

MESSAGE FROM THE ACTING CHAIRMAN



March 20, 2025

In 2024, the FDIC remained committed to performing its vital mission to maintain stability and public confidence in the U.S. financial system. At the center of this work are the FDIC's efforts to insure deposits and responsibly manage the Deposit Insurance Fund (DIF), conduct on-site examinations at banks to promote safety and soundness and compliance with laws and regulations, and resolve failed banks. Since the creation of the FDIC over 91 years ago, no depositor with FDIC-insured funds has ever lost a single penny due to a bank failure. As Acting Chairman, I look forward to continuing to uphold this tradition.

The banking industry finished 2024 with strong earnings and generally favorable asset quality metrics, despite weaknesses in certain portfolios. Capital and liquidity levels also remained strong overall.

The health of the DIF continues to improve coming out of the 2023 bank failures. The DIF balance increased \$4.0 billion in the fourth quarter of 2024, marking its seventh consecutive quarterly increase. As of year-end 2024, the reserve ratio for the DIF stood at 1.28 percent, well on the path to achieving the statutory minimum of 1.35 percent by 2026, based on current estimates.

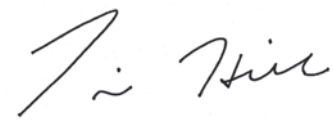
Looking ahead, I expect the FDIC to have an active policy agenda, including reforms to the FDIC's approach to supervision, technology and innovation, and de novo and merger transactions. More broadly, I expect that our reform agenda will promote a vibrant, growing economy, while still ensuring a safe and sound banking system.

The FDIC also remains committed to successfully executing on its cultural transformation. Most fundamentally, we must have a fair, credible, trusted process to hold employees accountable for misconduct. More broadly, we will continue our work to ensure a safe and accountable work environment for all employees.

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2025 will undoubtedly be a year of change and opportunity for the FDIC, and I am confident that the FDIC and its dedicated employees will remain focused on the FDIC's important mission and continue to proudly serve the American people.

Sincerely,

A handwritten signature in black ink, appearing to read "Travis Hill". The signature is fluid and cursive, with the first name "Travis" written in a larger, more prominent script than the last name "Hill".

Travis Hill