



March 18, 2015

MEMORANDUM TO: Board of Directors

THROUGH: Charles Yi [REDACTED]  
General Counsel

FROM: Floyd I. Robinson [REDACTED]  
Assistant General Counsel  
Professional Liability and Financial Crimes Section

SUBJECT: Professional Liability Program Annual Report for 2014

This is a report by the Professional Liability Unit (“PLU”) of the Legal Division on the results of the professional liability program of the Federal Deposit Insurance Corporation (“FDIC”) for 2014. It includes a review of PLU’s workload and staffing at year-end.

The purpose of the professional liability program is to recover funds for FDIC receiverships and to hold accountable directors, officers, and professionals who caused losses to insured financial institutions that later failed and were placed in FDIC receivership. The program’s existence also enhances industry awareness of sound corporate governance standards. On behalf of the FDIC in its receivership capacity, PLU and the Investigations Department of the Division of Resolutions and Receiverships (“DRR”) investigate potential professional liability claims arising from every financial institution failure but pursue claims only if they are both meritorious and expected to be cost-effective. Where appropriate, PLU refers cases to the FDIC’s Enforcement Section for administrative enforcement action by the failed institution’s primary financial regulator. In addition, PLU assists DRR and the Legal Division’s Financial Crimes Unit to obtain criminal restitution from defendants convicted of banking crimes that caused losses to financial institutions that later failed and were placed in FDIC receivership.

#### Recoveries and Expenses

During 2014 PLU and DRR recovered \$1,142,727,799 and incurred expenses totaling \$119,841,727 for professional liability program activity. The recoveries were obtained from the following types of claims:

Type of Claim	Recoveries – 2014	
Residential Mortgage-Backed Securities (“RMBS”)	\$838,757,529	(73.40%)
Director and Officer (“D&O”) Liability	\$210,193,948	(18.39%)
Appraiser Malpractice	\$43,080,932	(3.77%)
Fidelity Bond	\$17,712,343	(1.55%)
Mortgage Malpractice or Fraud (“MMF”)	\$15,221,500	(1.33%)
Attorney Malpractice	\$12,500,000	(1.10%)
Other	\$5,261,547	(0.46%)
<b>TOTAL</b>	<b>\$1,142,727,799</b>	<b>(100.00%)</b>

The \$838,757,529 recovered from RMBS claims was obtained principally from two settlements. In July, the FDIC as Receiver for three failed banks received a \$202,002,500 payment as part of a \$4.5 billion settlement coordinated by the United States Department of Justice (“DOJ”) of federal and state agency claims against Citigroup Inc. and its subsidiaries (“Citigroup”).<sup>1</sup> In December, the FDIC as Receiver for 25 failed banks received a \$636.4 million payment as part of a separate \$16.65 billion DOJ-coordinated settlement of federal and state agency claims against Bank of America Corporation and its subsidiaries (collectively, “BofA”). The FDIC’s claims against Citigroup were asserted in eight lawsuits based on violations of federal and state securities laws in connection with the sale of 24 RMBS to the three failed banks. The FDIC’s claims against BofA were asserted in 14 direct lawsuits and in 3 class actions in which the FDIC was a class member for violations of federal and state securities laws in connection with the sale of 155 RMBS to the 25 failed banks.<sup>2</sup>

The \$210,193,948 in D&O liability recoveries was obtained from claims arising out of 59 receiverships. Of this amount, the single largest recovery was \$41.975 million from a settlement that resolved claims against former officers of the Home Builder Division of IndyMac Bank, F.S.B. (“IndyMac”), and a related insurance coverage action against their insurers. IndyMac, Pasadena, California, failed on July 11, 2008, with \$30.7 billion in assets. This settlement followed a successful jury verdict in the United States District Court for the Central District of California against the former officers arising out of their negligent approval of 23 acquisition, development, and construction loans. With this \$41.975 million settlement, the FDIC has resolved all of its IndyMac D&O liability claims, resulting in total recoveries from IndyMac D&O claims of \$44.375 million.

The FDIC recovered \$43,080,932 from appraiser claims in 2014, of which \$42 million was from two settlements. The FDIC received a \$30 million payment on February 19 in settlement of a lawsuit against LSI Appraisal, LLC (“LSI”), a former appraisal management company that provided services to Washington Mutual Bank (“WaMu”), and LSI’s contractual

<sup>1</sup> The settlement with Citigroup nominally totaled \$208,250,000, but DOJ deducted a 3 percent administrative fee from this amount before remitting the agreed-upon net payment to the FDIC.

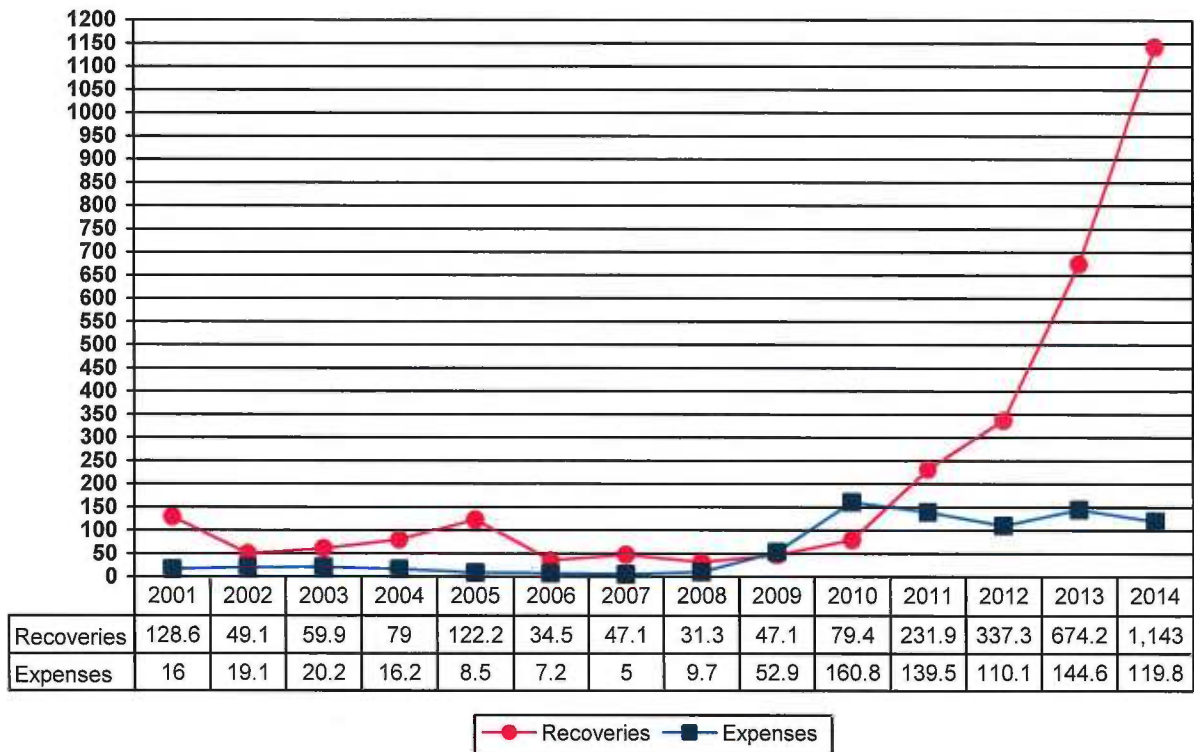
<sup>2</sup> The FDIC as Receiver for Colonial Bank, Montgomery, Alabama, also received an additional \$363.67 million from the \$16.65 billion settlement to resolve breach of contract claims against BofA, which were separately supervised by the Commercial Litigation Unit in the FDIC Legal Division. As a result, after the DOJ deducted its 3 percent administrative fee, the net total payment to the FDIC for both the RMBS and breach of contract claims was \$1.00007 billion.

guarantor, LPS Property Tax Solutions, Inc. The FDIC's lawsuit sought damages for LSI's breach of contract in providing 181 grossly inflated appraisals to WaMu. On July 2 the FDIC received an additional \$12 million in settlement of its separate lawsuit against another WaMu appraisal management company, CoreLogic Valuation Services, LLC ("CoreLogic"), and CoreLogic's contractual guarantor, CoreLogic Solutions, LLC. This lawsuit sought damages based on CoreLogic's breach of contract in providing WaMu with 108 grossly inflated appraisals. WaMu, Henderson, Nevada, failed on September 25, 2008, with \$307 billion in assets.

Of the total program expenses of \$119,841,727 incurred during 2014, the Legal Division incurred \$103,489,232 (86.35 percent), DRR incurred \$16,292,770 (13.60 percent), and other FDIC Divisions and Offices incurred \$9,725 (0.05 percent). Legal Division expenses comprise \$90,141,001 paid to outside counsel and consultants and \$13,348,231 for other expenses (primarily salaries and travel expenses for in-house PLU employees). DRR expenses comprise \$6,785,357 paid to outside contractors and \$9,507,413 for in-house staff. The ratio of total recoveries to total expenses is 9.54 to 1, and the ratio of recoveries to outside counsel and consultant expenses is 12.68 to 1. These ratios are higher than they were for 2013, when the program recovered \$674,189,266, total expenses were \$144,623,923, and the ratio of recoveries to total expenses was 4.66 to 1.

Professional liability program expenses during 2014 are attributable primarily to the substantial receivership funding expenses that the Legal Division and DRR are continuing to incur to conduct investigations and to pursue professional liability litigation arising out of the significant increase in the number of failures of insured financial institutions that have occurred since the beginning of 2007. Program recoveries tend to lag program expenses incurred to obtain the recoveries by several years. Staff typically spends substantial time and money to build a case before a settlement is reached or a judgment is obtained. Since PLU investigates potential professional liability claims for all failed financial institutions, program expenses include these "sunk" investigation costs even if, as is generally the case, no recoveries result from most investigations. For those failed institutions out of which viable claims are identified, recoveries typically are not obtained until years after the investigation costs have been incurred. In addition, program recoveries not only include settlements reached and judgments obtained in the current reporting period but they also include collections from structured settlements reached in previous years. As a result, most of the expenses incurred during 2014 will not yield recoveries until later years. Concomitantly, much of the recoveries obtained during 2014 actually are the result of expenses incurred in prior years. For all of these reasons, the cost-effectiveness of the program is best measured by comparing recoveries and expenses over many years rather than in any individual year.

### FDIC Professional Liability Recoveries and Expenses, 2001-2014 (in \$millions)



As shown in the historical table attached as Appendix A to this Report, from 1986 through 2014 the professional liability program has achieved an overall recoveries-to-expenses ratio of 4.02 to 1.

#### Interim Report on Total Recoveries and Expenses During the Recent Crisis To Date

Since the beginning of 2007, PLU and DRR have recovered \$2.591 billion and have incurred expenses totaling \$742.4 million for all professional liability program activity. The recoveries were obtained from the following types of claims:

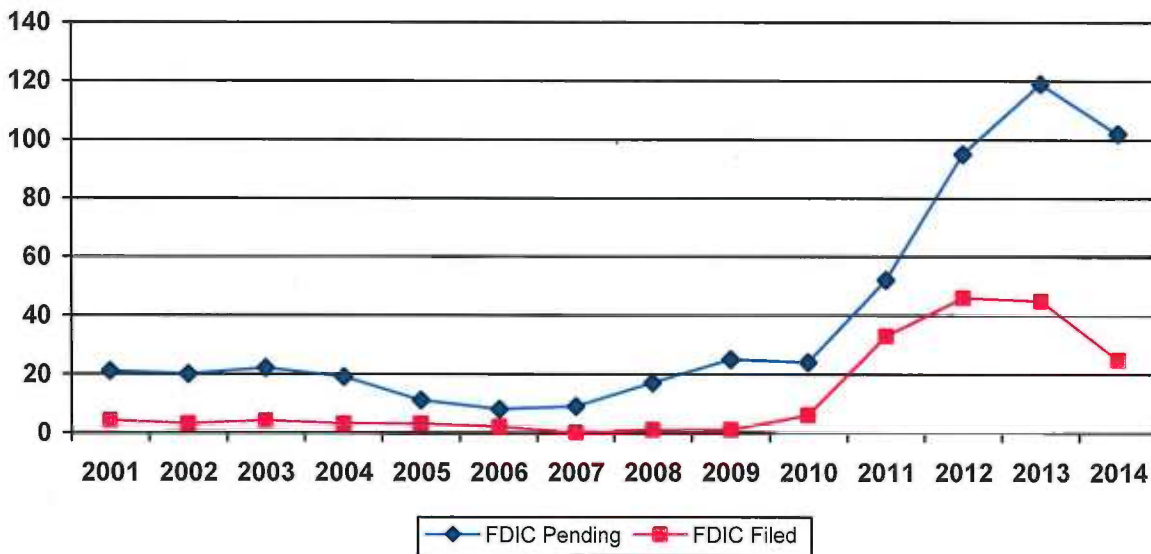
Type of Claim	Total Recoveries – 2007-2014	
Residential Mortgage-Backed Securities (“RMBS”)	\$1,395,259,292	(53.9%)
Director and Officer (“D&O”) Liability	\$851,084,413	(32.8%)
Mortgage Malpractice or Fraud (“MMF”)	\$125,031,798	(4.8%)
Fidelity Bond	\$71,921,586	(2.8%)
Appraiser Malpractice	\$43,950,932	(1.7%)
Accountant Malpractice	\$41,454,317	(1.6%)
Attorney Malpractice	\$28,394,157	(1.1%)
Other	\$34,004,543	(1.3%)
<b>TOTAL</b>	<b>\$2,591,101,038</b>	<b>(100.0%)</b>

Authorized and Pending Lawsuits

During 2014 PLU obtained authority from the Board of Directors to sue 123 D&O defendants out of 17 failed institutions. The Board also authorized a lawsuit based on suppression of the United States Dollar London Interbank Offered Rate (“USD LIBOR”). FDIC delegated authority approved four fidelity bond lawsuits and 39 MMF lawsuits. While some of these authorized lawsuits resulted in the filing of cases, in others PLU is actively engaging in settlement negotiations and has not yet filed suit.

In 2014 PLU filed 25 lawsuits excluding MMF lawsuits. As of year-end 2014, a total of 102 professional liability lawsuits other than MMF lawsuits were pending. The following graph shows pending professional liability civil cases (other than MMF lawsuits) from 2001 through year-end 2014. (“Pending” actions comprise claims that PLU itself filed as well as claims that institutions filed before they failed that the FDIC inherited as Receiver.)

**FDIC Professional Liability Civil Actions, 2001-2014**  
(Excludes MMF and related-to-PL matters such as individual bankruptcy cases)



PLU also had 75 active MMF lawsuits pending at the end of 2014. These arise out of 12 failed institutions but primarily out of IndyMac (36); AmTrust Bank, Cleveland, Ohio, which failed on December 4, 2009 (18); WaMu (8); and Colonial Bank, Montgomery, Alabama, which failed on August 14, 2009 (3). The remaining ten MMF lawsuits are associated with eight other failed institutions around the country. During the year, PLU staff obtained approval from delegated authority to settle 40 MMF cases.

Significant Case Developments During 2014

On March 14 the FDIC as Receiver for 38 closed banks filed a complaint in the United States District Court for the Southern District of New York asserting claims against 34 defendants based on suppression of USD LIBOR. The defendants are 17 banks that submitted

interest rates as members of the USD LIBOR panel from 2007 to 2011, 14 of their affiliates, the British Bankers' Association ("BBA"), and 2 BBA affiliates. The complaint alleges that the defendants' suppression caused the 38 failed banks to receive smaller payments on loans and other assets linked to USD LIBOR than they otherwise would have received. The complaint asserts claims for breach of contract, unjust enrichment, fraud, negligent misrepresentation, tortious interference with contract and prospective economic advantage, civil conspiracy, aiding and abetting, and violations of federal and state antitrust laws. After the FDIC filed its complaint, the lawsuit was assigned to a multi-district litigation ("MDL") for LIBOR-based claims in the same court. The defendants subsequently filed motions to dismiss the FDIC's claims, and the MDL court denied a motion by two borrowers to intervene in the lawsuit. Discovery is stayed pending the court's rulings on the motions to dismiss, which is expected in the second quarter of 2015.

On July 11 the Georgia Supreme Court, in *FDIC as Receiver for Buckhead Community Bank v. Loudermilk*, issued a unanimous favorable decision holding that the Georgia business judgment rule does not preclude claims for ordinary negligence against directors and officers of failed banks. On September 22 the Court reached the same conclusion on certified questions from the United States Court of Appeals for the Eleventh Circuit in *FDIC as Receiver for Integrity Bank v. Skow*. Subsequently, on October 24, the Eleventh Circuit issued a short published opinion in the *Skow* appeal vacating a district court's earlier dismissal of the FDIC's claims for ordinary negligence and remanding the case for disposition under Georgia law.

On September 23 the United States District Court for the Eastern District of North Carolina entered summary judgment for the defendants and dismissed all claims that the FDIC brought against former directors and officers of Cooperative Bank ("Cooperative") for negligence, breach of fiduciary duty, and gross negligence in the approval of loans. Cooperative, Wilmington, North Carolina, failed on June 19, 2009. The court held that North Carolina's business judgment rule insulated the directors and officers from liability arising from claims of ordinary negligence and breach of fiduciary duty because, in the court's opinion, their process for approving the loans was rational as a matter of law. The court further held that the FDIC had failed to produce evidence that the directors and officers had engaged in "intentional wrongdoing" or "willful and wanton conduct," and consequently could not prove gross negligence under North Carolina law. The FDIC appealed this order to the United States Court of Appeals for the Fourth Circuit on October 2.

Following the 2013 decision of the United States District Court for Kansas in *National Credit Union Administration v. Credit Suisse Sec. (USA) LLC*, appeal docketed (10th Cir. July 16, 2013), refusing to enforce a tolling agreement under the National Credit Union Administration's statute of limitations ("extender statute"), D&O defendants in FDIC cases have repeatedly challenged the effectiveness of tolling agreements under the FDIC's substantively identical extender statute, 18 U.S.C. § 1821(d)(14). To date, PLU has successfully defeated every one of these challenges. Most recently, on October 8, the United States District Court for Utah rejected defendants' challenge to a tolling agreement that the FDIC had entered into with former officers and directors of Centennial Bank, Ogden, Utah, which failed on March 5, 2010.

On October 2, the Eleventh Circuit issued an unfavorable unpublished opinion reversing a \$1.1 million jury verdict that the FDIC as Receiver for First Priority Bank (“First Priority”) had obtained after jury trial in the United States District Court for the Middle District of Florida in a lawsuit asserting attorney malpractice and breach of fiduciary duty claims against the law firm of Icard, Merrill, Cullis, Timm, Furen & Ginsburg, P.A., and attorney Robert E. Messick. First Priority, Bradenton, Florida, failed on August 1, 2008. The FDIC’s claims arose out of a \$5.3 million acquisition loan that the defendants had closed for First Priority in March 2006 without securing a required assignment of an option to purchase an adjoining land parcel. In a 2-1 decision, the Eleventh Circuit concluded that the evidence in the record did not sufficiently support the causation element of the FDIC’s claims.

During 2014 the FDIC as Receiver continued to litigate 17 RMBS lawsuits arising out of the following seven receiverships: Franklin, S.S.B. (“Franklin”), Houston, Texas, which failed on November 7, 2008 (2 cases); Security Savings Bank, Henderson, Nevada, which failed on February 27, 2009 (2 cases); Strategic, Champaign, Illinois, and Citizens, Macomb, Illinois, sister banks, which both failed on May 22, 2009 (3 cases); Colonial (5 cases); Guaranty Bank, Austin, Texas, which failed on August 21, 2009 (3 cases); and United Western Bank (“UWB”), Denver, Colorado, which failed on January 21, 2011 (2 cases). Two of these cases settled in their entirety in 2014 as part of the Citigroup and BofA settlements noted previously, and eight cases are currently on appeal. Notable developments during the year in the RMBS cases include a ruling in the Franklin case pending in Texas state court denying defendants’ motion for summary judgment and setting the case for trial in March 2015. In the coordinated proceedings in the Countrywide Multidistrict Litigation (“MDL”) in the United States District Court for the Central District of California, the MDL court dismissed the cases and claims out of Franklin on statute of limitations grounds. The FDIC as Receiver appealed that decision to the United States Court of Appeals for the Ninth Circuit (“Ninth Circuit”). In the Colonial and UWB cases that were pending as part of the MDL, the court denied the defendants’ motions for summary judgment, and the Judicial Panel for Multidistrict Litigation returned those cases to courts in Alabama and Colorado, respectively, for trial.

During 2014 D&O liability insurance companies, principally Progressive Casualty Insurance Company (“Progressive”) and Travelers Indemnity Company (“Travelers”), continued to assert that their insurance policies do not provide insurance coverage for FDIC D&O liability claims. These insurers contested claims in 24 cases, 5 of which were filed in 2014. In these lawsuits, the insurance carriers typically seek declarations that the insured v. insured exclusion and a carve-out from the definition of “Loss” for unpaid loans preclude coverage for FDIC claims. In 2014 courts issued three favorable rulings and no unfavorable rulings on these issues. In the first appellate decision out of the recent crisis on these issues, the Eleventh Circuit on December 17 held that the insured v. insured exclusion in a Travelers policy was ambiguous and reversed and remanded the district court’s contrary finding that there was no coverage for the FDIC’s D&O liability lawsuit out of Community Bank and Trust, Cornelia, Georgia. The Eleventh Circuit also affirmed the trial court’s ruling that the unpaid loan carve-out was ambiguous. On July 9 the United States District Court for Puerto Rico held that an insured v. insured exclusion in a policy issued by AIG Insurance Company did not apply to the FDIC in a D&O liability case out of Westernbank Puerto Rico, Mayaguez, Puerto Rico. On October 8 the United States District Court for the Central District of California held that both the insured v.

insured exclusion and the unpaid loan carve-out in a Travelers policy were inapplicable to the FDIC's claims in its D&O case out of Pacific Coast National Bank, San Clemente, California. Travelers appealed this decision to the Ninth Circuit.

BancInsure, Inc. (now known as Red Rock Insurance Company ("Red Rock")), also continued to challenge D&O liability coverage in six cases (one of which was filed in 2014) under its unique form of the insured v. insured exclusion. Unlike insured v. insured exclusions from almost all other carriers, the BancInsure form of the exclusion explicitly includes the word "receiver" among the entities for which coverage is excluded. On August 21 the Oklahoma District Court of Oklahoma County placed Red Rock into receivership and ordered its liquidation after finding that it was insolvent. In 2014 three decisions, one favorable and two unfavorable, addressed the BancInsure insured v. insured exclusion. On February 27 and April 7 the United States District Courts for Kansas and for the Eastern District of California, respectively, issued unfavorable orders holding that the BancInsure insured v. insured exclusion precludes coverage for the FDIC's D&O claims out of The Columbian Bank and Trust Company, Topeka, Kansas, and County Bank, Merced, California. On March 28, 2014, the FDIC appealed the Kansas court's ruling to the Tenth Circuit. The County Bank case remains pending in the district court. On June 16 the United States District Court for the Central District of California found the exclusion to be ambiguous and thus to not exclude coverage for the FDIC's claims against former directors and officers of Security Pacific Bank, Los Angeles, California. Red Rock appealed this decision to the Ninth Circuit. Staff is continuing its appeals in the BancInsure cases and also is pursuing its claims in the Red Rock receivership.

#### PLU Workload and Staffing at Year-End

During 2014, 18 FDIC-insured financial institutions failed, 9 of which were headquartered in three states, Illinois (5), Maryland (2), and Oklahoma (2). The largest institution to fail was The National Republic Bank of Chicago, Chicago, Illinois, which failed on October 24 with \$954.4 million in assets. These 18 failures brought total institution failures since the beginning of 2007 to 510.

These 510 failures on average also were relatively large in size, since their assets at failure totaled \$692.01 billion. While these 510 failed institutions constitute only 21.79 percent of the total number of 2,341 institutions that failed during the previous failing bank and thrift crisis spanning 13 years from 1982 to 1994, the total assets of \$692.01 billion associated with these 510 failed institutions are 105.32 percent of the \$657.09 billion in total assets associated with the 2,341 failures from the prior crisis.<sup>3</sup>

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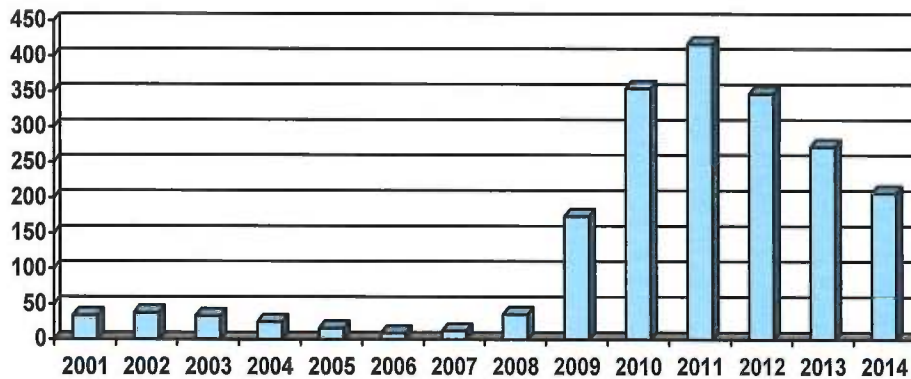
<sup>3</sup> The average asset size of these 510 failed institutions is \$1.40 billion. Even excluding WaMu, which failed in 2008 with \$307 billion in assets, the average asset size of the 509 remaining failed institutions is \$756.36 million – still nearly three times the average \$281 million asset size of the 2,341 institutions that failed during the 1982-1994 crisis.

The FDIC's Division of Insurance and Research have reviewed and approved the data in this memorandum on numbers of failed institutions and associated assets.



Given their large average size and greater complexity, these 510 failures in the past eight years have resulted in a very substantial increase in PLU’s workload since 2007. Even though the rate of institution failures continued to decline in 2014, PLU’s overall workload, as measured by five workload drivers and accounting in particular for the significantly greater work required to manage its growing litigation caseload, remained elevated and was still very heavy during 2014. However, the nature of PLU’s workload also is changing – litigated cases make up an increasingly larger part of PLU’s workload while investigations make up a slowly decreasing part. For each institution that fails, PLU opens 11 different types of investigations, although most are soon closed once it becomes clear that no viable claims exist.<sup>4</sup> As of September 1, 2007, PLU had 49 open institutions in its inventory (39 of which were open solely for the limited purpose of monitoring collections from judgments and structured settlements), 8 professional liability lawsuits, 3 related lawsuits, 0 MMF lawsuits, 12 open investigations, and 95 active collection matters.<sup>5</sup> As of year-end 2014, PLU had 244 open institutions, 37 of which are open for collections only, 102 pending professional liability lawsuits, 16 additional related lawsuits, 75 MMF lawsuits, 511 open investigations,<sup>6</sup> and 78 active collection matters.

**Institutions With Open Investigations or Lawsuits at Year-End**  
(Excludes Institutions Open Only for Collection)



To handle its substantially increasing workload, PLU began increasing its staff significantly starting in the second half of 2008. From a single office in Virginia Square that had

<sup>4</sup> The 11 types of investigations are: (1) D&O, (2) fidelity bond, (3) MMF, (4) attorney, (5) accountant, (6) appraiser, (7) RMBS and other securities, (8) commodities, (9) insurance, (10) insurance issuer, and (11) other. Some institutions have multiple matters open. For example, a single bank may have a pending D&O lawsuit, a pending bond lawsuit, and an active MMF investigation.

<sup>5</sup> For PLU management purposes, a failed institution is “open” in PLU while PLU is working on any matter relating to that failed institution. All institutions in PLU’s inventory are failed institutions.

<sup>6</sup> An “open investigation” in PLU’s inventory refers to the fact that PLU routinely opens 11 investigations for each failed institution but then “closes” each investigation as it either determines that there is no claim worth pursuing or settles the associated claim. An “open investigation,” therefore, is an investigation in PLU’s inventory that is still active because it has not been settled or otherwise terminated.

17 total staff including 2 managers in January 2008,<sup>7</sup> PLU, as of year-end 2014, had 50 total staff in two offices – Virginia Square and the Dallas Regional Office in Dallas, Texas. PLU is in the process of hiring additional attorneys and support staff to replace a number of term employees that left PLU recently for other agencies, the private sector, other FDIC offices, or to retire.

### Conclusion

During 2014 the FDIC's professional liability program continued to operate cost-effectively recovering a total of \$1,142,727,799 and incurring total expenses of \$119,841,727 as PLU and DRR continued to devote substantial resources to the elevated number of professional liability investigations and litigation cases arising from the 510 failures that have occurred since the beginning of 2007 through 2014.

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<sup>7</sup> Included in this number is one paralegal who was on detail to another unit in 2008 and three support staff who, for administrative purposes, were assigned to the Professional Liability and Financial Crimes Section, but who primarily performed professional liability duties.

**APPENDIX A**  
**FDIC PROFESSIONAL LIABILITY RECOVERIES AND EXPENSES (\$ MILLIONS)**

	Recoveries <sup>8</sup>	In-House PLU Expenses	DRR Expenses	Outside Counsel Expenses	Total Expenses <sup>9</sup>	Ratio of Recoveries to Outside Counsel Expenses	Ratio of Recoveries to Total Expenses
2014	\$1,142.7	\$13.3	\$16.3	\$90.1	\$119.8	12.68 to 1	9.54 to 1
2013	\$674.2	\$13.5	\$36.8	\$94.2	\$144.6	7.16 to 1	4.66 to 1
2012	\$337.3	\$12.6	\$29.3	\$68.1	\$110.1	4.96 to 1	3.06 to 1
2011	\$231.9	\$12.0	\$62.3	\$64.7	\$139.5	3.58 to 1	1.66 to 1
2010	\$79.4	\$10.1	\$102.5	\$47.2	\$160.8	1.68 to 1	0.49 to 1
2009	\$47.1	\$5.2	\$35.9	\$11.3	\$52.9	4.18 to 1	0.89 to 1
2008	\$31.3	\$2.0	\$5.3	\$2.4	\$9.7	13.1 to 1	3.23 to 1
2007	\$47.1	\$2.0	\$7.7	\$2.3	\$5.0	20.62 to 1	9.40 to 1
2006	\$34.5	\$2.6	\$9.9	\$3.7	\$7.2	9.30 to 1	4.80 to 1
2005	\$122.2	\$3.4	\$1.1	\$3.9	\$8.5	31.04 to 1	14.38 to 1
2004	\$79.0	\$4.0	\$3.1	\$9.0	\$16.2	8.79 to 1	4.88 to 1
2003	\$59.9	\$3.5	\$3.0	\$13.7	\$20.2	4.38 to 1	2.96 to 1
2002	\$49.1	\$3.2	\$2.8	\$13.1	\$19.1	3.75 to 1	2.57 to 1
2001	\$128.6	\$3.4	\$2.1	\$10.5	\$16.0	12.25 to 1	8.04 to 1
2000	\$54.4	\$4.0	\$2.7	\$14.0	\$20.7	3.89 to 1	2.63 to 1
1999	\$84.2	\$5.8	\$3.2	\$17.4	\$26.4	4.84 to 1	3.19 to 1
1998	\$186.5	\$5.8	\$4.2	\$21.9	\$31.9	8.52 to 1	5.85 to 1
1997	\$156.8	\$7.8	\$2.3	\$29.1	\$39.2	5.39 to 1	4.00 to 1
1996	\$195.9	\$15.8	\$4.0	\$48.1	\$67.9	4.07 to 1	2.89 to 1
1995	\$563.9	\$14.0	\$5.3	\$98.1	\$117.4	5.68 to 1	4.75 to 1
1994	\$909.9	\$17.7	\$11.2	\$135.5	\$164.4	6.72 to 1	5.53 to 1
1993	\$1,231.2	\$18.4	\$17.9	\$187.3	\$223.6	6.57 to 1	5.51 to 1
1992	\$972.6	\$15.7	\$16.6	\$179.3	\$211.6	5.42 to 1	4.60 to 1
1991	\$425.2	\$11.7	\$7.7	\$183.7	\$203.1	2.31 to 1	2.09 to 1
1990	\$374.3	\$6.1	\$5.2	\$94.8	\$106.1	3.95 to 1	3.53 to 1
1989	\$152.1	\$4.5	\$4.5	\$32.0	\$41.0	4.75 to 1	3.71 to 1
1988	\$90.0	\$1.4	\$3.7	\$20.8	\$25.9	4.33 to 1	3.47 to 1
1987	\$71.5	\$1.1	\$4.3	\$15.2	\$20.6	4.70 to 1	3.47 to 1
1986	\$83.3	\$1.0	\$3.0	\$10.9	\$14.9	7.64 to 1	5.59 to 1
<b>Total</b>	<b>\$8,616.10</b>	<b>\$221.60</b>	<b>\$397.90</b>	<b>\$1522.30</b>	<b>\$2144.30</b>	<b>5.66 to 1</b>	<b>4.02 to 1</b>

<sup>8</sup> Recoveries comprise all FDIC, Resolution Trust Corporation (“RTC”), and Federal Savings and Loan Insurance Corporation (“FSLIC”) recoveries.

<sup>9</sup> The following expenses are unavailable and are not included: all FSLIC fees and expenses for 1986-1988; FSLIC in-house (legal and investigation) expenses for 1989; and RTC in-house expenses (1989-1995). DRR investigation expenses (shown in column 4) for all years before 1998 are staff compensation only (and exclude other direct costs). In-house expenses for all years shown exclude overhead.