

# WATCHLIST REPORT

*"A CUSTOM-COMPILED REPORT ON YOUR BANKS,  
THRIFTS AND CREDIT UNIONS"*



**VERIBANC<sup>®</sup>, Inc.**  
**The B.E.S.T. Banking Investment**  
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## FOREWORD

Since our beginning in 1981 VERIBANC<sup>®</sup> has never been paid by any institution to rate it. Following our standards of independence and zero tolerance for bias, no Bank, Thrift, or Credit Union is paying us to provide this information. You can be assured you are getting the **B.E.S.T.** rating's and financial information with VERIBANC<sup>®</sup>'s guarantee: there is no potential for conflict of interest.

### THE B.E.S.T. . . . .

**Balanced** - our rating system blends predictability of bank failure with bank ratings degradation. This balance provides unmatched performance that has actually tracked the condition of the banking industry.

**Effective** - VERIBANC's ROR (Return On Ratings) is over 99 percent. We are able to detect banking problems with a high degree of reliability.

**Seasoned** - over the past twenty-four years (through the difficult and the good times of the banking industry) our rating system has produced remarkably consistent results.

**Transparent** - we are the only bank rating company that has always published our track record. Because of our transparency, several insurance companies have audited and approved its use for insuring deposits in excess of the FDIC's \$100,000 limit.

Thank you for your interest in the information VERIBANC<sup>®</sup> provides. We hope you find this report useful and as always, your thoughts on any improvements are welcome.

Sincerely,  
VERIBANC<sup>®</sup>, Inc.



Michael M. Heller  
President

# VERIBANC<sup>®</sup>, Inc.

## WATCHLIST REPORT

### INTRODUCTION

VERIBANC<sup>®</sup> is pleased to present you with our Watchlist Report. The Watchlist Report is similar to our State Ratings Report in style and information content. However, it is custom-configured to the list of institutions (priced initially for one to fifty institutions) that you provide.

The listing of banks, savings associations (also known as "S&Ls") and/or credit unions in this report is the result of selection operations performed on data supplied by the federal regulatory authorities for more than 17,000 financial institutions in the U.S. and its possessions. Following are the definitions which VERIBANC<sup>®</sup> uses for certain quantities involved in rating the institutions, along with other important information.

### DESCRIPTIONS OF THE INFORMATION ON THE DATA PAGES

In the definitions that follow, the bold type corresponds to the headings on the report data page(s) that list the individual institutions. Abbreviations used on the data page(s) are also shown in bold type.

**Institution Type** indicates if the institution is a **Bank** (regulated by the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency or the Federal Reserve Board), a **Savings Association** (regulated by the Office of Thrift Supervision) or a **Credit Union** (regulated by the National Credit Union Administration). Credit unions which do not have the federal insurance coverage of the National Credit Union Share Insurance Fund have the @ symbol following the institution type code.

**Institution Name** is as carried in regulatory agency records, including abbreviations, if any. Since the amount of space on the report is limited to 32 characters, if the name exceeds that length, it is trimmed accordingly. Should any of the institution names be unclear, we cordially invite you to write or call VERIBANC<sup>®</sup> for clarification. Our address and phone number are listed on the title page of this report.

**City** is also given according to regulatory records. For institutions with one or more branch offices, the indicated city represents either the location of the principal office or the office from which the institution reports to its regulatory authorities.

**State** specifies the postal abbreviation for the state associated with the indicated city.

VERIBANC<sup>®</sup>'s **Color Code** and **Star Rating** system is based on a combination of criteria explained in the pages that follow. The number of institutions in each rating category is given in the graphs section of the report. VERIBANC<sup>®</sup>'s rating accuracy has been proven - - since 1981, more than 99 percent of all failing banks have fallen into VERIBANC<sup>®</sup>'s lower rating categories. Banks that receive special recognition from VERIBANC<sup>®</sup> for meeting unusually high standards and exceptional attention to safety and soundness are identified as "Blue Ribbon Banks". These institutions are denoted with the letter "**B**" following the Green/\*\* rating designation. Banks that

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have received such recognition for eight or more consecutive quarters have the legend "**BB**". **Since 1982, when we began designating banks for this award, only one\* Blue Ribbon Bank has failed.**

**Estimated Regulatory Capital Classification if less than "Well"** capitalized - - The Federal Deposit Insurance Corporation ("FDIC") and Office of Thrift Supervision ("OTS") classify banks and Savings Associations as Well Capitalized (W), **Adequately** Capitalized (A), **Undercapitalized** (UC), **Significantly Undercapitalized** (SU) and **Critically Undercapitalized** (CU). VERIBANC<sup>®</sup> replicates the FDIC and OTS's algorithms to estimate each bank and thrift's capital classification. If the institution is in the well-capitalized category or if it is a credit union, this column is left blank. (Estimated capital classification is not available for credit unions.)

**Recent Regulatory Enforcement Actions?** If the institution has been subject to any enforcement action or sanction made public by the regulatory agencies the most serious and most recent such action is indicated, along with the date of the action. The action is abbreviated by a two letter code, followed by a dash and the date. A table describing the codes and types of enforcement actions follows on page 6.

**Total Assets** include loans, investments, buildings, equipment and all other resources held by the institution. Amounts are expressed in thousands of dollars.

**Equity** is given as a percentage of "Total Assets". Equity measures the amount invested by the institution's stockholders and excludes liabilities to its depositors and other creditors. For mutual institutions and for credit unions, equity is defined as assets less liabilities. Industry-wide distribution information for this measure of capital is presented in the graphics section of the report.

**Net Income for the Reporting Period** is after taxes and extraordinary items. Amounts are expressed in thousands of dollars. For banks, savings associations and credit unions, income is reported quarterly. For banks and credit unions (which report on a year-to-date basis), if net income for the previous period<sup>†</sup> is not available, net income for the quarter and annualized net income, described below, are estimated using the reported year-to-date amount. If such an estimate is used, the entries on the data page(s) are followed with the † symbol. The graphics section of the report contains industry-wide comparison information that indicates the number of profitable and unprofitable institutions.

**Annualized Net Income** is given as a percentage of equity (i.e., return on equity). Net income for the reporting quarter is multiplied by four. Institutions with negative equity have the entry **insolvent**. Institutions with zero or near-zero equity have the legend **N.A.**

**Excess Problem Loans, Securities and Contracts** - - This entry, given as a percentage of equity, considers problem loans, problem debt securities and delinquent interest rate, foreign exchange and other derivative contracts. Instruments that are less than 90 days in arrears are excluded. Credits

\*Fraud committed by the president whereby he was surreptitiously diverting deposits for his personal use.

<sup>†</sup>except for the first reporting period of the year when a prior period's "year-to-date" income is not needed. For banks and credit unions, when needed previous quarter income data is not available, the current reporting quarter's net income for these institutions is estimated by dividing their year-to-date net income by the quarter number.

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which have repayment guaranteed by the U.S. government or its agencies are also excluded (to the extent of the government guarantee) if the guaranteed amounts are stated in the institution's "call report". The loan loss reserve is then subtracted from the sum of the foregoing items. The "excess" amount, which is not allowed to be less than zero, is expressed as a percentage of equity. Institutions with negative equity have the entry "insolvent". Institutions with zero or near-zero equity have the legend N.A. used. Industry-wide comparisons are provided in the graphics section

**Unrecognized Investment Losses** are stated as a percentage of equity. This information, which is not available for savings associations, consists of the difference between the book (amortized cost) and fair market value of securities which a bank intends to hold until maturity. For credit unions, this entry is the book value less the market value of all investments, less the investment loss reserve, if any. Negative values of unrecognized investment losses are set to zero. Banks and credit unions with negative equity have the entry **insolvent**. Those with zero or near-zero equity have the legend **N.A.**

In addition to the situations noted above, if a data item for a particular institution is not available, not applicable or not meaningful, the notation **N.A.** is also used. The footnotes at the bottom of each data page present the applicable reporting date for each type of institution, as well as the corresponding date when the data were released by federal regulators. When VERIBANC<sup>®</sup> prepares reports based on the most recently available information, it is possible for one or two segments of the industry (i.e. banks, savings associations and/or credit unions) to have their data as much as one quarter "behind".

### THE VERIBANC<sup>®</sup> COLOR CLASSIFICATION SYSTEM

The VERIBANC<sup>®</sup> color code is a quick-look measure of an institution's condition based on its equity strength and profitability. Three color categories are used - - green, yellow and red. The criteria applied by VERIBANC<sup>®</sup> to determine the color category assigned to an institution are as follows:

**GREEN**      The institution's equity exceeds five percent of its assets and it was profitable during the most recent reporting quarter. Of the three color categories, this is the highest based on the criteria described.

**YELLOW**     The institution's equity is between three and five percent of its assets or it incurred a net loss during the most recent reporting quarter. Both of these conditions may apply. If there was a net loss, the loss was not sufficient to erode a significant<sup>†</sup> portion of the institution's equity. The items that result in a yellow classification merit your attention.

**RED**            The institution's equity is less than three percent of its assets or it incurred a significant net loss during the most recent reporting quarter (or both). The item or

<sup>†</sup> A quarterly loss is considered significant when it exceeds 18.75 percent of an institution's equity. If a bank, S&L or credit union's loss continues to exceed 18.75 percent of its equity every quarter, the institution could become insolvent within one year of publication of this report. Of course, VERIBANC<sup>®</sup> has no way of knowing whether or not losses at an institution will continue.

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**RED** items that result in a red classification deserve your  
(con't) close attention.

### THE VERIBANC<sup>®</sup> STAR CLASSIFICATION SYSTEM

In addition to the color code, VERIBANC<sup>®</sup> assigns each institution Three Stars (\*\*\*) , Two Stars (\*\*), One Star (\*) or No Stars (none). The star rating considers future trends and contingencies not accounted for in the color classification. The criteria used by VERIBANC<sup>®</sup> to determine the number of stars assigned to an institution are as follows:

\*\*\* The institution must meet the following primary conditions: (1) equity which exceeds five percent of assets, (2) equity which exceeds four percent of assets after deducting problem loans, investments and derivatives contracts in excess of its loan loss reserves, (3) positive net income for the indicated reporting quarter. Banks and S&Ls must also satisfy all three regulatory capital requirements (see following), and must not have any recent, serious regulatory sanctions against them. In addition, insider lending at an institution must not exceed 35 percent of equity. If a bank is owned by a holding company, all of the holding company's banks, taken together as if they were a single bank, must meet the criteria necessary to receive at least a Two Stars rating. An institution may only have two or fewer volatile periods of asset growth/shrinkage over the past ten quarters. For banks and credit unions, problem investments also include investments that, if sold, would realize less than their cost plus specific investment reserves.

\*\* The institution meets any two of the three primary conditions for the Three Stars category and has equity that exceeds its unreserved problem loans, investments and derivatives contracts. If the institution had a net loss during the most recent reporting quarter, the loss was not significant. Banks and S&Ls must also satisfy all three regulatory capital requirements (see below), and must not have any recent, serious regulatory sanctions against them. Additionally, if a bank is owned by a holding company, all of the holding company's banks, taken together as if they were a single bank, must meet the criteria necessary to receive at least a Two Stars rating. A Two Stars rating is applied to an institution that has three volatile periods of asset growth/shrinkage over the past ten quarters. For banks and credit unions that have investments with a current market value that is less than their cost, that difference must not exceed equity plus specific investment reserves.

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\* The institution meets at least one of the primary conditions required for the Three Stars category, reports equity which exceeds three percent of assets and also exceeds unreserved problem loans, securities and derivatives contracts. If the institution had a net loss during the most recent reporting quarter, the loss was not significant. Moreover, if the institution is a bank or S&L, it meets at least two of the three federal capital requirements for tier one (core) capital and total capital as a percentage of risk-weighted assets and tier one capital as a percentage of average assets. A bank may receive no higher than a One Star rating if it has been subject to a serious regulatory sanction, or if all of the banks in its holding company, taken together as if they were a single bank, receive a One Star or No Stars rating. A One Star rating is assigned if an institution has four or more volatile periods of asset growth/shrinkage over the past ten quarters. Also, a bank or credit union may receive a One Star rating if, absent other reasons for downrating as stated above, the difference between the cost and current market value of its investments exceeds the institution's equity plus specific investment reserves.

**NO STARS** The institution does not meet the criteria stated above.

### ENFORCEMENT ACTION CATEGORIES AND CODES

<u>Enforcement Action Type</u>	<u>Description</u>
CC	Prompt Corrective action/Capital directives
CD	Cease and Desist orders, either against an institution or one or more of its employees. This is one of the most serious forms of regulatory discipline. When a cease and desist order is indicated, you should check with personnel at the institution to determine whether the order is against the institution itself or against individual employee(s).
CF	Penalties, usually Fines, for infractions associated with filing Call reports
CP	Cease and Desist order against an affiliated Person or entity

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### ENFORCEMENT ACTION CATEGORIES AND CODES (CONTINUED)

<u>Enforcement Action Type</u>	<u>Description</u>
DI	Proceedings that threaten termination or that actually terminate <b>D</b> eposit <b>I</b> nsurance
EN	Termination, withdrawal, completion, expiration or otherwise <b>E</b> nding of a previous enforcement action
EX	Amendment, modification, <b>E</b> Xtension or continuation of a previous enforcement action. Also this action may include cancellation of an enforcement action if the cancellation occurs after an institution has been closed, i.e. if the action represents only "regulatory bookkeeping". If the continuing action is a "cease and desist" order, then category CD is automatically activated as well.
FA	<b>F</b> ormal <b>A</b> greements/supervisory agreements, consent orders
FN	Other <b>F</b> i <b>N</b> es
FP	<b>F</b> ine levied against a <b>P</b> erson (rather than an institution)
HM	Sanctions associated with violations of the <b>H</b> ome <b>M</b> ortgage Disclosure Act
MO	Formal <b>M</b> em <b>O</b> randum of understanding
OP	<b>O</b> ther actions against an individual <b>P</b> erson (rather than an institution)
OT	<b>O</b> T <b>H</b> er (e.g., hearing notices) - - if there are multiple "other actions for an institution effective on the same day, the most severe enforcement action designation is entered.
PR	Removal, dismissal, suspension actions or other Sanctions against the institution's <b>P</b> e <b>R</b> sonnel, including Orders prohibiting individuals from future activity in the Banking field.
RP	<b>R</b> estitution by an individual <b>P</b> erson (rather than an institution)

## VERIBANC<sup>®</sup>, Inc.

### ENFORCEMENT ACTION CATEGORIES AND CODES (CONTINUED)

<u>Enforcement Action Type</u>	<u>Description</u>
RS	Order requiring an institution (prior to 1998 may include individuals associated with it) to make <b>ReStitution</b> to the institution, to regulatory authorities or to customers.

### OTHER IMPORTANT INFORMATION

VERIBANC<sup>®</sup> emphasizes that it does not express an opinion, or give advice or a warranty, as to the strength of the institutions listed in this report. Our clients are cautioned that other criteria, objective and subjective, which state and federal bank regulators do not release to the public as a matter of course, may be important in assessing the strength of the financial firms on the list. The list of institutions herein is intended only as a brief guide for our clients and the information contained in them should not be considered or relied upon as representing the complete financial picture of any of the listed institutions.

VERIBANC<sup>®</sup> has extensive additional data for each of the banks listed on the page(s) which follow(s), including data on cash flow, balance sheets, past due and problem loans, repossessed real estate and all of the items released in the regulatory call reports. If you believe that additional information is necessary, VERIBANC<sup>®</sup> invites you to contact us for a quotation on your additional data needs.

Other special factors that apply to this list are described below:

- This report is in no way representative of the banking, thrift or credit union industry as a whole, or of any institutions other than those named.
- The information contained in this report has been derived from data released by the Federal Regulators that in turn have received their information from the banks, thrifts and credit unions themselves. Since VERIBANC<sup>®</sup> has not independently verified the data on which this report is based, it makes no warranty or representation as to its accuracy, adequacy or completeness.
- The data upon which this report is based is considered by the regulatory agencies to be preliminary. As such, it is subject to revision, amendment, rounding, forced balancing, correction of transcription errors and other adjustments.
- The information provided in this report is for the fiscal period stated on the data page(s) of the report. The date these data were released by the regulatory agencies to VERIBANC<sup>®</sup> is also indicated on the report data page(s). Other data exist, not available to VERIBANC<sup>®</sup> which provide similar, more current information about the institutions named in the report. This other data, when available, may materially change the amounts and indicators herein.

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- VERIBANC<sup>®</sup> does not give warranty or advice, nor does it express an opinion, as to the financial condition of any financial institution. Accordingly, the report should not be taken to mean that VERIBANC<sup>®</sup> or the federal regulatory authorities consider any of the institutions mentioned herein to be either financially strong or in difficulty. The assessments of the Federal Reserve Board, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the Office of Thrift Supervision or the National Credit Union Administration on the financial viability of any one financial institution are not known to VERIBANC<sup>®</sup>. A review of the other data and criteria considered by federal regulators in assessing the financial condition of banks may be important in determining the condition of the institutions described in this report.

VERIBANC<sup>®</sup> invites you to recheck the ratings of your banks, thrifts, and credit unions when the next set of data is released by the government regulatory agencies. The approximate dates when new information is expected to replace VERIBANC<sup>®</sup>'s current data on banks, savings banks, thrifts and credit unions are:

First Quarter (ending March 31) data are usually released by June 15,  
Second Quarter (ending June 30) data are usually released by September 15,  
Third Quarter (ending September 30) data are usually released by December 15,  
Fourth Quarter (ending December 31) data are usually released by March 15.

VERIBANC<sup>®</sup> HOPES YOU FIND THIS REPORT USEFUL  
AND WELCOMES YOUR COMMENTS

WATCHLIST REPORT PREPARED FOR: SAMPLE BANK, USA

Inst. Type	Institution Name	City	State	Color Code and Star Rating	Estimated Regulatory Capital Classification if less than "Well"	Recent Regulatory Enforcement Actions?	Total Assets (\$000)	Equity (% of Assets)	Net Income For Reporting Period (\$000)	Annualized Net Income (% of Equity)	EPL (% of Equity)	Unrecognized Investment Losses (% of Equity)
BK	GREENWICH	CT		Green/***	BB		3,539,067	21.7	21,491	11.19	0.00	0.00
BK	CHARLOTTE	NC		Green/***		PR-08/25/05	477,994,000	9.8	1,497,000	12.73	0.00	0.00
BK	MAHWAH	NJ		Green/***			9,041,142	7.0	18,695	11.71	0.00	3.13
BK	MARLTON	NJ		Green/***	B		2,175,195	14.7	5,397	6.72	0.00	0.00
SA	PENNINGTON	NJ		Green/***			199,862	27.4	2,537	18.48	0.00	N.A.
BK	PLAINSBORO	NJ		Green/***			10,345,540	7.2	87,494	46.72	0.00	0.00
BK	BOYERTOWN	PA		Green/***	BB	PR-06/30/05	4,523,748	11.4	15,735	12.14	0.00	0.33
BK	COATESVILLE	PA		Green/***			279,033	5.6	189	4.76	3.21	3.15
BK	DOWNINGTOWN	PA		Green/***	B		457,213	7.5	740	8.58	0.00	1.63
BK	LANCASTER	PA		Green/**			4,562,327	7.0	16,489	20.40	0.00	0.00
SA	MAPLE GLEN	PA		Green/***	Adequately		1,589,647	11.2	1,528	3.40	0.00	N.A.
BK	PHILADELPHIA	PA		Green/***	B		34,050,148	12.9	61,068	5.55	0.00	0.00
BK	PHILADELPHIA	PA		Green/***		PR-08/01/05	32,698,282	5.6	94,488	20.48	0.00	7.03
BK	PHOENIXVILLE	PA		Green/***			170,930	7.0	173	5.77	0.00	0.00
SA	PHOENIXVILLE	PA		Green/***			306,750	11.8	287	3.17	0.00	N.A.
BK	RADNOR	PA		Green/***			131,662	11.8	1,372	35.32	0.00	0.00
CU	THORNDALE	PA		Green/***			1,029,642	8.7	2,893	12.80	2.62	0.00
BK	VILLANOVA	PA		Green/***			886,934	9.7	2,451	11.30	0.00	0.00
BK	WEST CHESTER	PA		Green/***			833,114	7.9	2,070	12.49	0.00	0.00
SA	WYOMISSING	PA		Green/***			62,918,260	10.4	192,894	11.73	0.00	N.A.
BK	SALT LAKE CITY	UT		Green/***			58,789,582	9.6	279,008	19.63	0.31	0.00

Bank("BK") Reporting Date: 09/30/2005

Savings Association("SA") Reporting Date: 09/30/2005

Credit Union("CU") Reporting Date: 06/30/2005

For explanations of symbols and abbreviations: B, BB, BK, CU, EPL, SA, regulatory enforcement action codes and capital categories, please see explanatory pages of this report.

IMPORTANT - FOR YOUR OWN PROTECTION, PLEASE READ THE REVERSE SIDE OF THIS PAGE AND THE EXPLANATORY PAGES OF THIS REPORT

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Federal Regulators' Release Date: 11/25/2005

Federal Regulator Release Date: 11/17/2005

National Credit Union Administration Release Date: 09/01/2005

Latest Ratings Updated through 12/19/2005

Latest Ratings Updated through 12/19/2005

Latest Ratings Updated through 12/19/2005

TERMS AND CONDITIONS

The information contained in this electronic information storage file (the "data set") has been derived from data released by federal government bank, savings and loan association and/or credit union regulatory agencies, which have, in turn, received their information from the institutions which they regulate. Since VERIBANC, Inc. ("VERIBANC") has not verified independently the data on which the data set is based, VERIBANC makes no warranty, expressed or implied, or representation as to the accuracy, adequacy or completeness of the information contained in the data set. VERIBANC EXPRESSLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE which may exist with respect to the data set. VERIBANC further disclaims any and all liability for incidental or consequential damages. Your sole and exclusive remedy against VERIBANC, should any information contained in this data set be inaccurate to your detriment, is limited to the return of the purchase price paid by you for the data set.

Since the information contained herein is based on federal regulatory agency reports released at substantial intervals, and since the financial condition of the institution(s) described herein may be subject to change within short periods of time, please consult the appropriate portions of the data set and/or ancillary VERIBANC-supplied documentation for the date when the data was last released by the appropriate federal agency. Please check with VERIBANC or the management of the institution(s) for additional, updated information should you deem that advisable.

The data set was prepared by VERIBANC at your specific request and for your own purposes. The data set is copyrighted and the ratings terminology is protected by trademark. You are cautioned that copying, or displaying, selling, distributing or otherwise transferring the data set, or any part of it, to any person, without the written consent of VERIBANC, is prohibited by law. Due to the sensitive nature of the information contained in the data set, VERIBANC urges you not to disclose the information to any person. In receiving the data set, you agree to indemnify VERIBANC, and to hold VERIBANC harmless, including all attorney's fees, from and against any claim or cause of action asserted against VERIBANC by any person to whom the data set or the information contained therein is distributed or made known by you.

PLEASE READ CAREFULLY THE ACCOMPANYING EXPLANATORY PAGES  
WHICH ARE AN INTEGRAL PART OF THIS DATA SET.

## VERIBANC, Inc.

### NUMBER OF FDIC-INSURED BANKS IN EACH COLOR CODE AND STAR RATING CATEGORY

Data are for the reporting quarter ending March 31, 2010  
The Federal Regulators' released the data in May, 2010

#### STAR RATINGS

		THREE STARS	TWO STARS	ONE STAR	NO STARS
COLOR CODE	GREEN	4650	574	586	31
	YELLOW	N.A.*	521	523	141
	RED	N.A.*	N.A.*	N.A.*	150

#### HOW TO USE THE GRAPH

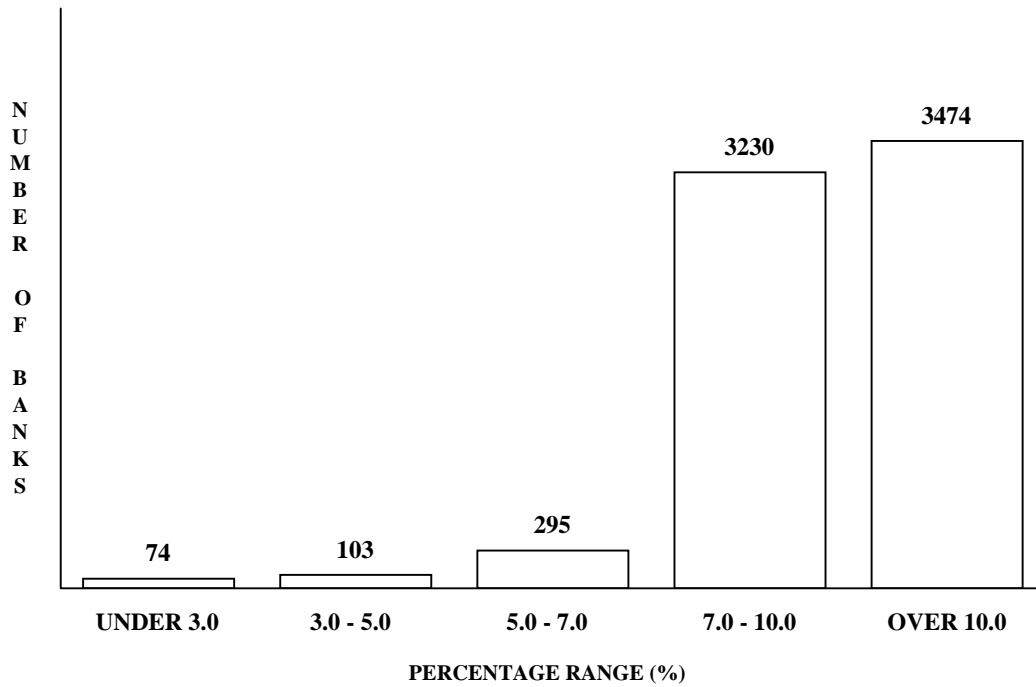
Each entry in the table indicates how many banks are in the color category given at the left of the row and the star category stated at the top of the column. Note most of the banks are classified with ratings of Green with three-stars (64.8 percent of reporting banks). At the opposite extreme, 2.09 percent of all institutions receive VERIBANC's lowest Red, no-stars ratings.

\* These ratings do not apply to banks.

**VERIBANC, Inc.**

**EQUITY AS A PERCENTAGE OF ASSETS  
FOR ALL FDIC-INSURED BANKS**

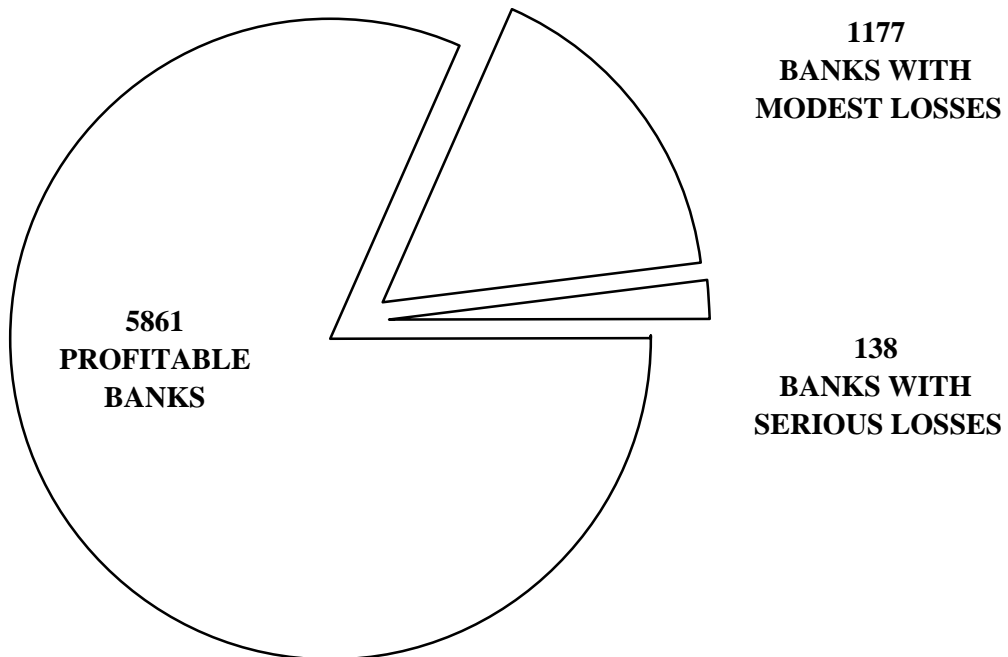
Data are for the reporting quarter ending March 31, 2010  
The Federal Regulators' released the data in May, 2010



**VERIBANC, Inc.**

**PROFITS AND LOSSES AT  
ALL FDIC-INSURED BANKS**

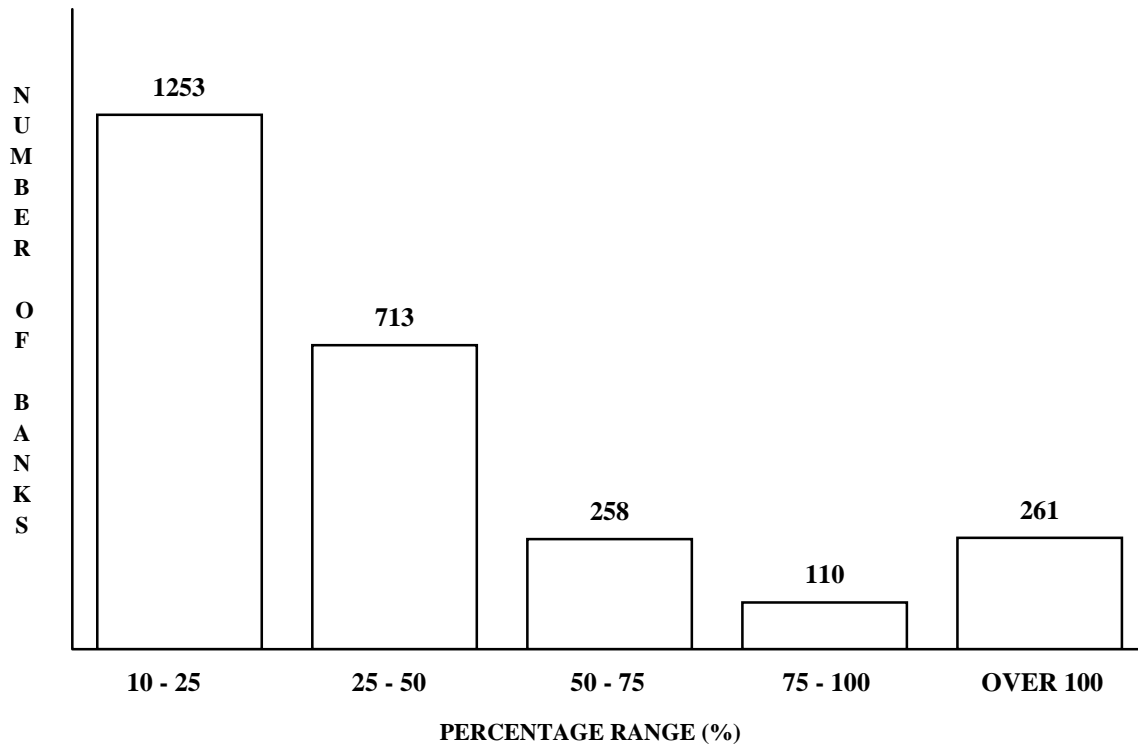
Data are for the reporting quarter ending March 31, 2010  
The Federal Regulators' released the data in May, 2010



**VERIBANC, Inc.**

**FDIC-INSURED BANKS WITH EXCESS PROBLEM LOANS  
SECURITIES AND CONTRACTS\* MORE THAN  
TEN PERCENT OF EQUITY**

Data are for the reporting quarter ending March 31, 2010  
The Federal Regulators' released the data in May, 2010



\* Excess problems loans, securities and contracts are defined as items 90 days or more past due, in nonaccrual status or renegotiated/restructured, less the loan loss reserve balance and amounts guaranteed by the U.S. government. Note the graph excludes banks that do not have excess problem loans, securities and contracts or for which these items comprise less than 10% of equity.

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## NUMBER OF CREDIT UNIONS IN EACH COLOR AND STAR RATING CATEGORY

Data are for the reporting quarter ending March 31, 2010  
The National Credit Union Administration released the data in June, 2010

### STAR RATINGS

		THREE STARS	TWO STARS	ONE STAR	NO STARS
COLOR CODE	GREEN	3955	534	324	9
	YELLOW	N.A*	2429	274	34
	RED	N.A*	N.A*	N.A*	92

### HOW TO USE THE GRAPH

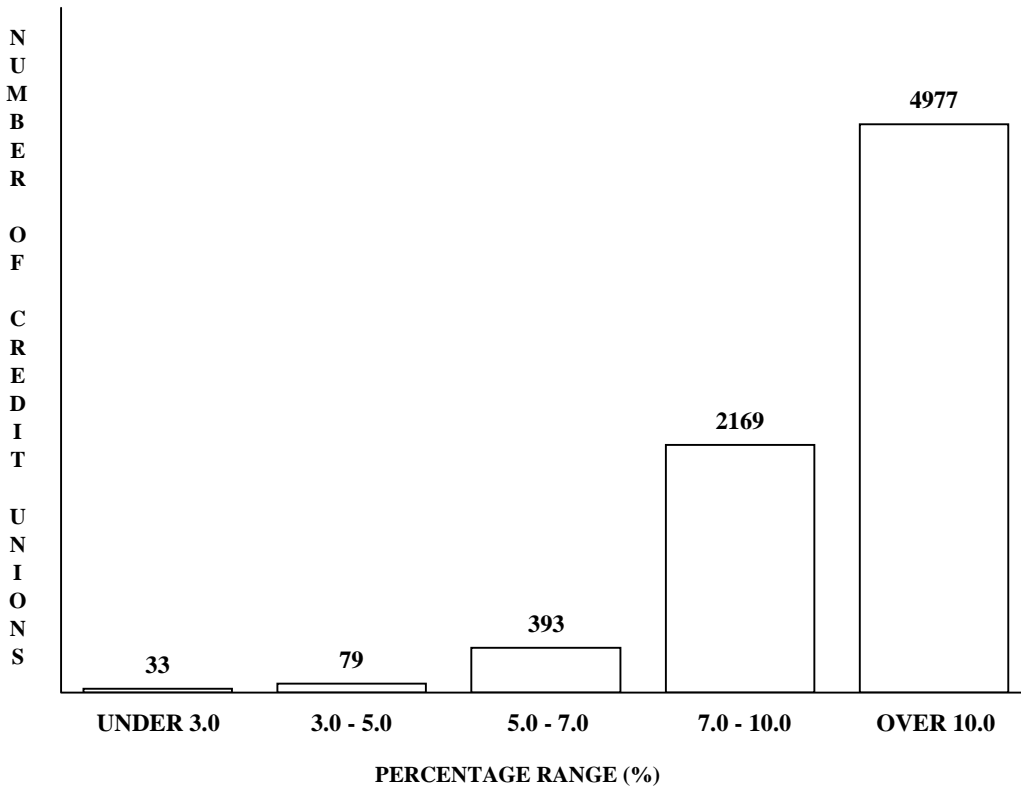
Each entry in the table indicates how many credit unions are in the color category given at the left of the row and the star category stated at the top of the column. Note the majority of the credit unions are classified with ratings of Green with three-stars (51.7 percent of all reporting credit unions). At the opposite extreme, 1.2 percent of all institutions received VERIBANC's lowest, Red, no-stars rating.

\* These ratings do not apply to credit unions

**VERIBANC, Inc.**

**EQUITY AS A PERCENTAGE OF ASSETS  
AT ALL NCUA-INSURED CREDIT UNIONS**

Data are for the reporting quarter ending March 31, 2010  
The National Credit Union Administration released the data in June, 2010

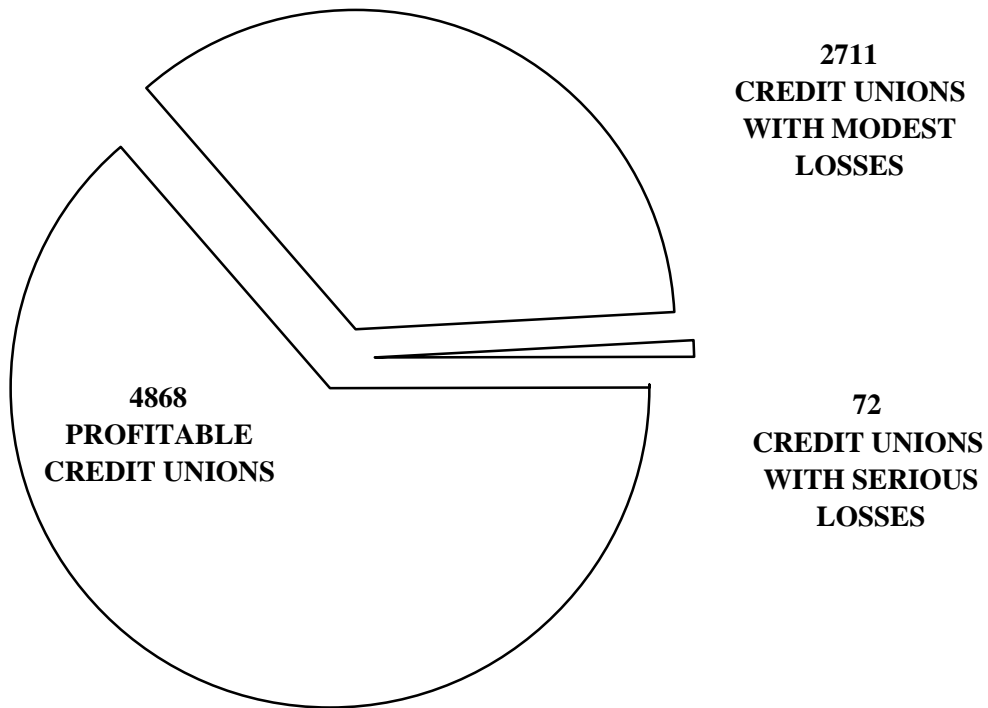


\*Plus a modest number of non-federally insured credit unions that file call reports with the NCUA.

**VERIBANC, Inc.**

**PROFITS AND LOSSES FOR ALL  
FEDERALLY- INSURED\* CREDIT UNIONS**

Data are for the reporting quarter ending March 31, 2010  
The National Credit Union Administration released the data in June, 2010

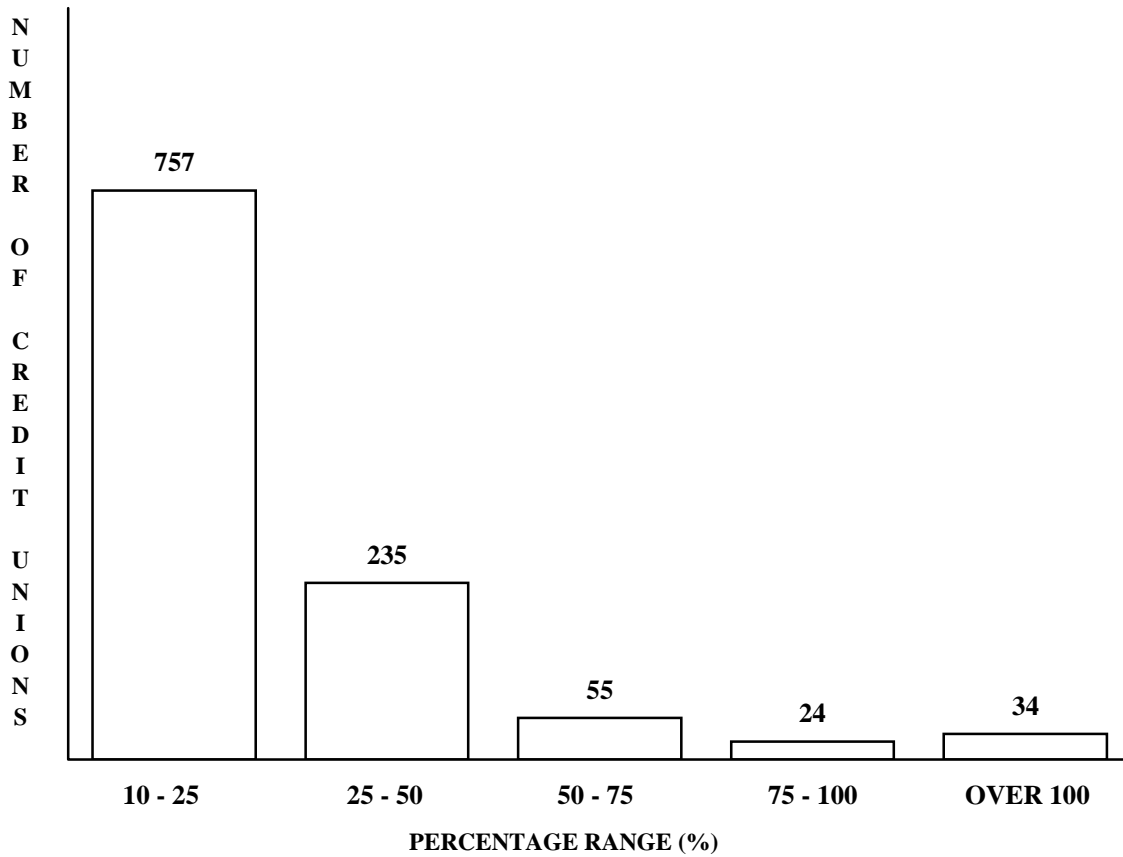


\* Plus a modest number of non-federally insured credit unions that file call reports with NCUA.

# VERIBANC, Inc.

## FEDERALLY-INSURED\* CREDIT UNIONS THAT HAVE EXCESS PROBLEM LOANS† OVER TEN PERCENT OF EQUITY

Data are for the reporting quarter ending March 31, 2010  
The National Credit Union Administration released the data in June, 2010



\*Plus a modest number of non-federally insured credit unions that file call reports with the NCUA.

† Excess problem loans are defined as credits 60 days or more past due, less the loan loss reserve balance. Note the graph excludes credit unions that do not have excess problem loans or those for which such items are less than 10% of equity.

## VERIBANC, Inc.

### NUMBER OF SAVINGS ASSOCIATIONS IN EACH COLOR CODE AND STAR RATING CATEGORY

Data are for the reporting quarter ending March 31, 2010  
The Federal Regulators released the data in May, 2010

#### STAR RATINGS

		THREE STARS	TWO STARS	ONE STAR	NO STARS
COLOR CODE	GREEN	472	37	61	3
	YELLOW	N.A.*	85	60	25
	RED	N.A.*	N.A.*	N.A.*	14

#### HOW TO USE THE GRAPH

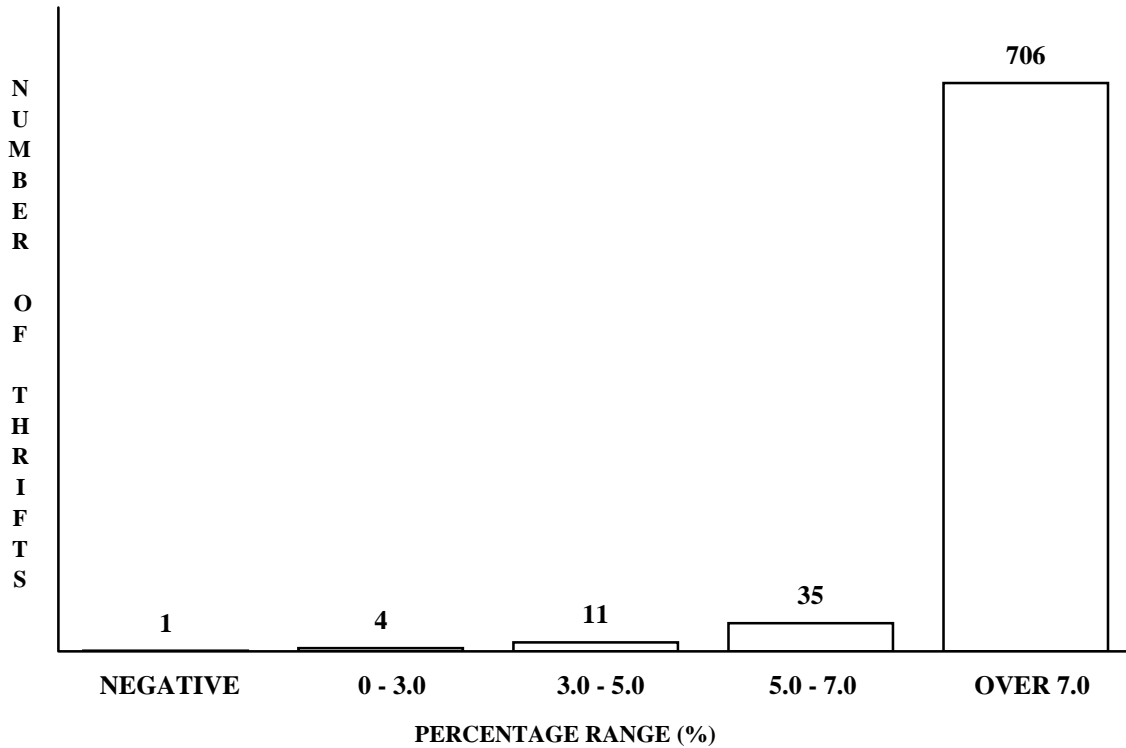
Each entry in the table indicates how many savings associations are in the color category given at the left of the row and the star category stated at the top of the column. Note that a majority of the associations are classified with ratings of Green with Three-Stars (62.35 percent of all reporting thrifts). At the opposite extreme, 1.85 percent of all institutions receive VERIBANC's lowest Red, No-Stars rating.

\* These ratings do not apply to savings associations.

**VERIBANC, Inc.**

**EQUITY AS A PERCENTAGE OF ASSETS FOR ALL  
FEDERALLY-INSURED\* SAVINGS ASSOCIATIONS**

Data are for the reporting quarter ending March 31, 2010  
The Federal Regulators released the data in May, 2010

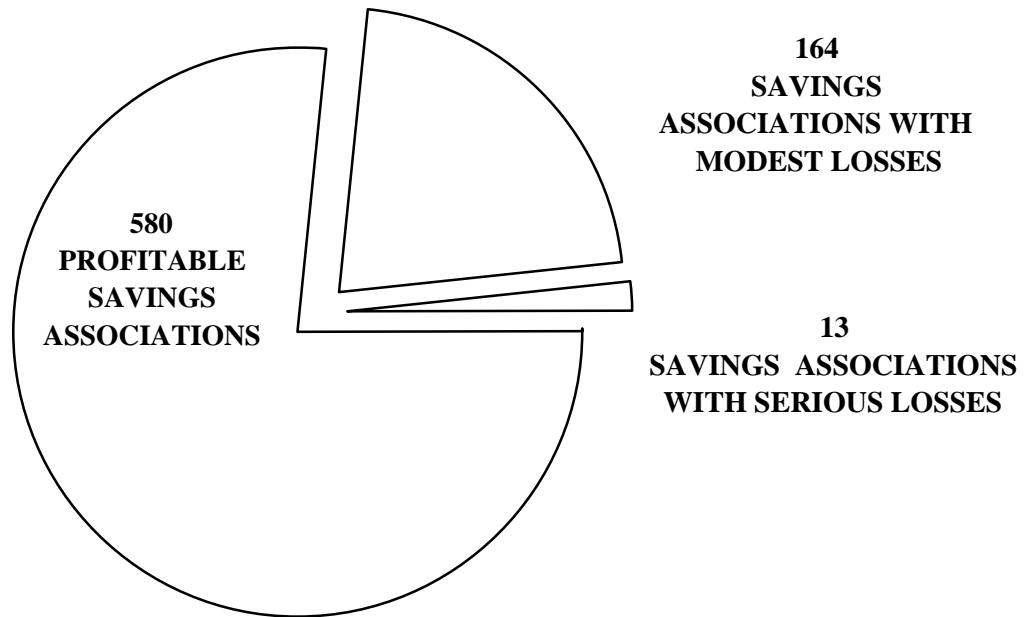


\* Savings Associations which file call reports with the Office of Thrift Supervision.

**VERIBANC, Inc.**

**PROFITS AND LOSSES AT ALL FEDERALLY-  
INSURED\* SAVINGS ASSOCIATIONS**

Data are for the reporting quarter ending March 31, 2010  
The Federal Regulators released the data in May, 2010

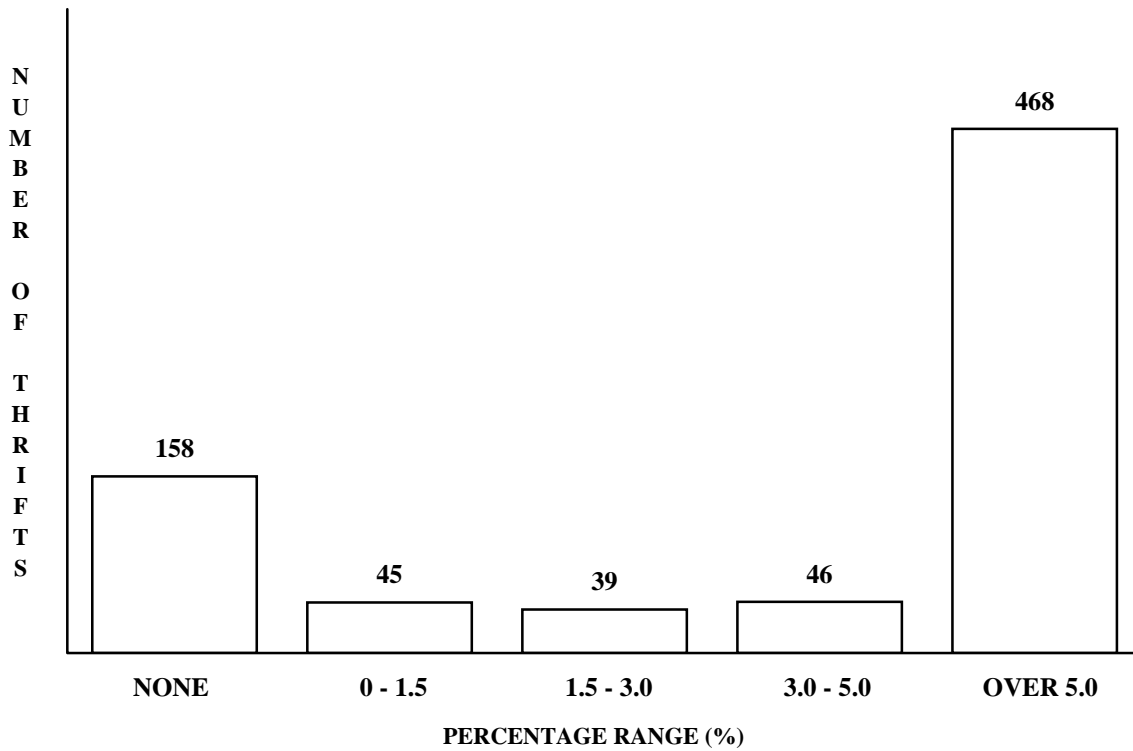


\* Savings Associations which file call reports with the Office of Thrift Supervision.

**VERIBANC, Inc.**

**EXCESS PAST DUE AND PROBLEM LOANS AS A  
PERCENTAGE OF EQUITY FOR ALL FEDERALLY-INSURED\*  
SAVINGS ASSOCIATIONS**

Data are for the reporting quarter ending March 31, 2010  
The Federal Regulators released the data in May, 2010



\* Savings Associations which file call reports with the Office of Thrift Supervision.