0	0	2	3	153
Indiana	36	0	1	0	0	0	0	35
lowa	48	0	i	0	0	0	0	47
Kansas	94	0	0	0	0	0	1	93
	43	0	0	0	0	0	0	43
Kentucky	43 15				0			
Louisiana		0	0	0		0	0	15
Maine	6	0	2	0	0	0	0	4
Maryland	10	0	0	0	0	0	0	10
Massachusetts	20	0	1	1	0	0	0	18
Michigan	24	0	0	0	0	0	0	24
Minnesota	115	1	0	0	0	0	5	111
Mississippi	19	1	1	0	0	0	0	19
Missouri	47	0	0	0	0	0	1	46
Montana	14	0	0	0	0	0	0	14
Nebraska	67	0	0	0	0	0	0	67
Nevada	7	0	0	0	0	0	0	7
New Hampshire	4	0	0	0	0	0	0	4
New Jersey	23	0	0	0	0	0	0	23
New Mexico	14	0	0	0	0	0	0	14
New York	58	2	0	0	0	0	0	60
North Carolina	5	0	0	0	0	0	0	5
North Dakota	12	0	0	0	0	0	0	12
Ohio	82	3	2	0	0	0	1	8
Oklahoma	84	0	0	0	0	1	0	83
Oregon	4	0	0	0	0	0	0	4
Pennsylvania	78	1	0	0	0	2	0	77
Rhode Island	5	i	2	Õ	Ö	0	Ö	4
South Carolina	25	i	1	ŏ	Ŏ	Ŏ	ĭ	24
South Dakota	19	Ö	Ö	Õ	0	1	Ö	18
Tennessee	28	2	1	Õ	0	Ö	1	28
Texas	318	1	2	0	0	5	2	310
Utah	7	Ó	0	0	0	0	0	7
Vermont	8	0	0	0	0	0	0	8
Virginia	39	3	1	1	0	0	1	39
virgillia	38	J	1	ı	U	U	ı	39

# Changes in the corporate structure of the national banking system, by state, January 1 to June 30, 2005 (continued)

						12 US		
	In operation January 1, 2005	Organized and open for business	Merged	Voluntary liquidations	Payouts	Converted to non-national institutions	Merged with non-national institutions	In operation June 30, 2005
Washington	13	0	0	0	0	0	0	13
West Virginia	18	0	0	0	0	1	1	16
Wisconsin	43	0	0	0	0	1	1	41
Wyoming	15	0	0	0	0	0	0	15
Totals:	2,005	29	35	2	0	17	30	1,950

Notes: The column "organized and opened for business" includes all state banks converted to national banks as well as newly formed national banks. The column titled "merged" includes all mergers, consolidations, and purchases and assumptions of branches in which the resulting institution is a nationally chartered bank. Also included in this column are immediate FDIC-assisted "merger" transactions in which the resulting institution is a nationally chartered bank. The column titled "voluntary liquidations" includes only straight liquidations of national banks. No liquidation pursuant to a purchase and assumption transaction is included in this total. Liquidations resulting from purchases and assumptions are included in the "merged" column. The column titled "payouts" includes failed national banks in which the FDIC is named receiver and no other depository institution is named as successor. The column titled "merged with non-national institutions" includes all mergers, consolidations, and purchases and assumptions of branches in which the resulting institution is a nonnational institution. Also included in this column are immediate FDIC-assisted "merger" transactions in which the resulting institution is a non-national institution.

# Applications for new, full-service national bank charters, approved and denied, by state, January 1 to June 30, 2005

Title and location	Approved	Denied
Arkansas		
Legacy National Bank, Springdale	January 26, 2005	
<b>California</b> National Bank, Westminstert	March 14, 2005	
<b>Connecticut</b> U.S. Bank Trust Interim National Association, Connecticut, Hartford	March 21, 2005	
<b>South Carolina</b> Independence National Bank, Greenville	January 27, 2005	
<b>Virginia</b> Sonabank, National Association, Charlottesville	February 17, 2005	

# Applications for new, limited-purpose national bank charters, approved and denied, by state, January 1 to June 30, 2005

Title and location	Type of bank	Approved
<b>Delaware</b> HSBC Trust Company (Delaware), National Association, Wilmington	Trust (non-deposit)	May 3, 2005
<b>Nevada</b> Town North Bank Nevada, National Association, Las Vegas	Credit card	May 11, 2005
Rhode Island Bank of America Rhode Island, National Association, Providence	Banker's bank	March 24, 2005
<b>Virginia</b> Riggs National Trust Company, McLean	Trust (non-deposit)	March 28, 2005

# New, full-service national bank charters issued, January 1 to June 30, 2005

Title and location	Charter number	Date
<b>Arizona</b> Western National Bank, Phoenix	(024552)	February 2, 2005
<b>Arkansas</b> Legacy National Bank, Springdale	(024573)	March 28, 2005
<b>California</b> First Heritage Bank, National Association, Newport Beach	(024574)	February 15, 2005
Pacific Coast National Bank, San Clemente	(024535)	May 16, 2005
Excel National Bank, Beverly Hills	(024493)	February 1, 2005
<b>Connecticut</b> U.S. Bank Trust Interim National Association, Connecticut, Hartford	(024590)	May 2, 2005
<b>Illinois</b> Harris Bank West, National Association, Roselle	(024567)	May 27, 2005
Minnesota The National Bank, Edina	(024555)	April 11, 2005
<b>New York</b> Citizens Bank, National Association, Albany	(024571)	May 13, 2005
Community National Bank, Great Neck Estates Village	(024523)	April 5, 2005
<b>Ohio</b> Lake National Bank, Mentor	(024540)	January 18, 2005
South Carolina Independence National Bank, Greenville	(024564)	May 16, 2005
<b>Tennessee</b> Paragon National Bank, Memphis	(024538)	January 19, 2005
<b>Virginia</b> Sonabank, National Association, Charlottesville	(024578)	April 14, 2005

# New, limited-purpose national bank charters issued, January 1 to June 30, 2005

Title and location	Charter number	Date
<b>California</b> ReconTrust Company, National Association, Thousand Oaks, Trust (non-deposit)	(024559)	January 4, 2005
Connecticut RBS National Bank, Bridgeport, Credit card	(024534)	April 1, 2005
<b>Rhode Island</b> Bank of America Rhode Island, National Association, Providence, Banker's bank	(024592)	June 3, 2005
<b>Virginia</b> Riggs National Trust Company, McLean, Trust (non-deposit)	(024597)	March 29, 2005

# State-chartered banks converted to full-service national banks, January 1 to June 30, 2005

Title and location (charter number)	Effective date	Total assets
Arizona Valley Commerce Bank, National Association (024588) conversion of Valley Commerce Bank, Phoenix	April 7, 2005	152,353,000
California Rabobank, National Association (024583) conversion of Valley Independent Bank, El Centro	April 4, 2005	2,449,000
<b>Colorado</b> First United Bank, National Association (024575) conversion of First United Bank, Englewood	January 3, 2005	159,692,000
Illinois Harris Bank Roselle, National Association (024536) conversion of Harris Bank Roselle, Roselle	May 27, 2005	544,303,000
Mississippi Community Bank, Indianola, National Association (024580) conversion of Community Bank, Indianola	January 24, 2005	92,976,000
Community Bank, National Association (024579) conversion of Community Bank, DeSoto County, Southaven	January 24, 2005	182,680,000

# State-chartered bank converted to limited-purpose national bank, January 1 to June 30, 2005

Title and location (charter number)	Effective date	Total assets
Pennsylvania National Penn Investors Trust Company (024581) conversion of Investors Trust Company, Wyomissing	May 23, 2005	799,746,000

# Nonbanking institutions converted to full-service national banks, January 1 to June 30, 2005

Title and location (charter number)	Effective date	Total assets
<b>Ohio</b> FFSB National Bank (024563) conversion of First Federal Savings Bank of Eastern Ohio, Zanesville	December 31, 2004	258,437,000
<b>Tennessee</b> NBC Interim Bank, National Association (024594) conversion of NBC Bank, FSB, Memphis	April 22, 2005	29,726,000
<b>Texas</b> Citibank Texas, National Association (024561) conversion of First American Bank, SSB, Dallas	March 31, 2005	3,492,720,000
<b>Virginia</b> Bedford Federal Savings Bank, National Association (024549) conversion of Bedford Federal Savings Bank, Bedford	December 10, 2004	309,166,000

# Applications for national bank charters, by state and charter type, January 1 to June 30, 2005

				Charters issued					
	Received	Approved	Denied	New, full- service national bank charters issued	New, limited- purpose national bank charters issued	Full-service national charters issued to converting state-chartered banks	Limited- purpose national charters issued to converting state- chartered banks	Full-service national charters issued to converting nonbanking institutions	Limited- purpose national charters issued to converting nonbanking institutions
Alabama	1	0	0	0	0	0	0	0	0
Alaska	0	0	0	0	0	0	0	0	0
Arizona	1	0	0	1	0	1	0	0	0
Arkansas	0	1	0	1	0	0	0	0	0
California	1	1	0	3	1	1	0	0	0
Colorado	0	0	0	0	0	1	0	0	0
Connecticut	1	1	0	1	1	0	0	0	0
Delaware	1	1	0	0	0	0	0	0	0
District of Columbia	a 0	0	Ö	Ō	Ō	Ō	Ō	0	0
Florida	1	Ö	Ö	Ö	Ö	Ö	Ö	Ö	Ö
Georgia	Ö	Ö	Ö	Ö	Ŏ	Ö	Ŏ	Ö	Õ
Hawaii	ŏ	Ö	Ö	Ŏ	Ŏ	Ö	Ŏ	Ö	Õ
Idaho	ŏ	Ö	Ö	Ŏ	Ŏ	Ö	Ŏ	Ö	Õ
Illinois	ĭ	Ö	Ö	ĭ	Ŏ	1	Ŏ	Ö	Õ
Indiana	Ö	Ö	Ö	Ö	ŏ	Ö	Ŏ	Ö	Ö
lowa	Õ	Ö	Ö	Ŏ	ŏ	Ö	Ŏ	Ö	Ö
Kansas	Ö	Ö	Ö	ő	ŏ	Ö	Ŏ	Ö	Ö
Kentucky	Õ	Ö	Ö	Ŏ	ŏ	Ö	Ŏ	Ŏ	Ö
Louisiana	Ö	Ö	Ö	ő	ŏ	Ö	Ŏ	Ö	Ö
Maine	Õ	Ö	Ö	Ŏ	ŏ	Ö	Ŏ	Ö	Ö
Maryland	Õ	Ö	Ö	ő	ŏ	Ö	Ŏ	Ö	Ö
Massachusetts	Õ	Ö	Ö	Ŏ	ŏ	Ö	Ŏ	Ö	Ö
Michigan	Ö	Ö	Ö	Ŏ	ŏ	Ö	Ŏ	Ö	Ö
Minnesota	Õ	Ö	Ö	ĭ	ŏ	Ö	Ŏ	Ö	Ö
Mississippi	0	Ö	0	Ö	Ő	2	Õ	Ö	0
Missouri	1	Ö	0	Ö	Ő	0	Õ	Ö	0
Montana	Ö	Ö	0	Ö	Ő	Ö	Õ	Ö	0
Nebraska	0	Ö	0	Ö	Ő	Ö	Õ	Ö	0
Nevada	0	1	0	0	0	0	0	0	0
New Hampshire	0	Ó	0	Ö	Ő	0	Õ	Ö	0
New Jersey	0	Ö	0	Ö	Ő	Ö	Õ	Ö	0
New Mexico	0	Ö	0	Ö	Ő	0	Õ	Ö	0
New York	0	Ö	0	2	Ő	0	Õ	Ö	0
North Carolina	0	Ö	0	0	Ő	0	Õ	Ö	0
North Dakota	Õ	Ö	Ö	Ŏ	ŏ	Ö	Ŏ	Ŏ	Ö
Ohio	Õ	Ö	Ö	ĭ	ŏ	Ö	Ŏ	1	Ö
Oklahoma	ñ	Û	Õ	'n	Õ	Ô	ñ	'n	0
Oregon	0	0	0	0	0	0	0	0	0
Pennsylvania	0	0	0	0	0	0	1	0	0
Rhode Island	1	1	0	0	1	0	Ó	0	0
South Carolina	0	1	0	1	0	0	0	0	0
South Dakota	0	Ó	0	Ó	0	0	0	0	0
Tennessee	0	0	0	1	0	0	0	1	0
Texas	0	0	0	0	0	0	0	1	0
Utah	0	0	0	0	0	0	0	0	0
Vermont	0	0	0	0	0	0	0	0	0
Virginia	1	2	0	1	1	0	0	1	0
virgiilia	ı	۷	U	ı	1	U	U	1	U

# Applications for national bank charters, by state and charter type, January 1 to June 30, 2005 (continued)

						Charte	ers issued		
	Received	Approved	Denied	New, full- service national bank charters issued	New, limited- purpose national bank charters issued	Full-service national charters issued to converting state- chartered banks	Limited- purpose national charters issued to converting state- chartered banks	Full-service national charters issued to converting nonbanking institutions	Limited- purpose national charters issued to converting nonbanking institutions
Washington	0	0	0	0	0	0	0	0	0
West Virginia	0	0	0	0	0	0	0	0	0
Wisconsin	0	0	0	0	0	0	0	0	0
Wyoming	0	0	0	0	0	0	0	0	0
American Samoa	0	0	0	0	0	0	0	0	0
Canal Zone		0	0	0	0	0	0	0	0
Fed St of Micronesia	a 0	0	0	0	0	0	0	0	0
Guam	0	0	0	0	0	0	0	0	0
No. Mariana Is.	0	0	0	0	0	0	0	0	0
Midway Islands	0	0	0	0	0	0	0	0	0
Puerto Rico	0	0	0	0	0	0	0	0	0
Trust Territories	0	0	0	0	0	0	0	0	0
Virgin Islands	0	0	0	0	0	0	0	0	0
Wake Island	0	0	0	0	0	0	0	0	0
Total	10	9	0	14	4	6	1	4	0

Note: These figures may also include new national banks chartered to acquire a failed institution, trust company, credit card bank, and other limited charter national banks.

# Voluntary liquidations of national banks, January 1 to June 30, 2005

Title and location (charter number)	Effective date	Total assets
Massachusetts Allmerica Trust Company, National Association, Worcester (022481)	May 31, 2005	3,376,000
<b>Virginia</b> Community National Bank, Pulaski (022668)	June 25, 2004	67,780.000

# National banks merged out of the national bank system, January 1 to June 30, 2005

Title and location (charter number)	Effective date
<b>Alabama</b> National Bank of Commerce of Birmingham, Birmingham (018629)	February 18, 2005
<b>California</b> Bank of Lodi, National Association, Lodi (017868) National Bank of the Redwoods, Santa Rosa (018541)	December 10, 2004 March 11, 2005
<b>Colorado</b> The First National Bank of Strasburg, Strasburg (011640) First National Bank of Yuma, Yuma (017555)	April 14, 2005 April 1, 2005
Florida The First National Bank of Alachua, Alachua (008980) Kislak National Bank, Miami Lakes (015190) First National Bank of Florida,m Naples (021830) First National Wealth Management Company, Naples (024476) SunTrust BankCard, National Association, Orlando (022626)	May 20, 2005 January 3, 2005 January 1, 2005 February 28, 2005 April 22, 2005
<b>Georgia</b> Futurus Bank, National Association, Alpharetta (023989) Liberty National Bank, Conyers (023349)	April 1, 2005 December 1, 2004
Illinois The First National Bank of Clifton, Clifton (006318) First National Bank in Homer, Homer (011882) The First National Bank of Lerna, Lerna (008224)	December 29, 2004 January 14, 2005 December 31, 2004
<b>Kansas</b> Emprise Bank National Association, Hillsboro (006120)	May 13, 2005
Minnesota The Oakley National Bank of Buffalo, Buffalo (014311) First National Bank of Chaska, Carver (008378) The Klein National Bank of Madison, Madison (013561) First National Bank in Montevideo, Montevideo (013086) The First National Bank of Waconia, Waconia (011410)	April 2, 2005 April 2, 2005 April 2, 2005 April 2, 2005 April 2, 2005
<b>Missouri</b> The First National Bank, Lamar (007684)	December 8, 2004
Ohio Steel Valley Bank, National Association, Dillonvale (014011)	January 3, 2005
South Carolina First National Bank of the Carolinas, Gaffney (023073)	March 31, 2005
<b>Tennessee</b> National Bank of Commerce, Memphis (013681)	April 22, 2005
<b>Texas</b> Northwest National Bank of Arlington, Arlington (018380) First National Bank, Lubbock (018479)	June 17, 2005 February 11, 2005
<b>Virginia</b> Riggs Bank National Association, McLean (005046)	May 20, 2005

#### CORPORATE STRUCTURE OF THE NATIONAL BANKING SYSTEM

## National banks merged out of the national bank system, January 1 to June 30, 2005 (continued)

Title and location (charter number)	Effective date	
<b>West Virginia</b> Belmont National Bank, Wheeling (014050)	June 3, 2005	
<b>Wisconsin</b> First National Bank in Viroqua, Viroqua (014058)	June 10, 2005	

#### CORPORATE STRUCTURE OF THE NATIONAL BANKING SYSTEM

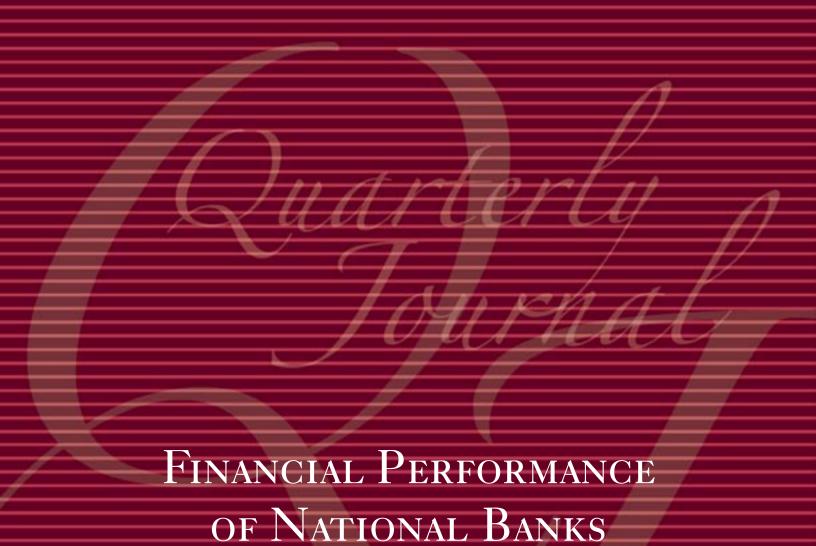
## National banks converted out of the national banking system, January 1 to June 30, 2005

Title and location (charter number)	Effective date	Total assets
<b>Arizona</b> Parkway Bank Arizona, National Association, Cave Creek (023969)	April 25, 2005	23,080,000
California Nara Bank, National Association, Los Angeles (021669)	January 3, 2005	1,200,000,000
<b>Colorado</b> The Alamosa National Bank, Alamosa (008541)	December 30, 2004	110,954,000
<b>Florida</b> Bank of Florida, A National Association, Naples (023782)	January 1, 2005	219,170,000
<b>Illinois</b> Citizens Community Bank of Illinois, National Association, Berwyn (014596) GreatBank, A National Association, Evanston (023339)	December 28, 2004 June 28, 2005	194,134,000 289,117,000
<b>Oklahoma</b> Oklahoma National Bank and Trust Company, Tulsa (023935)	December 23, 2004	252,319,000
Pennsylvania The First National Bank of Canton, Canton (002505) The Marion Center National Bank, Marion Center (007819)	June 28, 2005 March 31, 2005	67,979,000 192,229,000
South Dakota First National Bank in Brookings, Brookings (012838)	December 1, 2004	604,733,000
Texas The First National Bank of Athens, Athens (004278) The First National Bank of Claude, Claude (007123) Surety Bank, National Association, Fort Worth (015187) The Trust Company, National Association, San Antonio (023236) The Herring National Bank, Vernon (007010)	May 9, 2005 December 30, 2004 June 1, 2005 June 29, 2005 May 1, 2005	216,000,000 83,601,000 58,358,000 2,474,000 387,000,000
<b>West Virginia</b> The First National Bank of Romney, Romney (009766)	December 20, 2004	119,031,000
<b>Wisconsin</b> The Pioneer National Bank of Ladysmith, Ladysmith (011826)	June 24, 2005	59,081,000

#### CORPORATE STRUCTURE OF THE NATIONAL BANKING SYSTEM

## Federal branches and agencies of foreign banks in operation, January 1 to June 30, 2005

	In operation January 1, 2005	Opened January 1—June 30, 2005	Closed January 1—June 30, 2005	In operation June 30, 2005
Federal branches:				
California District of Columbia Florida New York Washington	1 1 1 35 1	0 0 0 0	0 0 0 1	1 1 1 34 1
Limited federal branches	:			
California District of Columbia New York	7 1 2	0 0 0	0 0 0	7 1 2
Federal agencies:				
Florida Illinois New York	1 1 1	0 0 0	0 0 0	1 1 1
Total	52	0	1	51



# **Contents**

	Page
Assets, liabilities, and capital accounts of national banks, June 30, 2004, and June 30, 2005	67
Quarterly income and expenses of national banks, second quarter 2004 and second quarter 2005	68
Year-to-date income and expenses of national banks, through June 30, 2004, and through June 30, 2005	69
Assets of national banks by asset size, June 30, 2005	70
Past-due and nonaccrual loans and leases of national banks by asset size, June 30, 2005	71
Liabilities of national banks by asset size, June 30, 2005	72
Off-balance-sheet items of national banks by asset size, June 30, 2005	73
Quarterly income and expenses of national banks by asset size, second quarter 2005	74
Year-to-date income and expenses of national banks by asset size, through June 30, 2005 _	75
Quarterly net loan and lease losses of national banks by asset size, second quarter 2005	76
Year-to-date net loan and lease losses of national banks by asset size, through June 30, 2005	77
Number of national banks by state and asset size, June 30, 2005	78
Total assets of national banks by state and asset size. June 30, 2005	79

# Assets, liabilities, and capital accounts of national banks June 30, 2004, and June 30, 2005 (Dollar figures in millions)

	June 30,	June 30,	Chang		
	2004	2005	June 30, 2004- June 30, 2005		
	2004	2005	fully consol		
	Consolidated	Consolidated	Tully Collson	luateu	
	foreign and	foreign and	Amount	Percent	
	domestic	domestic	Amount	Percent	
Number of institutions			(00)	(4.75)	
Number of institutions	1,957	1,864	(93)	(4.75)	
Total assets	\$4,596,343	\$5,821,502	\$1,225,159	26.66	
Cash and balances due from depositories	218,547	245,149	26,601	12.17	
Noninterest-bearing balances, currency and coin	144,622	174,727	30,105	20.82	
Interest bearing balances	73,925	70,421	(3,504)	(4.74)	
Securities	841,289	933,973	92,684	11.02	
Held-to-maturity securities, amortized cost	28,392	36,982	8,590	30.26	
Available-for-sale securities, fair value	812,897	896,991	84,094	10.35	
Federal funds sold and securities purchased	156,176	329,356	173,180	110.89	
Net loans and leases	2,740,978	3,248,163	507,185	18.50	
Total loans and leases	2,788,853	3,294,812	505,959	18.14	
Loans and leases, gross	2,790,811	3,296,703	505,892	18.13	
Less: Unearned income	1,959	1,891	(67)	(3.43)	
Less: Reserve for losses	47,875	46,649	(1,226)	(2.56)	
Assets held in trading account	202,508	486,854	284,345	140.41	
Other real estate owned	1,793	1,451	(341)	(19.04)	
Intangible assets	152,015	224,927	72,912	47.96	
All other assets	283,036	351,629	68,593	24.23	
Total liabilities and equity capital	4,596,343	5,821,502	1,225,159	26.66	
Deposits in domestic offices	2,444,608	2,943,236	498,629	20.40	
Deposits in domestic offices  Deposits in foreign offices	539,925	746,821	206,896	38.32	
Total deposits	2,984,533	3,690,057	<b>705,525</b>	23.64	
Noninterest-bearing deposits	581,571	804,913	223,342	38.40	
Interest-bearing deposits	2,402,962	2,885,145	482,182	20.07	
Federal funds purchased and securities sold	316,871	458,178	141,307	44.59	
Other borrowed money	538,921	542,607	3,686	0.68	
Trading liabilities less revaluation losses	27,682	120,686	93,004	335.97	
Subordinated notes and debentures	71,403	94,936	23,533	32.96	
All other liabilities	222,219	331,000	108,781	48.95	
Trading liabilities revaluation losses	73,908	129,436	55,528	75.13	
Other	148,311	201,564	53,253	35.91	
Total equity capital	434,715	584,038	149,322	34.35	
Perpetual preferred stock	2,515	3,309	795	31.60	
Common stock	12,025	14,344	2,319	19.29	
Surplus	255,300	359,118	103,818	40.67	
Retained earnings and other comprehensive income	157,827	202,629	44,802	28.39	
Other equity capital components	(65)	(170)	(105)		

NM indicates calculated percent change is not meaningful.

#### Quarterly income and expenses of national banks Second quarter 2004 and second quarter 2005

(Dollar figures in millions)

(Dollar	figures in millions)					
	Second	Second	Change			
	quarter	quarter	Second quai			
	2004	2005	second quarter 2005 fully consolidated			
	Consolidated	Consolidated	<u> </u>			
	foreign and	foreign and	Amount	Percent		
	domestic	domestic				
Number of institutions	1,957	1,864	(93)	(4.75)		
Net income	\$17,311	\$17,958	\$647	3.74		
Net interest income	38,586	42,249	3,662	9.49		
Total interest income	51,905	68,176	16,271	31.35		
On loans	39,729	50,421	10,692	26.91		
From lease financing receivables	1,275	1,379	10,092	8.12		
On balances due from depositories	302	699	396	131.11		
On securities	8,652	10,204	1,552	17.94		
From assets held in trading account	1,075	3,199	2,124	197.61		
On federal funds sold and securities repurchased	529	1,872	1,343	254.01		
Less: Interest expense	13,318	25,927	12,609	94.67		
On deposits	8,336	15,679	7,343	88.09		
Of federal funds purchased and securities sold	1,271	3,150	1,879	147.85		
On demand notes and other borrowed money*	3,004	5,730	2,726	90.75		
On subordinated notes and debentures	707	1,368	660	93.33		
Less: Provision for losses	4,896	4,373	(523)	(10.68)		
Noninterest income	30,866	35,815	4,949	16.03		
From fiduciary activities	2,225	3,091	866	38.90		
Service charges on deposits	5,561	6,023	462	8.32		
Trading revenue	1,702	1,856	154	9.05		
From interest rate exposures	223	372	134	66.50		
From foreign exchange exposures	834	1,227	394	47.22		
From equity security and index exposures	290	89	(201)	47.22 NM		
From commodity and other exposures	374	167	(206)	NM		
Investment banking brokerage fees	1,286	2,087	801	62.34		
Venture capital revenue	4	58	54	NM		
Net servicing fees	3,938	2,391	(1,547)	(39.28)		
Net securitization income	4,260	4,828	567	13.31		
Insurance commissions and fees	573	658	85	14.88		
Insurance and reinsurance underwriting income	124	161	38	30.54		
Income from other insurance activities	449	497	48	10.58		
Net gains on asset sales	2.621	1,659	(962)	(36.70)		
Sales of loans and leases	1,209	1,323	114	9.46		
Sales of other real estate owned	15	26	10	67.75		
Sales of other assets(excluding securities)	1,397	310	(1,087)	NM		
Other noninterest income	8,727	13,164	4,437	50.84		
Gains/losses on securities	643	687	44	6.86		
Less: Noninterest expense	39,242	47,662	8,421	21.46		
Salaries and employee benefits	16,253	19,723	3,469	21.35		
Of premises and fixed assets	4,548	5,880	1,332	29.28		
Goodwill impairment losses	9	6	(3)	(28.19)		
Amortization expense and impairment losses	1,022	1,635	613	59.98		
Other noninterest expense	17,413	20,418	3,005	17.26		
Less: Taxes on income before extraordinary items	8,636	8,756	120	1.39		
Income/loss from extraordinary items, net of income taxes	(10)	(1)	9	NM		
Memoranda:	(,	``'	-			
Net operating income	16,881	17,523	642	3.80		
Income before taxes and extraordinary items	25,958	26,716	758	2.92		
Income net of taxes before extraordinary items	17,321	17,959	638	3.68		
Cash dividends declared	9,985	11,234	1,249	12.51		
Net charge-offs to loan and lease reserve	5,563	4,660	(903)	(16.24)		
Charge-offs to loan and lease reserve	7,094	6,516	(578)	(8.15)		
Less: Recoveries credited to loan and lease reserve	1,531	1,856	325	21.24		

\* Includes mortgage indebtedness NM indicates calculated percent change is not meaningful.

# Year-to-date income and expenses of national banks Through June 30, 2004, and through June 30, 2005 (Dollar figures in millions)

(Dollar figures	in millions)		Char	nge .	
	June 30,	June 30,	June 30, 2004-		
	2004	2005	June 30	, 2005	
			fully cons	olidated	
	Consolidated	Consolidated			
	foreign and	foreign and	Amount	Percent	
	domestic	domestic			
Number of institutions	1,957	1,864	(93)	(4.75)	
Net income	\$33,191	\$37,479	\$4,288	12.92	
Net interest income	75,077	84,635	9,557	12.73	
Total interest income	100,759	133,015	32,255	32.01	
On loans	77,347	98,169	20,822	26.92	
From lease financing receivables	2,458	2,760	302	12.27	
On balances due from depositories	632	1,467	835	132.15	
On securities	16,517	20,332	3,815	23.10	
From assets held in trading account On federal funds sold and securities repurchased	2,051 1,101	6,107 3,344	4,056	197.78 203.80	
Less: Interest expense	25,682	48,380	2,243 22,698	88.38	
On deposits	16,169	29,195	13,026	80.56	
Of federal funds purchased and securities sold	2,253	5,732	3,479	154.42	
On demand notes and other borrowed money*	5,854	10,838	4,985	85.16	
On subordinated notes and debentures	1,406	2,614	1,208	85.87	
Less: Provision for losses	10,051	8,577	(1,474)	(14.66)	
Noninterest income	58,481	72,671	14,190	24.26	
From fiduciary activities	4,459	6,299	1,840	41.27	
Service charges on deposits	10,521	11,484	963	9.15	
Trading revenue	3,221	6,013	2,792	86.66	
From interest rate exposures	603	1,955	1,352	224.16	
From foreign exchange exposures	1,658	2,741	1,083	65.33	
From equity security and index exposures	523	937	414	79.03	
From commodity and other exposures	455	378	(76)	(16.82)	
Investment banking brokerage fees	2,501	4,104	1,603	64.11	
Venture capital revenue	42	256	214	512.00	
Net servicing fees	7,276	5,866	(1,410)	(19.38)	
Net securitization income	8,040	9,373	1,333	16.58	
Insurance commissions and fees	1,147	1,274	128	11.15	
Insurance and reinsurance underwriting income	250	302	52	20.79	
Income from other insurance activities	896	972	76	8.46	
Net gains on asset sales	3,991	2,810	(1,181)	(29.59)	
Sales of loans and leases	2,424	2,306	(118)	(4.86)	
Sales of other real estate owned	35	48	13	37.88	
Sales of other assets(excluding securities) Other noninterest income	1,532 17,283	455 25,192	(1,077) 7,909	(70.29) <b>45.76</b>	
Gains/losses on securities	1,724	569	(1,155)	( <b>66.99</b> )	
Less: Noninterest expense	75,644	93,524	17,879	23.64	
Salaries and employee benefits	31,261	40,328	9,067	29.00	
Of premises and fixed assets	8,634	11,910	3,277	37.95	
Goodwill impairment losses	10	8	(1)	(12.60)	
Amortization expense and impairment losses	2,182	3,089	906	41.53	
Other noninterest expense	33,558	38,189	4,631	13.80	
Less: Taxes on income before extraordinary items	16,386	18,288	1,902	11.61	
Income/loss from extraordinary items, net of income taxes	(11)	(7)	3	NM	
Memoranda:	\ \ \	`			
Net operating income	32,031	37,115	5,083	15.87	
Income before taxes and extraordinary items	49,588	55,774	6,187	12.48	
Income net of taxes before extraordinary items	33,202	37,486	4,285	12.90	
Cash dividends declared	15,840	19,744	3,904	24.65	
Net charge-offs to loan and lease reserve	11,285	9,811	(1,473)	(13.06)	
Charge-offs to loan and lease reserve	14,279	13,353	(926)	(6.49)	
Less: Recoveries credited to loan and lease reserve	2,995	3,542	547	18.26	

\* Includes mortgage indebtedness
NM indicates calculated percent change is not meaningful.

# Assets of national banks by asset size June 30, 2005 (Dollar figures in millions)

		National banks				Memoranda:
	All	Less than	\$100	\$1 billion	Greater	All
	national	\$100	million to	to \$10	than \$10	commercial
	banks	million	\$1 billion	billion	billion	banks
Number of institutions reporting	1,864	728	965	126	45	7,549
Total assets	\$5,821,502	\$40,395	\$270,233	\$356,223	\$5,154,651	\$8,724,590
Cash and balances due from	245,149	2,282	11,233	15,793	215,841	381,171
Securities	933,973	11,001	63,133	76,749	783,091	1,585,315
Federal funds sold and securities purchased	329,356	1,686	7,525	14,822	305,322	392,219
Net loans and leases	3,248,163	23,553	172,293	222,353	2,829,964	5,058,476
Total loans and leases	3,294,812	23,893	174,513	225,158	2,871,248	5,129,186
Loans and leases, gross	3,296,703	23,911	174,683	225,289	2,872,820	5,132,111
Less: Unearned income	1,891	19	170	131	1,572	2,925
Less: Reserve for losses	46,649	340	2,220	2,805	41,284	70,711
Assets held in trading account	486,854	0	126	432	486,296	524,351
Other real estate owned	1,451	57	242	134	1,019	3,222
Intangible assets	224,927	120	3,393	9,422	211,991	286,390
All other assets	351,629	1,696	12,289	16,519	321,126	493,447
Gross loans and leases by type:						
Loans secured by real estate	1,665,892	14,890	124,186	147,495	1,379,321	2,817,582
1- to 4-family residential mortgages	781,378	5.927	39,026	49,915	686,510	1,161,553
Home equity loans	325,687	506	6,961	12,252	305,968	434,835
Multifamily residential mortgages	43,116	335	4,135	7,004	31,642	92,593
Commercial RE loans	308,484	4,692	49,408	49,436	204,947	697,110
Construction RE loans	148,272	1,534	18,612	25,519	102,608	337,900
Farmland loans	15,322	1,897	6,042	2,466	4,918	46,303
RE loans from foreign offices	43,633	0	2	904	42,727	47,289
Commercial and industrial loans	644,968	3,749	27,507	48,711	565,001	980,301
Loans to individuals	596,982	2,436	13,663	20,014	560,869	813,660
Credit cards*	274,667	58	1,597	3,199	269,814	338,523
Other revolving credit plans	34,586	40	353	1,156	33,035	39,613
Installment loans	287,729	2,338	11,712	15,659	258,019	435,523
All other loans and leases	388,862	2,836	9,327	9,068	367,630	520,568
Securities by type:						
U.S. Treasury securities	30,591	435	2,011	2,628	25,517	52,586
Mortgage-backed securities	596,196	2,453	21,467	44,005	528,270	913,405
Pass-through securities	456,740	1,930	15,347	22,906	416,558	614,932
Collateralized mortgage obligations	139,455	524	6,120	21,099	111,712	298,473
Other securities	271,052	8,105	39,377	29,392	194,177	540,911
Other U.S. government securities	90,115	5,969	24,449	17,135	42,563	271,465
State and local government securities	56,789	1,808	12,312	8,088	34,581	116,845
Other debt securities	118,451	196	1,913	3,635	112,707	139,582
Equity securities	5,697	132	703	535	4,327	13,019
Memoranda:						
Agricultural production loans	19,623	2,367	5,543	2,123	9,590	48,151
Pledged securities	496,128	4,388	31,995	42,160	417,585	844,595
Book value of securities	929,317	11,050	63,255	76,835	778,176	1,580,605
Available-for-sale securities	892,335	9,450	55,241	67,346	760,298	1,452,264
Held-to-maturity securities	36,982	1,601	8,014	9,489	17,878	128,340
Market value of securities	934,263	11,001	63,158	76,788	783,316	1,585,760
Available-for-sale securities	896,991	9,400	55,119	67,259	765,213	1,456,974
Held-to-maturity securities	37,272	1,601	8,039	9,529	18,103	128,786

#### Past-due and nonaccrual loans and leases of national banks by asset size June 30, 2005

(Dollar figures in millions)

		National banks				Memoranda:
	All	Less than	\$100	\$1 billion	Greater	All
	national	\$100	million to	to \$10	than \$10	commercial
	banks	million	\$1 billion	billion	billion	banks
Number of institutions reporting	1,864	728	965	126	45	7,549
Loans and leases past due 30-89 days	\$25,485	\$302	\$1,402	\$1,261	\$22,520	\$39,673
Loans secured by real estate	11,635	176	859	554	10,046	19,572
1- to 4-family residential mortgages	7,669	93	389	274	6,912	11,802
Home equity loans	1,322	3	27	32	1,261	1,700
Multifamily residential mortgages	170	1	23	12	134	330
Commercial RE loans	1,147	50	245	147	706	3,141
Construction RE loans	807	14	140	82	572	1,804
Farmland loans	88	14	37	7	30	275
RE loans from foreign offices	432	О .	0	0	432	520
Commercial and industrial loans	2,989	52	282	465	2,190	5,429
Loans to individuals	9,676	55	211	200	9,210	12,851
Credit cards	5,505	1	43	56	5.405	6,636
Installment loans and other plans	4,171	54	169	144	3,805	6,215
All other loans and leases	1,184	19	49	42	1,074	1,820
7.11 Gallot Tourio and Toucoo	1,101				1,071	1,020
Loans and leases past due 90+ days	11,525	69	272	233	10,952	14,560
Loans secured by real estate	4,522	36	163	92	4,232	5,965
1- to 4-family residential mortgages	4,049	21	67	45	3,916	4,859
Home equity loans	126	0	4	5	117	190
Multifamily residential mortgages	26	0	5	2	19	50
Commercial RE loans	158	7	54	23	74	471
Construction RE loans	109	2	22	14	72	268
Farmland loans	23	6	12	3	3	90
RE loans from foreign offices	31	0	0	0	31	37
Commercial and industrial loans	439	12	45	86	295	874
Loans to individuals	6,353	9	47	47	6,249	7,404
Credit cards	4,455	1	27	23	4,405	5,168
Installment loans and other plans	1,898	8	21	24	1,845	2,236
All other loans and leases	211	11	17	8	176	316
Nonaccrual loans and leases	16,420	176	977	1,155	14,111	25,200
Loans secured by real estate	7,451	98	671	740	5,942	12,527
1- to 4-family residential mortgages	3,511	33	183	234	3,061	5,414
Home equity loans	440	2	7	17	416	579
Multifamily residential mortgages	169	3	17	22	127	291
Commercial RE loans	2.011	41	320	367	1.284	4.108
Construction RE loans	550	6	90	78	375	1,082
Farmland loans	161	13	54	23	70	376
RE loans from foreign offices	608	0	0	0	608	676
Commercial and industrial loans	5,452	52	226	325	4,849	8,214
Loans to individuals	2,449	11	31	55	2,352	3,008
Credit cards	336	0	1	19	315	570
Installment loans and other plans	2,114	11	30	36	2,037	2,438
All other loans and leases	1,136	16	49	35	1,036	2,436 <b>1,552</b>
All Utilet IUdiis aliu leases	1,130	10	49	აე	1,030	1,002

# Liabilities of national banks by asset size June 30, 2005 (Dollar figures in millions)

		National banks				Memoranda:	
	All	Less than	\$100	\$1 billion	Greater	All	
	national	\$100	million to	to \$10	than \$10	commercial	
	banks	million	\$1 billion	billion	billion	banks	
Number of institutions reporting	1,864	728	965	126	45	7,549	
Total liabilities and equity capital	5,821,502	40,395	270,233	356,223	5,154,651	8,724,590	
Total habintios and oquity suprial	0,021,002	10,000	2.0,200	000,220	0,101,001	0,72 1,000	
Deposits in domestic offices	2,943,236	33,524	217,459	241,158	2,451,095	4,899,529	
Deposits in foreign offices	746,821	14	266	2,384	744,157	895,168	
Total deposits	3,690,057	33,538	217,726	243,542	3,195,251	5,794,697	
Noninterest bearing	804,913	6,013	38,173	45,528	715,199	1,170,875	
Interest bearing	2,885,145	27,525	179,553	198,014	2,480,052	4,623,822	
Federal funds purchased and securities sold	458,178	500	6,837	31,144	419,697	642,281	
Other borrowed funds	542,607	1,246	14,526	34,514	492,321	760,953	
Trading liabilities less revaluation losses	120,686	0	4	6	120,676	120,902	
Subordinated notes and debentures	94,936	1	196	1,108	93,632	114,847	
All other liabilities	331,000	294	2.403	6,562	321,740		
Equity capital	584,038		28,541	39,347	511,333		
Total deposits by depositor:							
Individuals and corporations	2,932,859	20,302	149,845	193,965	2,568,746	4,583,576	
U.S., state, and local governments	131,956	3,041	17,078	16,508	95,329	248,825	
Depositories in the U.S.	66,813	511	3,606	3,347	59,348	98,262	
Foreign banks and governments	200,763	1	291	462	200,009	220,806	
Domestic deposits by depositor:							
Individuals and corporations	2,397,371	20,290	149,755	191,748	2,035,578	3,924,776	
U.S., state, and local governments	131,956	3,041	17,078	16,508	95,329	248,825	
Depositories in the U.S.	39,118	511	3,606	3,347	31,653	62,856	
Foreign banks and governments	17,560	1	115	294	17,150	20,340	
Foreign deposits by depositor:							
Individuals and corporations	535,487	12	91	2,216	533,168	658,799	
Depositories in the U.S.	27,695	0	0	0	27,695	35,406	
Foreign banks and governments	183,203	0	176	168	182,859	200,466	
Deposits in domestic offices by type:							
Transaction deposits	427,388	10,990	53,193	34,216	328,989	757,022	
Demand deposits	329.630	5.922	31.615	25.918	266,175	552.018	
Savings deposits	1,739,169	7,950	74,527	131,433	1,525,259	2,633,577	
Money market deposit accounts	1,284,341	4,130	41,931	97,627	1,140,653	1,921,013	
Other savings deposits	454,828	3,821	32,596	33,806	384,605	712,564	
Time deposits	776,678	14,584	89,739	75,509	596,847	1,508,930	
Small time deposits	355,811	9,391	51,899	37,886	256,635	713,883	
Large time deposits	420,867	5,193	37,840	37,623	340,212	713,863	
Large time deposits	420,007	5,193	J/,04U	37,023	340,212	195,047	

# Off-balance-sheet items of national banks by asset size June 30, 2005 (Dollar figures in millions)

			National banks				
	All	Less than	\$100	\$1 billion	Greater	Memoranda:	
	national	\$100	million to	to \$10	than \$10	commercial	
	banks	million	\$1 billion	billion	billion	banks	
Number of institutions reporting	1.864	728	965	126	45	7,549	
	,					,	
Unused commitments	\$4,589,591	\$56,617	\$137,464	\$675,398	\$3,720,112	\$5,839,397	
Home equity lines	339,313	372	5,730	11,496	321,715	443,038	
Credit card lines	2,836,687	52,515	102,328	608,596	2,073,248	3,387,107	
Commercial RE, construction and land	154,290	966	11,173	21,471	120,680	284,806	
All other unused commitments	1,259,302	2,764	18,233	33,835	1,204,470	1,724,445	
Letters of credit:							
Standby letters of credit	265,273	108	1,934	5,229	258,001	346,130	
Financial letters of credit	224,925	65	1,244	3,800	219,817	297,141	
Performance letters of credit	40,347	44	690	1,430	38,184	48,989	
Commercial letters of credit	24,707	17	223	608	23,859	29,304	
Securities lent	518,787	30	23	1,936	516,797	1,299,779	
Spot foreign exchange contracts	690,057	o	2	155	689,900	730,910	
Credit derivatives (notional value)							
Reporting bank is the guarantor	1,891,078	0	0	0	1,891,078	1,892,435	
Reporting bank is the beneficiary	2,200,682	ő	60	o o	2,200,622	2,212,684	
Derivative contracts (notional value)	94,478,194	13	4,239	16,806	94,457,137	96,200,813	
Futures and forward contracts	11,256,839	1	1,462	3,937	11,251,439	11,917,959	
Interest rate contracts	7,005,632	1	1,454	2,250	7,001,927	7,098,570	
Foreign exchange contracts	4,106,637	0	8	1.686	4,104,943	4,674,442	
All other futures and forwards	144,569	0	0	0	144,569	144,947	
Option contracts	18,839,828	7	1,535	3,159	18,835,128	19,264,578	
Interest rate contracts	15,769,632	4	1,486	2,412	15,765,729	16,152,613	
Foreign exchange contracts	1,872,592	0	1	705	1,871,886	1,899,439	
All other options	1,197,604	2	48	42	1,197,513	1,212,526	
Swaps	60,289,766	5	1,181	9,710	60,278,870	60,913,156	
Interest rate contracts	58,033,854	5	1,165	9,677	58,023,006	58,598,943	
Foreign exchange contracts	2,033,723	0	0	0	2,033,723	2,078,327	
All other swaps	222,189	0	16	33	222,141	235,886	
Memoranda: Derivatives by purpose							
Contracts held for trading	88,170,606	0	53	4,987	88,165,565	89,596,306	
Contracts not held for trading	2,215,828	13	4,125	11,819	2,199,871	2,499,387	
Memoranda: Derivatives by position							
Held for tradingpositive fair value	1,460,446	0	1	22	1,460,423	1,477,147	
Held for tradingnegative fair value	1,439,829	ő	i i	17	1,439,811	1,457,390	
Not for tradingpositive fair value	15,568	1	16	37	15,516	17,733	
Not for tradingnegative fair value	14,418	0	20	72	14,325	16,783	

# Quarterly income and expenses of national banks by asset size Second quarter 2005 (Dollar figures in millions)

Number of institutions reporting		(Dollar figures in millions)					
Number of institutions reporting		A11	Loop than			Crostor	Memoranda:
Net income							
Net income							
Net interest income	Number of institutions reporting						
Net Interest Income	Number of institutions reporting	1,004	120	905	120	45	7,549
Total Interest Income	Net income	\$17,958	\$108	\$873	\$1,351	\$15,626	\$27,988
Dot loans   From lease financing receivables   1,379   3   14   45   1,317   1,889   On balances due from depositories   689   6   19   34   640   1,145   On securities   10,204   99   604   761   8.739   16,568   From assets held in trading account   3,199   0   6   15   3,178   3,706   On feef, funds sold & securities repurchased   1,872   14   57   119   1,681   2,284   Less: interest expense   25,927   150   1,103   1,524   23,150   38,342   Less: interest expense   25,927   150   1,103   1,524   23,150   38,342   Less: interest expense   25,927   150   1,103   1,524   23,150   38,342   Less: interest expense   25,927   150   1,103   1,524   23,150   38,342   Less: interest expense   3,150   3   41   222   2,884   4,490   On demand notes & other borrowed money*   5,730   12   139   325   5,255   7,717   On subordinated notes and debentures   1,368   0   3   17   1,348   1,607   Less: Provision for losses   4,473   19   145   181   4,028   5,888   Noninterest income   35,815   140   1,235   2,319   32,120   49,384   From fiduciary activities   3,091   12   179   445   2,455   5,904   Service charges on deposits   3,091   12   179   445   2,455   5,904   Service charges on deposits   3,091   12   179   445   5,898   Noninterest income   1,566   (0)   1   12   1,444   1,970   From interest rate exposures   372   0   0   0   0   0   0   0   0   0	Net interest income	42,249	391	2,533	3,024	36,301	66,722
From lease financing receivables   1.379   3   14   45   1.317   1.889   1.00	Total interest income	68,176	541	3,636	4,549	59,451	105,064
On balances due from depositories         689         6         19         34         640         1,145           On securities         10,204         99         604         761         8,739         16,568           From assets held in trading account         3,199         0         6         15         3,178         3,768           On fed funds sold & securities repurchased         1,872         14         57         119         1,881         2,284           Less: Interest expense         25,927         150         1,103         1,524         23,150         38,342           On deposits         1,579         135         919         961         13,664         4,458           Of defeard funds purchased & securities sold         3,150         3         41         222         2,884         4,458           Of defeard funds purchased & securities sold         3,150         3         41         222         2,284         4,458           On deposits         1,373         19         145         181         4,028         3,581           Nonitreers in tome         3,5815         140         1,235         2,319         32,120         49,384           From foreign exchange exposures         3,021	On loans	50,421	416	2,914	3,545	43,546	78,501
Dissourities	From lease financing receivables	1,379	3	14	45	1,317	1,889
From assets held in trading account   3,199	On balances due from depositories	699	6	19	34	640	1,145
Description   Company	On securities	10,204	99	604	761	8,739	16,568
Less: Interest expense	From assets held in trading account	3,199	0	6	15	3,178	3,706
On deposits	On fed. funds sold & securities repurchased						2,294
Offederal funds purchased & securities sold	•			,	· '	,	· '
Description   Color							
Consubordinated notes and debentures	•						
Less: Provision for losses   4,373   19   145   181   4,028   5,898	,						
Nonitarest income							
From fiduciary activities   3,091   12   179   445   2,455   5,904		1 1				,	· '
Service charges on deposits						•	
Trading revenue	•					,	· '
From interest rate exposures From foreign exchange exposures From foreign exchange exposures From equity security and index exposures Beg 0 0 0 0 0 0 89 131 From commodity and other exposures From equity security and index exposures From ender insurance and index exposures From equity securities From ender insurance and from exposures From equity securities From ender index exposures From exposures From exposures From equity securities From commends From exposures From exp							
From foreign exchange exposures From equity security and index exposures From commodity and other exposures From commodit	•		\ /				
From equity sard index exposures   88							
From commodity and other exposures   167				-		,	· '
Investment banking brokerage fees   2,087   1   20   42   2,024   2,546							
Venture capital revenue         58 Net servicing fees         0         (0)         4         54         55           Net servicing fees         2,391         32         98         117         2,143         2,902           Net securitization income         4,828         0         93         119         4,716         5,862           Insurance and reinsurance underwriting income         161         0         0         35         593         1,167           Insurance and reinsurance underwriting income         161         0         0         3         158         254           Income from other insurance activities         497         10         20         32         435         913           Net gains on asset sales         1,659         3         74         581         1,001         2,475           Sales of loans and leases         1,323         2         69         559         693         1,994           Sales of other ras lestate owned         26         (0)         2         7         17         48           Sales of other ras lestate owned         26         (0)         2         7         17         48           Sales of secrities         313         1         3				-			
Net servicing fees							,
Net securitization income				\ /			
Insurance commissions and fees   1658   10   20   35   593   1,167							
Insurance and reinsurance underwriting income   161   0   0   3   158   254     Income from other insurance activities   497   10   20   32   435   913     Net gains on asset sales   1,659   3   74   581   1,001   2,475     Sales of loans and leases   1,323   2   69   559   693   1,994     Sales of other real estate owned   26   (0)   2   7   17   48     Sales of other assets(excluding securities)   310   1   3   16   291   433     Other noninterest income   13,164   37   424   741   11,962   17,991     Gains/losses on securities   687   (0)   (2)   9   680   803     Less: Noninterest expense   47,662   371   2,455   3,150   41,687   69,560     Salaries and employee benefits   19,723   193   1,179   1,363   16,988   29,862     Goodwill impairment losses   5,880   47   297   319   5,217   8,612     Goodwill impairment losses   6   0   6   0   0   7     Amortization expense and impairment losses   1,635   1   28   107   1,500   1,860     Other noninterest expense   20,418   129   946   1,361   17,982   29,219     Less: Taxes on income before extraord. items   8,756   33   293   671   7,759   13,465     Income/loss from extraord. items, net of taxes   77   1   0   (0)   (8)   5      Memoranda:   Net operating income   17,523   109   874   1,345   15,196   27,469     Income before taxes and extraordinary items   26,716   141   1,166   2,022   23,387   41,451     Income net of taxes before extraordinary items   17,959   108   873   1,351   15,627   27,986     Cash dividends declared   11,234   77   548   969   9,641   16,355     Cash dividends declared   11,234   77   548   969   9,641   16,355     Charge-offs to loan and lease reserve   6,516   19   143   239   6,115   8,417			-				
Income from other insurance activities				_			· '
Net gains on asset sales	•			_	- 1		
Sales of loans and leases         1,323         2         69         559         693         1,994           Sales of other real estate owned         26         (0)         2         7         17         48           Sales of other assets (excluding securities)         310         1         3         16         291         433           Other noninterest income         13,164         37         424         741         11,962         17,991           Gains/losses on securities         687         (0)         (2)         9         680         803           Less: Noninterest expense         47,662         371         2,455         3,150         41,687         69,560           Salaries and employee benefits         19,723         193         1,179         1,363         16,988         29,862           Of premises and fixed assets         5,880         47         297         319         5,217         8,612           Goodwill impairment losses         6         0         6         0         0         0         7         8,612           Gordwill impairment losses         1,635         1         28         107         1,500         1,860         0         0         0         7					-		
Sales of other real estate owned         26         (0)         2         7         17         48           Sales of other assets(excluding securities)         310         1         3         16         291         433           Other noninterest income         13,164         37         424         741         11,962         17,991           Gains/losses on securities         687         (0)         (2)         9         680         803           Less: Noninterest expense         47,662         371         2,455         3,150         41,687         69,560           Salaries and employee benefits         19,723         193         1,179         1,363         16,988         29,862           Of premises and fixed assets         5,880         47         297         319         5,217         8,612           Goodwill impairment losses         6         0         6         0         0         0         7           Amortization expense and impairment losses         1,635         1         28         107         1,500         1,860           Other noninterest expense         20,418         129         946         1,361         17,982         29,219           Less: Taxes on income before extraord. items,							, -
Sales of other assets(excluding securities)         310         1         3         16         291         433           Other noninterest income         13,164         37         424         741         11,962         17,991           Gains/losses on securities         687         (0)         (2)         9         680         803           Less: Noninterest expense         47,662         371         2,455         3,150         41,687         69,560           Salaries and employee benefits         19,723         193         1,179         1,363         16,988         29,862           Of premises and fixed assets         5,880         47         297         319         5,217         8,612           Goodwill impairment losses         6         0         6         0         0         7           Amortization expense and impairment losses         1,635         1         28         107         1,500         1,860           Other noninterest expense         20,418         129         946         1,361         17,982         29,219           Less: Taxes on income before extraord. items         8,756         33         293         671         7,759         13,465           Income/loss from extraord. items, net of							
Other noninterest income         13,164         37         424         741         11,962         17,991           Gains/losses on securities         687         (0)         (2)         9         680         803           Less: Noninterest expense         47,662         371         2,455         3,150         41,687         69,560           Salaries and employee benefits         19,723         193         1,179         1,363         16,988         29,862           Of premises and fixed assets         5,880         47         297         319         5,217         8,612           Goodwill impairment losses         6         0         6         0         0         7           Amortization expense and impairment losses         1,635         1         28         107         1,500         1,860           Other noninterest expense         20,418         129         946         1,361         17,982         29,219           Less: Taxes on income before extraord. items         8,756         33         293         671         7,759         13,465           Income/loss from extraord. items, net of taxes         17,523         109         874         1,345         15,196         27,469           Income before taxes a							
Gains/losses on securities         687         (0)         (2)         9         680         803           Less: Noninterest expense         47,662         371         2,455         3,150         41,687         69,560           Salaries and employee benefits         19,723         193         1,179         1,363         16,988         29,862           Of premises and fixed assets         5,880         47         297         319         5,217         8,612           Goodwill impairment losses         6         0         6         0         0         7           Amortization expense and impairment losses         1,635         1         28         107         1,500         1,860           Other noninterest expense         20,418         129         946         1,361         17,982         29,219           Less: Taxes on income before extraord. items         8,756         33         293         671         7,759         13,465           Income/loss from extraord. items, net of taxes         (7)         1         0         (0)         (8)         5           Memoranda:         Net operating income         17,523         109         874         1,345         15,196         27,469 <td< td=""><td>` ,</td><td></td><td></td><td>_</td><td></td><td>-</td><td></td></td<>	` ,			_		-	
Less: Noninterest expense         47,662         371         2,455         3,150         41,687         69,560           Salaries and employee benefits         19,723         193         1,179         1,363         16,988         29,862           Of premises and fixed assets         5,880         47         297         319         5,217         8,612           Goodwill impairment losses         6         0         6         0         0         0         7           Amortization expense and impairment losses         1,635         1         28         107         1,500         1,860           Other noninterest expense         20,418         129         946         1,361         17,982         29,219           Less: Taxes on income before extraord. items         8,756         33         293         671         7,759         13,465           Income/loss from extraord. items, net of taxes         (7)         1         0         (0)         (8)         5           Memoranda:         Net operating income         17,523         109         874         1,345         15,196         27,469           Income before taxes and extraordinary items         26,716         141         1,166         2,022         23,387		-, -	_			,	,
Salaries and employee benefits         19,723         193         1,179         1,363         16,988         29,862           Of premises and fixed assets         5,880         47         297         319         5,217         8,612           Goodwill impairment losses         6         0         6         0         0         0         7           Amortization expense and impairment losses         1,635         1         28         107         1,500         1,860           Other noninterest expense         20,418         129         946         1,361         17,982         29,219           Less: Taxes on income before extraord. items         8,756         33         293         671         7,759         13,465           Income/loss from extraord. items, net of taxes         (7)         1         0         (0)         (8)         5           Memoranda:         Net operating income         17,523         109         874         1,345         15,196         27,469           Income before taxes and extraordinary items         26,716         141         1,166         2,022         23,387         41,451           Income net of taxes before extraordinary items         17,959         108         873         1,351				` ,			
Of premises and fixed assets         5,880         47         297         319         5,217         8,612           Goodwill impairment losses         6         0         6         0         0         7           Amortization expense and impairment losses         1,635         1         28         107         1,500         1,860           Other noninterest expense         20,418         129         946         1,361         17,982         29,219           Less: Taxes on income before extraord. items         8,756         33         293         671         7,759         13,465           Income/loss from extraord. items, net of taxes         (7)         1         0         (0)         (8)         5           Memoranda:         Net operating income         17,523         109         874         1,345         15,196         27,469           Income before taxes and extraordinary items         26,716         141         1,166         2,022         23,387         41,451           Income net of taxes before extraordinary items         17,959         108         873         1,351         15,627         27,986           Cash dividends declared         11,234         77         548         969         9,641         16,3		1 1		,	· ′       ′	,	· '
Goodwill impairment losses							
Amortization expense and impairment losses       1,635       1       28       107       1,500       1,860         Other noninterest expense       20,418       129       946       1,361       17,982       29,219         Less: Taxes on income before extraord. items       8,756       33       293       671       7,759       13,465         Income/loss from extraord. items, net of taxes       (7)       1       0       (0)       (8)       5         Memoranda:       Net operating income       17,523       109       874       1,345       15,196       27,469         Income before taxes and extraordinary items       26,716       141       1,166       2,022       23,387       41,451         Income net of taxes before extraordinary items       17,959       108       873       1,351       15,627       27,986         Cash dividends declared       11,234       77       548       969       9,641       16,355         Net loan and lease losses       4,660       13       106       172       4,369       6,002         Charge-offs to loan and lease reserve       6,516       19       143       239       6,115       8,417						,	l '
Other noninterest expense         20,418         129         946         1,361         17,982         29,219           Less: Taxes on income before extraord. items         8,756         33         293         671         7,759         13,465           Income/loss from extraord. items, net of taxes         (7)         1         0         (0)         (8)         5           Memoranda:         Net operating income         17,523         109         874         1,345         15,196         27,469           Income before taxes and extraordinary items         26,716         141         1,166         2,022         23,387         41,451           Income net of taxes before extraordinary items         17,959         108         873         1,351         15,627         27,986           Cash dividends declared         11,234         77         548         969         9,641         16,355           Net loan and lease losses         4,660         13         106         172         4,369         6,002           Charge-offs to loan and lease reserve         6,516         19         143         239         6,115         8,417						-	
Less: Taxes on income before extraord. items Income/loss from extraord. items, net of taxes         8,756 (7)         33 (293)         671 (7,759)         13,465 (8)         5           Memoranda:         Net operating income         17,523 109 874 1,345 15,196 27,469           Income before taxes and extraordinary items         26,716 141 1,166 2,022 23,387 41,451         23,387 41,451           Income net of taxes before extraordinary items         17,959 108 873 1,351 15,627 27,986         27,986           Cash dividends declared         11,234 77 548 969 9,641 16,355           Net loan and lease losses         4,660 13 106 172 4,369 6,002           Charge-offs to loan and lease reserve         6,516 19 143 239 6,115 8,417							
Memoranda:         (7)         1         0         (0)         (8)         5           Net operating income         17,523         109         874         1,345         15,196         27,469           Income before taxes and extraordinary items         26,716         141         1,166         2,022         23,387         41,451           Income net of taxes before extraordinary items         17,959         108         873         1,351         15,627         27,986           Cash dividends declared         11,234         77         548         969         9,641         16,355           Net loan and lease losses         4,660         13         106         172         4,369         6,002           Charge-offs to loan and lease reserve         6,516         19         143         239         6,115         8,417				293	· /		
Net operating income         17,523         109         874         1,345         15,196         27,469           Income before taxes and extraordinary items         26,716         141         1,166         2,022         23,387         41,451           Income net of taxes before extraordinary items         17,959         108         873         1,351         15,627         27,986           Cash dividends declared         11,234         77         548         969         9,641         16,355           Net loan and lease losses         4,660         13         106         172         4,369         6,002           Charge-offs to loan and lease reserve         6,516         19         143         239         6,115         8,417			1	0	(0)		1 1
Net operating income         17,523         109         874         1,345         15,196         27,469           Income before taxes and extraordinary items         26,716         141         1,166         2,022         23,387         41,451           Income net of taxes before extraordinary items         17,959         108         873         1,351         15,627         27,986           Cash dividends declared         11,234         77         548         969         9,641         16,355           Net loan and lease losses         4,660         13         106         172         4,369         6,002           Charge-offs to loan and lease reserve         6,516         19         143         239         6,115         8,417	Memoranda						
Income before taxes and extraordinary items   26,716   141   1,166   2,022   23,387   41,451		17 500	100	074	1 2/5	15 100	27.460
Income net of taxes before extraordinary items   17,959   108   873   1,351   15,627   27,986     Cash dividends declared   11,234   77   548   969   9,641   16,355     Net loan and lease losses   4,660   13   106   172   4,369   6,002   Charge-offs to loan and lease reserve   6,516   19   143   239   6,115   8,417     Cash dividends declared   15,627   27,986   16,355   16,355   16,35					· /		
Cash dividends declared         11,234         77         548         969         9,641         16,355           Net loan and lease losses         4,660         13         106         172         4,369         6,002           Charge-offs to loan and lease reserve         6,516         19         143         239         6,115         8,417		-, -		,	· /		
Net loan and lease losses         4,660         13         106         172         4,369         6,002           Charge-offs to loan and lease reserve         6,516         19         143         239         6,115         8,417	•						
Charge-offs to loan and lease reserve 6,516 19 143 239 6,115 8,417							
	3					,	· '

<sup>\*</sup> Includes mortgage indebtedness

# Year-to-date income and expenses of national banks by asset size Through June 30, 2005 (Dollar figures in millions)

	(Dollar figures in millions)						
		1 45		l banks	C===t==	Memoranda:	
	All	Less than	\$100	\$1 billion	Greater	All	
	national	\$100	million to	to \$10	than \$10	commercial	
North and the West are and an	banks	million	\$1 billion	billion	billion	banks	
Number of institutions reporting	1,864	728	965	126	45	7,549	
Net income	\$37,479	\$215	\$1,763	\$2,649	\$32,852	\$57,439	
Net interest income	84,635	768	4,959	5,960	72,948	132,938	
Total interest income	133,015	1,051	7,030	8,766	116,168	204,685	
On loans	98,169	807	5,625	6,842	84,894	152,684	
From lease financing receivables	2,760	6	28	88	2,638	3,786	
On balances due from depositories	1,467	11	36	56	1,364	2,364	
On securities	20,332	196	1,188	1,484	17,465	32,843	
From assets held in trading account	6,107	0	7	16	6,084	6,867	
On fed. funds sold & securities repurchased	3,344	26	107	220	2,990	4,209	
Less: Interest expense	48,380	283	2,071	2,806	43,220	71,747	
On deposits	29,195	255	1,722	1,752	25,466	45,747	
Of federal funds purchased & securities sold	5,732	6	74	398	5,255	8,234	
On demand notes & other borrowed money*	10,838	22	268	625	9,923	14,690	
On subordinated notes and debentures	2,614	0	6	32	2,576	3,077	
Less: Provision for losses	8,577	33	272	348	7,924	11,398	
Noninterest income	72,671	271	2,504	4,500	65,397	99,738	
From fiduciary activities	6,299	23	355	896	5,025	11,791	
Service charges on deposits	11,484	86	622	614	10,163	16,363	
Trading revenue	6,013	(0)	2	22	5,989	6,419	
From interest rate exposures	1,955	0	3	12	1,940	2,007	
From foreign exchange exposures	2,741	0	0	7	2,734	3,000	
From equity security and index exposures	937	0	0	0	937	1,019	
From commodity and other exposures	378	0	0	0	378	378	
Investment banking brokerage fees	4,104	2	39	81	3,982	5.020	
Venture capital revenue	256	0	(1)	4	253	253	
Net servicing fees	5,866	60	191	239	5,376	7,133	
Net securitization income	9,373	0	212	46	9,114	11,502	
Insurance commissions and fees	1,274	19	41	73	1,141	2,211	
Insurance and reinsurance underwriting income	302	0	0	5	296	432	
Income from other insurance activities	972	19	41	68	844	1,778	
Net gains on asset sales	2,810	6	139	1,100	1,564	4,322	
Sales of loans and leases	2,306	5	126	1,058	1,118	3,613	
Sales of other real estate owned	48	0	3	16	29	95	
Sales of other assets(excluding securities)	455	2	10	26	417	614	
Other noninterest income	25,192	75	903	1,424	22,790	34,725	
Gains/losses on securities	569	(0)	11	6	553	775	
Less: Noninterest expense	93,524	730	4,842	6,155	81,797	137,043	
Salaries and employee benefits	40,328	379	2,342	2,703	34,903	60,676	
Of premises and fixed assets	11,910	93	587	627	10,603	17,342	
Goodwill impairment losses	8	2	6	0	0	11	
Amortization expense and impairment losses	3,089	2	52	209	2,825	3,568	
Other noninterest expense	38,189	253	1,854	2,615	33,466	55,447	
Less: Taxes on income before extraord. items	18,288	62	598	1,312	16,316	27,575	
Income/loss from extraord. items, net of taxes	(7)		0	(0)	(8)		
Memoranda:							
Net operating income	37,115	214	1,756	2,645	32,500	56,917	
Income before taxes and extraordinary items	55,774	276	2,361	3,962	49,176	85,009	
Income net of taxes before extraordinary items	37,486	214	1,763	2,649	32,860	57,434	
Cash dividends declared	19,744	155	981	1,635	16,973	30,171	
Net loan and lease losses	9,811	20	192	342	9,258	12,479	
Charge-offs to loan and lease reserve	13,353	32	265	489	12,567	17,127	
Less: Recoveries credited to loan & lease resv.	3,542	13	73	147	3,309	4,648	

<sup>\*</sup> Includes mortgage indebtedness

# Quarterly net loan and lease losses of national banks by asset size Second quarter 2005 (Dollar figures in millions)

			Memoranda:			
	All	Less than	\$100	\$1 billion	Greater	All
	national	\$100	million to	to \$10	than \$10	commercial
	banks	million	\$1 billion	billion	billion	banks
Number of institutions reporting	1,864	728	965	126	45	7,549
Net charge-offs to loan and lease reserve	\$4,660	\$13	\$106	\$172	\$4,369	\$6,002
Loans secured by real estate	247	3	25	28	191	412
1- to 4-family residential mortgages	104	1	5	8	91	161
Home equity loans	74	0	1	2	71	101
Multifamily residential mortgages	8	1	2	1	4	10
Commercial RE loans	50	1	12	16	21	114
Construction RE loans	(6)	0	1	1	(8)	6
Farmland loans	7	0	5	1	1	11
RE loans from foreign offices	11	0	0	0	11	9
Commercial and industrial loans	267	5	27	51	184	548
Loans to individuals	4,127	4	40	85	3,997	4,975
Credit cards	3,143	0	24	42	3,077	3,774
Installment loans and other plans	983	4	16	43	920	1,201
All other loans and leases	20	1	14	9	(3)	68
Charge-offs to loan and lease reserve	6,516	19	143	239	6,115	8,417
Loans secured by real estate	376	4	31	37	304	613
1- to 4-family residential mortgages	162	2	7	11	142	244
Home equity loans	93	0	1	3	89	127
Multifamily residential mortgages	10	1	2	2	6	13
Commercial RE loans	73	1	14	19	39	164
Construction RE loans	11	0	2	1	7	31
Farmland loans	8	0	5	1	2	16
RE loans from foreign offices	19	0	0	0	19	18
Commercial and industrial loans	781	7	39	68	667	1,205
Loans to individuals	5,130	7	55	120	4,947	6,285
Credit cards	3,797	0	29	56	3,711	4,590
Installment loans and other plans	1,332	7	26	64	1,236	1,695
All other loans and leases	229	1	17	14	196	313
Recoveries credited to loan and lease reserve	1,856	6	37	66	1,746	2,414
Loans secured by real estate	129	1	6	9	113	201
1- to 4-family residential mortgages	58	1	2	3	51	82
Home equity loans	19	0	0	1	18	26
Multifamily residential mortgages	2	0	0	0	2	3
Commercial RE loans	24	0	2	4	18	50
Construction RE loans	17	0	1	1	15	25
Farmland loans	2	0	0	0	1	5
RE loans from foreign offices	8	0	0	0	8	g
Commercial and industrial loans	514	2	13	17	483	658
Loans to individuals	1,003	3	15	35	950	1,310
Credit cards	654	0	5	15	634	816
Installment loans and other plans	349	2	10	20	316	494
All other loans and leases	209	0	3	5	200	245

# Year-to-date net loan and lease losses of national banks by asset size Through June 30, 2005 (Dollar figures in millions)

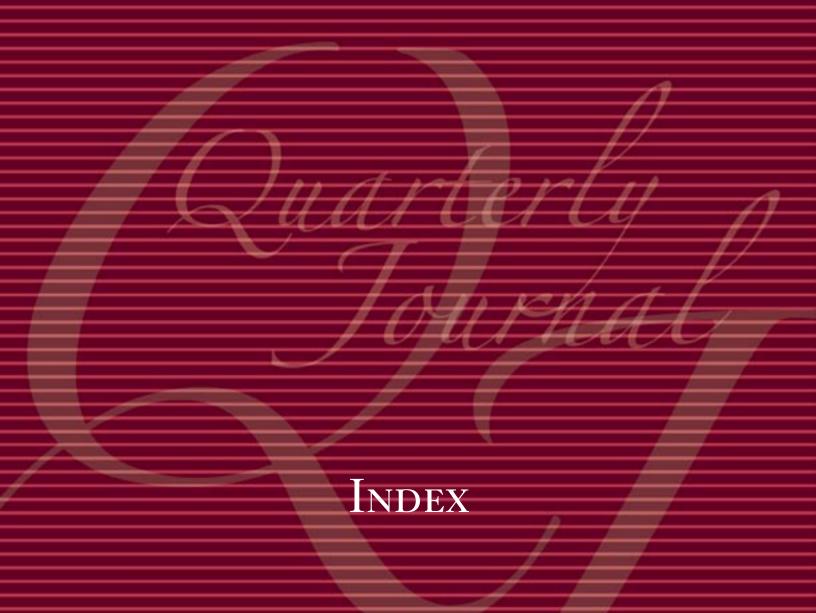
	(Dollar ligi	ures in millio	Memoranda:			
	All	Less than	\$100	l banks \$1 billion	Greater	All
	national	\$100	million to	to \$10	than \$10	commercial
	banks	million	\$1 billion	billion	billion	banks
Number of institutions reporting	1,864	728	965	126	45	7,549
Net charge-offs to loan and lease reserve	9,811	20	192	342	9,258	12,479
Loans secured by real estate	501	3	37	48	413	810
1- to 4-family residential mortgages	229	2	11	14	202	352
Home equity loans	142	0	2	4	137	195
Multifamily residential mortgages	11	1	3	1	6	14
Commercial RE loans	70	1	14	25	30	172
Construction RE loans	13	Ó	2	4	7	38
Farmland loans	8	(0)	5	1	3	13
RE loans from foreign offices	28	0	0	0	28	26
Commercial and industrial loans	543	8	48	119	368	1.075
Loans to individuals	8,632	7	89	159	8,377	10,348
Credit cards	6,576	1	59	55	6,461	7,830
	2,056	7	30	104	1,915	2,518
Installment loans and other plans  All other loans and leases	134	1	18	104	1,915	2,516
All other loans and leases	104	•	10	13	100	240
Charge-offs to loan and lease reserve	13,353	32	265	489	12,567	17,127
Loans secured by real estate	741	6	50	63	622	1,178
1- to 4-family residential mortgages	333	3	16	19	295	500
Home equity loans	181	0	2	5	173	246
Multifamily residential mortgages	13	1	3	2	8	18
Commercial RE loans	123	1	19	31	72	275
Construction RE loans	36	0	4	5	27	74
Farmland loans	11	0	6	1	4	22
RE loans from foreign offices	43	0	0	0	43	44
Commercial and industrial loans	1,529	12	70	159	1,288	2,331
Loans to individuals	10,623	13	119	239	10,252	12,968
Credit cards	7,877	1	69	95	7,711	9,461
Installment loans and other plans	2,746	12	50	144	2,541	3,507
All other loans and leases	461	2	27	28	404	649
Recoveries credited to loan and lease reserve	3,542	13	73	147	3,309	4,648
Loans secured by real estate	240	3	13	15	209	368
1- to 4-family residential mortgages	104	1	5	5	93	148
Home equity loans	39	Ö	٥	2	37	51
Multifamily residential mortgages	2	ő		0	2	4
Commercial RE loans	53	1	5	7	41	102
Construction RE loans	23	0	2	1	20	36
Farmland loans	3	1	1	0	1	8
RE loans from foreign offices	15	0	0	0	15	17
Commercial and industrial loans	985	4	22	39	920	1,256
Loans to individuals	1,991	5	31	80	1,875	2,620
Credit cards	1,301	0	10	40	1,250	1,631
Installment loans and other plans	690	5	20	39	625	989
All other loans and leases	326	1	8	13	304	404

# Number of national banks by state and asset size June 30, 2005

All institutions		June 30, 2005 National banks Memoranda:					
National banks   Million   Manks   Million   Million   Million   Million   Million   Manks   Million   M							11
Name			ll .	· ·	l '		ll .
All institutions			ll '		l '		ll .
Alabama    22	All Confliction						
Alaska	All institutions	1,864	728	965	126	45	7,549
Alaska	Alahama	22	1,1	10	_		140
Arizona		II .	ll .		l		149
Arkansas			ll .		l		II
California         73         17         41         13         2         286           Colorado         43         17         23         3         0         166           Connecticut         10         1         7         1         1         2           Delaware         8         0         3         2         3         27           District of Columbia         4         1         3         0         0         6           Florida         61         8         47         6         0         255           Georgia         52         12         39         1         0         327           Hawaii         1         0         1         0         0         5           Idaho         1         0         1         0         0         5           Idaho         1         0         1         0         0         5           Idaho         1         0         1         0         0         0         1           Ilindiana         31         6         17         7         1         133         0         1         1         1         3			ll .		l		II
Colorado         43         17         23         3         0         164           Connecticut         10         1         7         1         1         2           Delaware         8         0         3         2         3         27           District of Columbia         4         1         3         0         0         6           Florida         61         8         47         6         0         255           Georgia         52         12         39         1         0         327           Idaho         1         0         1         0         0         0         52           Idaho         1         0         1         0         0         0         14           Illinois         147         58         82         4         3         617           Indiana         31         6         17         7         1         133           Indiana         31         6         17         7         1         133           Indiana         45         19         25         1         0         395           Kentucky         42			ll .				II
Connecticut         10         1         7         1         1         22           Delaware         8         0         3         2         3         27           District of Columbia         4         1         3         0         0         6           Florida         61         8         47         6         0         255           Georgia         52         12         39         1         0         327           Hawaii         1         0         1         0         0         0         55           Hawaii         1         0         1         0         0         0         56           Idaho         11         0         1         0         0         0         15           Idaho         11         0         1         0         0         1         0         0         16           Idaho         11         0         1         0         0         1         13         6         17         7         1         136         6         17         7         1         136         1         1         136         6         17         7 <td></td> <td></td> <td>ll .</td> <td></td> <td></td> <td></td> <td>II</td>			ll .				II
Delaware   8			ll .		l		ll .
District of Columbia			ll .		l		24
Florida			1		l		ll .
Georgia			ll .				6
Hawaii			ll .		l		255
Idaho	Georgia	52	ll .	39	l		327
Illinois	Hawaii	1	0	1	0	0	5
Indiana	Idaho	1	0	1	0	0	14
Iowa	Illinois	147	58	82	4	3	617
Kansas 93 59 30 4 0 354 Kentucky 42 17 24 0 1 1 200 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Indiana	31	6	17	7	1	136
Kentucky         42         17         24         0         1         207           Louisiana         14         3         9         1         1         13           Maine         3         0         1         4         4         4         1         1         1         4         4         4         1         1         1         4         4         1         1         3         1         1         4         1         3         1         1         4         1         3         1         1<	lowa	45	19	25	1	0	394
Louisiana   14   3   9   1   1   1   136	Kansas	93	59	30	4	0	354
Louisiana   14   3   9   1   1   1   136	Kentucky	42	17	24	0		207
Maine         3         0         1         1         1         15           Maryland         10         2         7         1         0         66           Massachusetts         111         2         8         1         0         36           Michigan         22         8         13         0         1         155           Minnesota         106         60         42         3         1         44           Missouri         44         20         19         4         1         344           Montana         14         11         3         0         0         75           Nevada         67         45         20         2         0         25           New Hampshire         4         1	•		ll .		l		136
Maryland         10         2         7         1         0         64           Massachusetts         111         2         8         1         0         37           Michigan         22         8         13         0         1         155           Minnesota         106         60         42         3         1         444           Mississippi         19         6         11         2         0         9           Missouri         44         20         19         4         1         341           Mortana         14         11         3         0         0         7           Nebraska         67         45         20         2         0         251           New devada         7         1         1         4         1         3         3         0         0         7           New Hampshire         4         1			ll .		l		15
Massachusetts         11         2         8         1         0         37           Michigan         22         8         13         0         1         155           Minnesota         106         60         42         3         1         445           Mississippi         19         6         11         2         0         95           Missouri         44         20         19         4         1         341           Montana         14         11         3         0         0         75           Nebraska         67         45         20         2         0         251           Nevada         7         1         1         4         1         36           New Hampshire         4         1			ll .	I	l		64
Michigan         22         8         13         0         1         155           Minnesota         106         60         42         3         1         445           Missouri         44         20         19         4         1         341           Montana         14         11         3         0         0         75           Nebraska         67         45         20         2         0         255           Newada         7         1         1         4         1         36           New Hampshire         4         1	•		ll .		l		37
Minnesota         106         60         42         3         1         448           Mississippi         19         6         11         2         0         93           Missouri         44         20         19         4         1         341           Montana         14         11         3         0         0         75           Nebraska         67         45         20         2         0         255           Nevada         7         1         1         4         1         36           New Hampshire         4         1		II .	ll .		l		ll .
Mississippi         19         6         11         2         0         93           Missouri         44         20         19         4         1         341           Montana         14         11         3         0         0         75           Nebraska         67         45         20         2         0         255           Nevada         7         1         1         4         1         33         0         255           New Hampshire         4         1			ll .		l		ll .
Missouri         44         20         19         4         1         341           Montana         14         11         3         0         0         75           Nebraska         67         45         20         2         0         255           Nevada         7         1         1         4         1         1         36           New Hampshire         4         1         3         0         0         2         7         7         1			ll .				II
Montana         14         11         3         0         0         75           Nebraska         67         45         20         2         0         251           Nevada         7         1         1         4         1         36           New Hampshire         4         1	• • • • • • • • • • • • • • • • • • • •		ll .		l		ll .
Nebraska         67         45         20         2         0         251           Nevada         7         1         1         4         1         36           New Hampshire         4         1         2         0         9         7         7         178         0         2         1         7         178         0         2         3         1         1         1         1         2         0         9			ll .		l		II
Nevada         7         1         1         4         1         36           New Hampshire         4         1         1         1         1         1         13         1         3         3         3         0         4         2         0         9         7         1         7         1         7         1         7         1         7         1         7         1         7         1         7         1         7         1         1         1         1         1         1         2         0         9         7         1         7         1         1         3			ll .		l		II
New Hampshire         4         1         3         3         3         0         4         4         8         3         0         4         4         8         1         3         3         3         0         2         7         7         7         1         3         3         3         3         2         0         3         3         1         1         1         1         3         3         1         1         1         3         3         1         1         1         1         3         4         1         1         3         3         <			ll .		l		II
New Jersey         21         0         13         5         3         73           New Mexico         144         3         8         3         0         48           New York         56         13         33         8         2         133           North Carolina         5         0         3         0         2         74           North Dakota         12         6         4         2         0         97           Ohio         78         32         34         5         7         178           Oklahoma         81         41         38         1         1         1         266           Oregon         81         41         38         1         1         1         0         37         117         1         1         1         0         37         1         1         1         0         37         1         1         1         0         37         1         1         1         0         37         1         1         1         0         37         1         1         1         0         37         1         1         1         0         37 </td <td></td> <td></td> <td>ll .</td> <td>l</td> <td>l</td> <td></td> <td>ll .</td>			ll .	l	l		ll .
New Mexico         14         3         8         3         0         48           New York         56         13         33         8         2         133           North Carolina         5         0         3         0         2         74           North Dakota         12         6         4         2         0         97           Ohio         78         32         34         5         7         178           Oklahoma         81         41         38         1         1         266           Oregon         3         1         1         1         0         37           Pennsylvania         71         15         44         9         3         161           Rhode Island         3         2         0         1         0         7           South Carolina         24         5         17         2         0         75           South Dakota         17         6         8         1         2         87           Tennessee         28         7         19         1         1         18           Texas         307         155			ll .		l		II
New York         56         13         33         8         2         133           North Carolina         5         0         3         0         2         74           North Dakota         12         6         4         2         0         97           Ohio         78         32         34         5         7         178           Oklahoma         81         41         38         1         1         268           Oregon         3         1         1         1         0         37           Pennsylvania         71         15         44         9         3         161           Rhode Island         3         2         0         1         0         7           South Carolina         24         5         17         2         0         75           South Dakota         17         6         8         1         2         87           Tennessee         28         7         19         1         1         182           Texas         307         155         137         15         0         637           Utah         7         2	•		1				II
North Carolina         5         0         3         0         2         74           North Dakota         12         6         4         2         0         97           Ohio         78         32         34         5         7         178           Oklahoma         81         41         38         1         1         268           Oregon         3         1         1         1         0         37           Pennsylvania         71         15         44         9         3         161           Rhode Island         3         2         0         1         0         7           South Carolina         24         5         17         2         0         75           South Dakota         17         6         8         1         2         87           Tennessee         28         7         19         1         1         182           Texas         307         155         137         15         0         637           Utah         7         2         3         0         2         62           Vermont         8         2 <t< td=""><td></td><td></td><td> </td><td>I</td><td>l</td><td></td><td>II</td></t<>				I	l		II
North Dakota         12         6         4         2         0         97           Ohio         78         32         34         5         7         178           Oklahoma         81         41         38         1         1         1         268           Oregon         3         1         1         1         0         37         161         37         1         1         1         0         37         161         37         1         1         1         0         37         1         1         1         0         37         161         37         1         1         1         0         37         1         1         1         1         0         37         1         1         1         0         37         1         1         1         0         37         1         1         1         0         37         1         1         1         0         0         7         2         0         0         7         2         0         0         7         2         3         0         2         6         6         0         0         0         1         1			ll .	I			II
Ohio         78         32         34         5         7         178           Oklahoma         81         41         38         1         1         268           Oregon         3         1         1         1         0         37           Pennsylvania         71         15         44         9         3         161           Rhode Island         3         2         0         1         0         7           South Carolina         24         5         17         2         0         75           South Dakota         17         6         8         1         2         87           Tennessee         28         7         19         1         1         184           Texas         307         155         137         15         0         637           Utah         7         2         3         0         2         62           Vermont         8         2         6         0         0         14           Virginia         38         7         29         1         1         122           Washington         13         7         6 </td <td></td> <td></td> <td>1</td> <td>l</td> <td>l</td> <td></td> <td>ll .</td>			1	l	l		ll .
Oklahoma         81         41         38         1         1         266           Oregon         3         1         1         1         0         37           Pennsylvania         71         15         44         9         3         161           Rhode Island         3         2         0         1         0         7           South Carolina         24         5         17         2         0         75           South Dakota         17         6         8         1         2         87           Tennessee         28         7         19         1         1         184           Texas         307         155         137         15         0         637           Utah         7         2         3         0         2         62           Vermont         8         2         6         0         0         14           Virginia         38         7         29         1         1         122           Washington         13         7         6         0         0         0         8			ll .	l			II
Oregon         3         1         1         1         0         37           Pennsylvania         71         15         44         9         3         161           Rhode Island         3         2         0         1         0         7           South Carolina         24         5         17         2         0         75           South Dakota         17         6         8         1         2         87           Tennessee         28         7         19         1         1         184           Texas         307         155         137         15         0         637           Utah         7         2         3         0         2         62           Vermont         8         2         6         0         0         14           Virginia         38         7         29         1         1         1         124           Washington         13         7         6         0         0         0         80			ll .		l		ll .
Pennsylvania         71         15         44         9         3         161           Rhode Island         3         2         0         1         0         7           South Carolina         24         5         17         2         0         75           South Dakota         17         6         8         1         2         87           Tennessee         28         7         19         1         1         184           Texas         307         155         137         15         0         637           Utah         7         2         3         0         2         62           Vermont         8         2         6         0         0         14           Virginia         38         7         29         1         1         124           Washington         13         7         6         0         0         80			ll .	l	l		ll .
Rhode Island       3       2       0       1       0       7         South Carolina       24       5       17       2       0       75         South Dakota       17       6       8       1       2       87         Tennessee       28       7       19       1       1       184         Texas       307       155       137       15       0       637         Utah       7       2       3       0       2       62         Vermont       8       2       6       0       0       14         Virginia       38       7       29       1       1       124         Washington       13       7       6       0       0       0       80			ll .	l	l		37
South Carolina         24         5         17         2         0         75           South Dakota         17         6         8         1         2         87           Tennessee         28         7         19         1         1         184           Texas         307         155         137         15         0         637           Utah         7         2         3         0         2         62           Vermont         8         2         6         0         0         14           Virginia         38         7         29         1         1         124           Washington         13         7         6         0         0         80			ll .	l	l		II
South Dakota         17         6         8         1         2         87           Tennessee         28         7         19         1         1         184           Texas         307         155         137         15         0         637           Utah         7         2         3         0         2         62           Vermont         8         2         6         0         0         14           Virginia         38         7         29         1         1         124           Washington         13         7         6         0         0         80					l		7
Tennessee         28         7         19         1         1         184           Texas         307         155         137         15         0         637           Utah         7         2         3         0         2         62           Vermont         8         2         6         0         0         14           Virginia         38         7         29         1         1         124           Washington         13         7         6         0         0         80					2		75
Texas         307         155         137         15         0         637           Utah         7         2         3         0         2         62           Vermont         8         2         6         0         0         14           Virginia         38         7         29         1         1         124           Washington         13         7         6         0         0         80	South Dakota			8	1	2	87
Utah         7         2         3         0         2         62           Vermont         8         2         6         0         0         14           Virginia         38         7         29         1         1         124           Washington         13         7         6         0         0         80	Tennessee		ll .		1	1	184
Vermont         8         2         6         0         0         14           Virginia         38         7         29         1         1         124           Washington         13         7         6         0         0         80	Texas	307	155	137	15	0	637
Vermont         8         2         6         0         0         14           Virginia         38         7         29         1         1         124           Washington         13         7         6         0         0         80	Utah	7	2	3		2	62
Virginia         38         7         29         1         1         124           Washington         13         7         6         0         0         80	Vermont	8		6	0	0	14
Washington         13         7         6         0         0         80	Virginia	38		29	1	1	124
				I	l	0	80
11 OH OL OL OL OL OL OL	West Virginia	15	8	6	1	Ō	65
			ll .		l		266
		II .	ll .		l		41
			ll .				16

# Total assets of national banks by state and asset size June 30, 2005 (Dollar figures in millions)

				l banks		Memoranda:
	All	Less than	\$100	\$1 billion	Greater	All
	national	\$100	million to	to \$10	than \$10	commercial
	banks	million	\$1 billion	billion	billion	banks
All institutions	\$5,821,502	\$40,395	\$270,233	\$356,223	\$5,154,651	\$8,724,590
Alabama	24,063	767	2,327	0	20,968	212,333
Alaska	2,271	67	0	2,204	0	3,623
Arizona	68,670	122	2,796	8,317	57,435	73,366
Arkansas	10,282	574	7,305	2,403	0	40,336
California	112,527	1,008	10,696	36,034	64,789	295,000
Colorado	11,295	782	5,906	4,607	l ´o	38,787
Connecticut	23,364	95	2,485	3,545	17,239	25,076
Delaware	297,839	0	736	8,090	289,013	344,998
District of Columbia	678	92	586	0	0	786
Florida	32,065	602	12,858	18,605	0	89,882
Georgia	15,346	612	8,556	6,178	0	251,149
Hawaii	433	0	433	0,0	Ö	27,056
Idaho	310	Ö	310	Ö	ا o	4,709
Illinois	169,410	3,300	21,719	18,142	126,248	316,372
Indiana	54,495	362	7,038	18,593	28,502	87,980
lowa	9,654	1,126	6,765	1,763	0	46,429
Kansas	18,276	3,098	8,883	6,296	Ö	45,894
Kentucky	16,187	1,171	4,798	0,230	10,218	49,342
Louisiana	33,352	142	2,269	8,908	22,033	56,112
Maine	33,716	0	930	1,095	31,691	37,345
Maryland	3,053	129	1,623	1,301	01,001	40,037
Massachusetts	9,512	117	1,986	7,409	0	163,578
Michigan	42,712	405	3,108	0,403	39,199	191,229
Minnesota	30,080	3,095	9,063	5,198	12,723	61,773
Mississippi	12,361	355	2,964	9,041	0	43,031
Missouri	30,317	1,205	5,286	11,197	12,629	88,199
Montana	1,533	641	892	0	0	14,807
Nebraska	14,653	2,171	4,512	7,970		31,512
Nevada	27,379	53	123	9,647	17,555	56,881
New Hampshire	15,036	59	229	1,626	13,123	17,483
New Jersey	66,188	0	3,930	14,954	47,303	110,413
New Mexico	6,728	144	1,820	4,764	47,303	13,102
New York	753,672	893	12,138	20,267	720,374	1,064,309
North Carolina	1,509,099	0 0 0	2,033	20,267		
North Dakota	6,986	307	1,563	5,116	1,507,066	1,647,782 15,128
Ohio	1,441,524	1,899	11,521	11,596	1,416,508	1,532,300
Oklahoma	26,299	2,269	9,191	1,966	12,873	49,696
	-	49	216		12,673	II '
Oregon	7,266	944	14,627	7,001	123,529	21,967
Pennsylvania Rhode Island	166,644			27,545	1 '	213,139 17,926
	1,930	64	0	1,867	0	II '
South Carolina	9,741	306	4,471	4,964	0	39,813
South Dakota	420,847	220	3,149	6,120	411,358	432,095 75,846
Tennessee	46,618	573	7,597	1,556	36,892	
Texas	88,891	8,133	36,330	44,428	0	161,750
Utah	32,459	96	540	0	31,824	151,910
Vermont	1,622	119	1,503	1 000	0 05 450	6,646
Virginia	76,955	355	9,217	1,923	65,459	158,229
Washington	2,145	382	1,763	0 500	0	28,436
West Virginia	4,467	505	1,459	2,502	0	19,653
Wisconsin	28,290	636	8,069	1,487	18,098	101,868
Wyoming	2,264	347	1,917	0	0	5,423
U.S. territories	0	0	0	0	0	102,057



# **INDEX**

#### A

Affiliated mergers:

For quarter, 44

Affiliated mergers—thrift:

For quarter, 46

Appeals process, 30

Applications for national bank charters, by state and charter type (corporate structure table), **58** 

Applications for new, full-service national bank charters, approved and denied, by state (corporate structure table), **51** 

Applications for new, limited-purpose national bank charters, approved and denied, by state (corporate structure table), **52** 

Assets, liabilities, and capital accounts of national banks (financial table), 67

Assets of national banks by asset size (financial table), 70

Assets, total, of national banks by state and asset size (financial table), 79

#### C

Changes in the corporate structure of the national banking system, by state, 49

Commercial banks:

Condition and performance of, 1

Number of commercial banks by state, 78

Off-balance-sheet items, 73

Past-due and nonaccrual loans and leases, 71

Quarterly income and expenses, 74

Quarterly net loan and lease losses, 76

Total assets, 79

Total assets by state, 79

Total liabilities, 72

Year-to-date income and expenses, 75

Year-to-date net loan and lease losses, 77

Condition and performance of commercial banks, 1

Congressional testimony, speeches and, 36

Corporate structure of the national banking system, tables on the, 48

#### D

Decisions, recent licensing, 15

Dugan, John C., Comptroller of the Currency:

Biography, vi

#### $\mathbf{E}$

Enforcement activities, special supervision and, 18

#### F

Federal branches and agencies of foreign banks in operation (corporate structure table), 67

Financial performance of national banks, tables on the, 66

Interpretations, 38

### K

```
Key indicators, FDIC-insured commercial banks (condition tables):

Annual 2001-2004, year-to-date through quarter, 8

By asset size, 10

By region, 12

Key indicators, FDIC-insured national banks (condition tables):

Annual 2001-2004, year-to-date through quarter, 2

By asset size, 4

By region, 6
```

#### L

```
Liabilities of national banks by asset size (financial table), 72

Licensing, decisions, recent, 15

Loan performance, FDIC-insured commercial banks (condition tables):

Annual 2001-2004, year-to-date through quarter, 9

By asset size, 11

By region, 13

Loan performance, FDIC-insured national banks (condition tables):

Annual 2001-2004, year-to-date through quarter, 3

By asset size, 5

By region, 7
```

#### Mergers:

Affiliated, (involving affiliated operating banks), for quarter, 44

Affiliated, —thrift (involving affiliated national banks and savings and loan associations), for quarter, 46

Nonaffiliated, (involving two or more nonaffiliated operating banks), for quarter, 42

Nonaffiliated, —thrift (involving nonaffiliated national banks and savings and loan associations), for quarter, 43

## N

National banks converted out of the national banking system (corporate structure table), 66

National banks merged out of the national banking system (corporate structure table), 61

New, full-service national bank charters issued (corporate structure table), 53

New, limited-purpose national bank charters issued (corporate structure table), 54

Nonaffiliated mergers:

For quarter, 42

Nonaffiliated mergers, -thrift:

For quarter, 43

Nonbanking institutions converted to full-service national banks (corporate structure table), 57

Number of national banks by state and asset size (financial table), 78

## 0

Off-balance-sheet items of national banks by asset size (financial table), 73

Office of the Comptroller of the Currency:

Interpretations, 38

Speeches and congressional testimony, 36

#### P

Past-due and nonaccrual loans and leases of national banks by asset size (financial table), **71** 

## O

Quarterly income and expenses of national banks by asset size (financial table), 74

Quarterly income and expenses of national banks (financial table), 68

Quarterly net loan and lease losses of national banks by asset size (financial table), 76

#### R

Recent licensing decisions, 15

#### S

Special supervision and enforcement activities, 18

Speeches and congressional testimony, 36

State-chartered banks converted to full-service national banks (corporate structure table), **55** 

State-chartered banks converted to limited-purpose national banks (corporate structure table), **56** 

## T

Tables on the corporate structure of the national banking system, 48

Tables on the financial performance of national banks, 66

Testimony, congressional, speeches and, 36

Total assets of national banks by state and asset size (financial table), 79

# $\mathbf{V}$

Voluntary liquidations of national banks (corporate structure table), 60

## Y

Year-to-date income and expenses of national banks by asset size (financial table), 75

Year-to-date income and expenses of national banks (financial table), 69

Year-to-date net loan and lease losses of national banks by asset size (financial table), 77