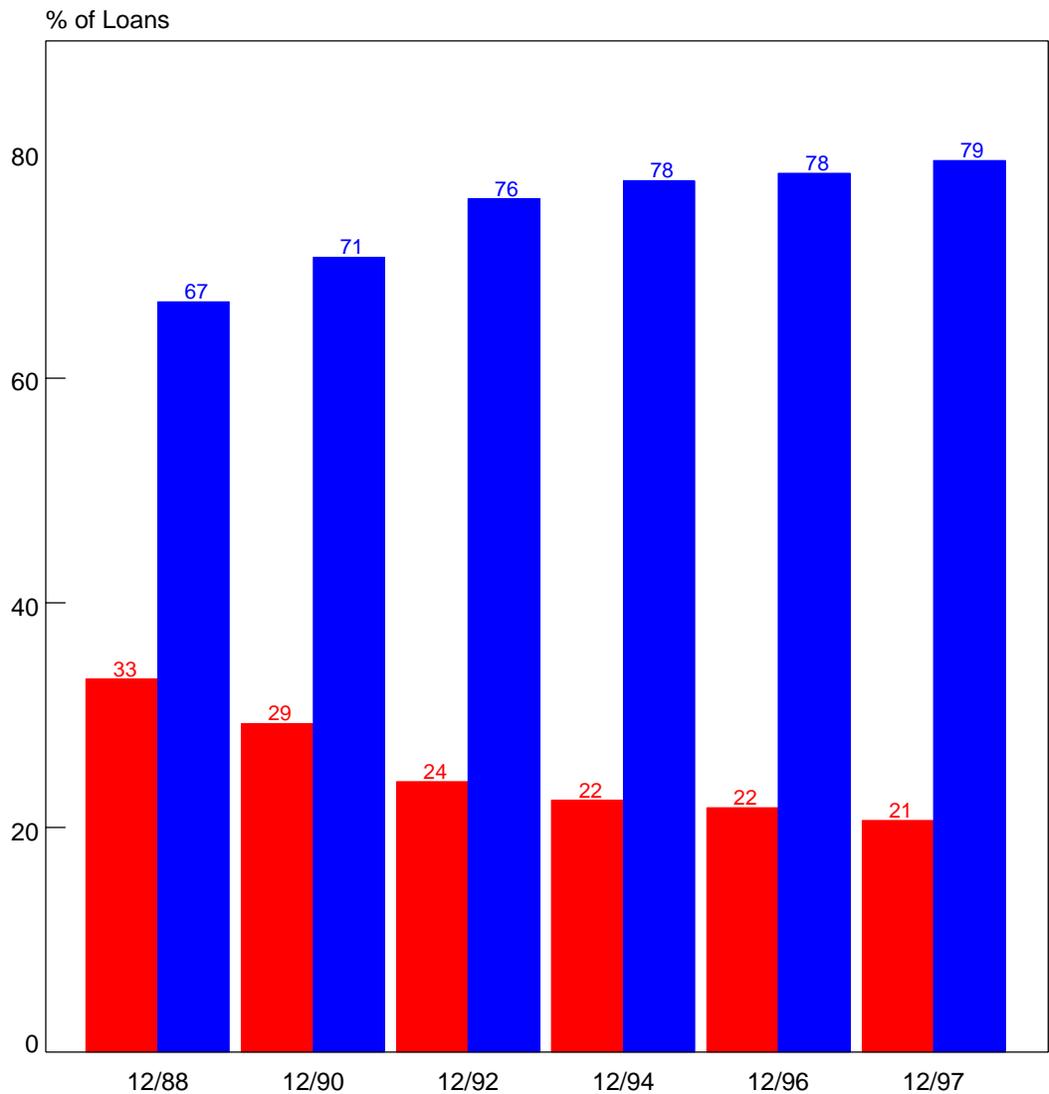


Credit Risk Diversification

Consumer Loans versus Loans to Commercial Borrowers (as a % of Total Loans)



Loans (\$ Billions):

■ Commercial Borrowers	\$345	\$245	\$160	\$147	\$152	\$144
■ Consumer Loans	694	592	506	506	547	555

Loans to Commercial Borrowers (Credit Risk Concentrated) - These are loans that can have relatively large balances at risk to a single borrower. A single loan may represent a significant portion of an institution's capital or income. Therefore, a relatively small number of defaults could impair an institution's capital or income. These loans include commercial and industrial loans, commercial real estate, construction loans, and agricultural loans.

Consumer Loans (Credit Risk Diversified) - These are loans that typically have relatively small balances spread among a large number of borrowers. A number of defaults are likely but typically do not impair an institution's capital or income. These loans include consumer and credit card loans, 1-4 family residential mortgages and home equity loans.