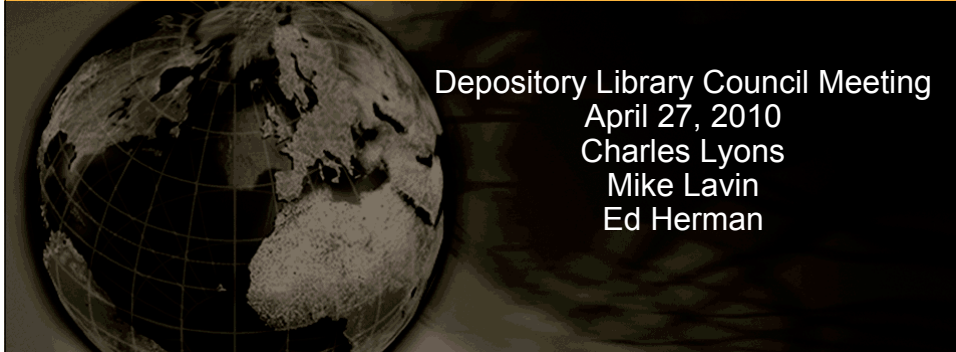


Researching the Financial Crisis



Today, we'll cover researching the financial crisis from 3 perspectives:

1. "Insider's" point of view
2. Overview of financial regulation in the US
3. Exploring the sources for information on the financial crisis

Mortgages

Derivatives

Deregulation

CDO's

Housing
Prices

Short Selling

Easy Credit

Over
Leveraging

Causes of the Financial Crisis?

Arrogance

Risk Taking

Lack of
Ethics

Predatory
Lending

Irrationality

Greed

Complacency

Herd
Behavior

Working at Lehman Brothers: What Was it Like?

Like
sipping
from a fire
hose...



Too Big...
Too Fast...



“High Altitude” by Michael Najjar: www.michaelnajjar.com/



UNL's Government Comic Collection: "The Story of Banks" from the Fed

http://contentdm.unl.edu/cdm4/item_viewer.php?CISOROOT=/comics&CISOPTR=164&CISOBX=1&REC=4

Information Center at Lehman

- ◆ Reference Librarians
 - Embedded
 - In Library
 - In India
- ◆ Financial Data Analysts
- ◆ Legal Researchers
- ◆ Records Managers
- ◆ Data Purchasing (acquisitions)
- ◆ **Document Specialists**



SEC Filings Resources



SEC Filings Sources: Why So Many?

- ◆ Cost varies from free to full-o-fees
- ◆ Comparison tools
- ◆ Word, Excel, PDF, and other formats
- ◆ Historical coverage
- ◆ Search functionality
- ◆ Integration with other data
- ◆ Alerts

Proxy Statement / Form 14-A

- ◆ Information on Executives
 - Salaries
 - Background
- ◆ Board Members
- ◆ Shareholder Proposals

Question:

**How much did executives at
Lehman make?**

The Last Lehman Proxy

COMPENSATION OF EXECUTIVE OFFICERS

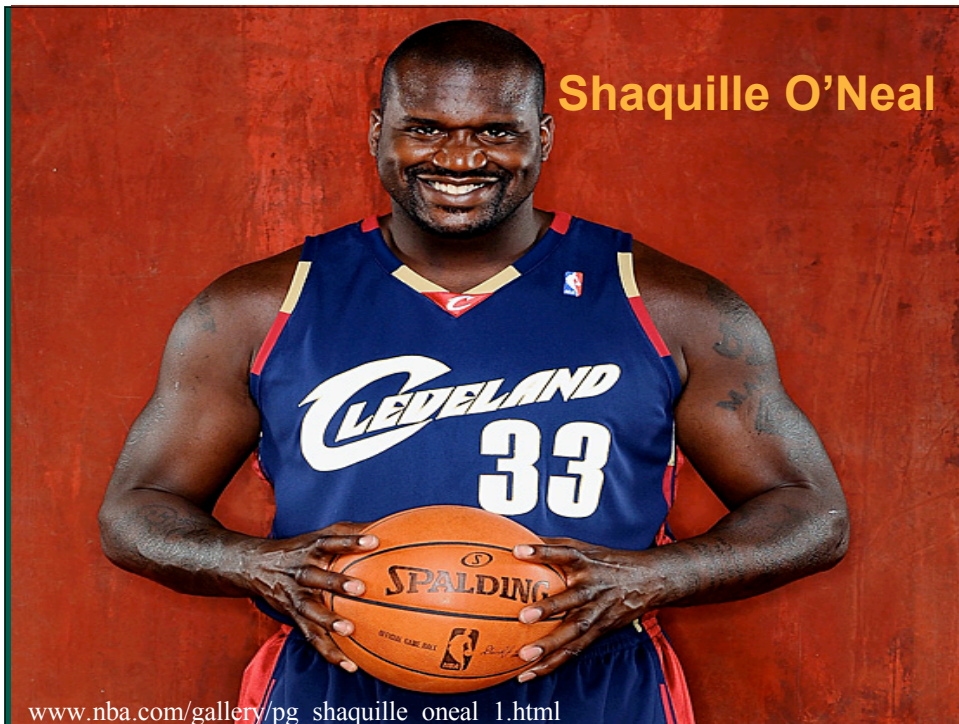
The following tables show, for the year ended November 30, 2007, the compensation of the Chairman and Chief Executive Officer, the Chief Financial Officer, and the Company's three other most highly compensated executive officers in Fiscal 2007.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary	Bonus	Stock Awards (a)	Option Awards (b)	Non-Equity Incentive Plan Compensation	Change in Pension Value and Nonqualified Deferred Compensation Earnings (c)	All Other Compensation (d)	Total
R. S. Fuld, Jr. Chairman and Chief Executive Officer	2007	\$ 750,000	\$ 0	\$ 26,968,528	\$ 2,238,600	\$ 4,250,000	\$ 21,739	\$ 153,169	\$ 34,382,036
J. M. Gregory President and Chief Operating Officer	2007	450,000	0	19,034,265	1,918,800	4,550,000	11,912	40,545	26,005,522
T. A. Russo Chief Legal Officer	2007	450,000	0	6,106,862	639,600	4,550,000	318,561	0	12,065,023
C. M. O'Meara Chief Financial Officer (e)	2007	200,000	0	855,501	41,582	2,650,000	0	0	3,747,083
I. T. Lowitt Co-Chief Administrative Officer	2007	200,000	0	1,946,188	50,834	2,650,000	0	69,931	4,916,933

\$34,382,000
Change in Pension Value and Nonqualified Deferred Compensation Earnings (c)
All Other Compensation (d)

<http://www.sec.gov/Archives/edgar/data/806085/000104746908002261/a2183244zdef14a.htm>



Shaquille O'Neal

www.nba.com/gallery/pg/shaquille_oneyal_1.html

8K's

- ◆ Any significant / materials events
- ◆ Definition of significant can be grey
- ◆ Must be filed within four days of the event
- ◆ Lots of "misc stuff" ... just about anything can be found in 8-K's

EX-99 2 mm05-2009_8ke991.htm

Exhibit 99.1

RICHARD S. FULD, JR.

May 14, 2009

Mr. Bryan Marsal
Alvarez & Marsal
Co-Chief Executive Officer
1271 Sixth Avenue
35th Floor
New York, NY 10020

Mr. Fuld's Resignation Letter filed as an 8-K

Dear Bryan:

As you know, I agreed at your request to continue to serve as Chairman of the Board of Directors of Lehman Brothers Holdings, Inc. for a reasonable transition period to assist Alvarez & Marsal.

I believe that we have worked together effectively in achieving an appropriate transition. Accordingly, I believe it is now time for me to move on and to resign as Chairman of the Board.

Please consider this letter as my resignation as Chairman of the Board of Directors of Lehman Brothers Holdings, Inc. effective May 15, 2009. I will, of course, be available to assist you in any way I can.

Sincerely,

/s/ Richard S. Fuld, Jr.

sec.gov/Archives/edgar/data/806085/000090951809000351/mm05-2009_8ke991.htm

LEHMAN BROTHERS HOLDINGS INC.
 Schedule of Professional Fee and Expense Disbursements (a)
 February 2010
 Unaudited (\$ in thousands)

8-K detailing fees paid
 by LEH... so far!

	Feb-10	Filing Date Through Feb-10 (b)
Debtors - Section 363 Professionals		
Alvarez & Marsal LLC	Interim Management \$ 13,676	\$ 246,657
Kelly Matthew Wright	Art Consultant and Auctioneer	47
Natusis Capital Markets Inc.	Derivatives Consultant	8,121
Debtors - Section 327 Professionals		
Bingham McCutchen LLP	Special Counsel - Tax	496
Bortstein Legal LLC	Special Counsel - IT and Other Vendor Contracts	140
Curtis, Mallet-Prevost, Colt & Mosle LLP	Special Counsel - Conflicts	615
Discover Ready LLC	eDiscovery Services	—
Ernst & Young LLP	Audit and Tax Services	13
Hudson Global Resources	Contract Attorneys	—
Huron Consulting	Tax Services	—
Jones Day	Special Counsel - Asia and Domestic Litigation	1,839
Lazard Freres & Co.	Investment Banking Advisor	1,122
McKenna Long & Aldridge LLP	Special Counsel - Commercial Real Estate Lending	—
Pachulis Stang Ziehl & Jones	Special Counsel - Real Estate	55
Reilly Pozner LLP	Special Counsel - Mortgage Litigation and Claims	166
	Special Counsel - SEC Reporting, Asset Sales, and Congressional	—
Simpson Thacher & Bartlett LLP	Testimony	—
Weil Gotshal & Manges LLP	Lead Counsel	8,032
Windels Marx Lane & Mittendorf, LLP	Special Counsel - Real Estate	151
Debtors - Claims and Noticing Agent		
Epiq Bankruptcy Solutions LLC	Claims Management and Noticing Agent	—
Creditors - Section 327 Professionals		
FTI Consulting Inc.	Financial Advisor	1,744
Houlihan Lokey Howard & Zukin Capital Inc.	Investment Banking Advisor	332
Milbank Tweed Hadley & McCloy LLP	Lead Counsel	—
Quinn Emanuel Urquhart Oliver & Hedges LLP	Special Counsel - Conflicts	—
Richard Sheldon, Q.C.	Special Counsel - UK	—
Examiner - Section 327 Professionals		
Duff & Phelps LLC	Financial Advisor	3,399
Jernter & Block LLP	Examiner	3,637
Fee Examiner		
Feinberg Rozen LLP	Fee Examiner	568
Brown Greer Plc	Fee and Expense Analyst	134
Total Non-Ordinary Course Professionals		35,411
Debtors - Ordinary Course Professionals		937
US Trustee Quarterly Fees		141
Total Professional Fees and UST Fees		\$ 36,532

\$246,657,000

\$678,481,000

http://www.sec.gov/Archives/edgar/data/806085/000110465910014841/a10-6365_1ex99d1.htm

EX-99.1 2 a10-7273_1ex99d1.htm EX-99.1

8-K detailing claims
 against LEH... so far!

Exhibit 99.1
 Schedule 1

LBHI
 Unsecured Claims Summary and Analysis
 As of March 2010
 (\$ in millions)

	Claims Filed Per Official Claims Register		Estimated Claims		Estimated Claims After Initial Analysis		Estimated Allowed Claims Per POR
	Register	Adj's (1)	Estimated Claims	Adj's (2)	Analysis	Per POR	
Direct 3rd Party Claims filed against LBHI	\$ 170,373	\$ 0	\$ 170,373	\$ 12,176	\$ 182,549	\$ 101,604(3)	
LBHI Intercompany Payables to Affiliates	68,742	10,592	79,334	(22,952)	56,382	42,966(4)	
Guarantee Claims filed by 3rd Parties of Affiliates against LBHI	254,976	0	254,976	(112,441)	142,535	94,138(5)	
Guarantee Claims filed by Affiliates against LBHI	201,467	113,123	314,590	(90,672)	223,918	21,186(6)	
Total	\$ 695,558	\$ 123,715	\$ 819,273	\$ (213,889)	\$ 605,384	\$ 259,894	

http://sec.gov/Archives/edgar/data/806085/000110465910016988/a10-7273_1ex99d1.htm

III. Asset Team Reports *(continued)*

F. Other Assets

(\$ in millions)

Type	Book Value	Sold / Agreement to Sell	Comments
<u>Planes - Sold</u>			
2001 GIV-SP		\$ 23	Closed 12/23/08
1987 F50		6	Scheduled to close on 1/20/09
1987 B737		2	Closed 11/21/08
1987 B737		3	Closed 12/21/08
1988 B737		2	Scheduled to close on 1/21/09
1988 B737		2	Scheduled to close on 2/21/09
Net Jets Shares		15	Closed 12/23/08
	57	\$ 53	
<u>Planes - For Sale</u>			
2008 G550		-	Have interested parties; Plan to continue marketing aircraft to potential buyers
1995 GIV-SP		15	Negotiating Purchase Agreement
2001 CRJ 200		-	Conversion 80% complete; Due 3/09
1995 CRJ 200		-	Conversion 90% complete; Due 2/09
1993 CRJ 200		-	Will not convert; Exploring leasing options
1987 B767		-	LOI submitted to interested party
1998 S-76C+ (Helicopter)		-	Marketing
	107	15	
Total Planes	164	68	
Artwork	30	-	Establishing title, inventorying and consolidating to safe locations
Total Aircraft and Artwork	\$ 194	\$ 68	

737's?

http://sec.gov/Archives/edgar/data/806085/000090951809000039/mm01-1409_8ke991.htm



<http://en.wikipedia.org/wiki/File:Southwest Airlines Boeing 737-7H4 N231WN.jpg>

10K's and 10Q's

- ◆ Detailed financial statements
- ◆ 10K, 75 days to file; 10Q, 40 days to file
- ◆ M&A activity, legislation, stock repurchases, changes in operation
- ◆ Review the whole document:
 - There are templates, but companies are given leeway
 - Check the exhibits! And the footnotes!

EX-21.01 4 a07-4192_1ex21d01.htm EX-21.01

EXHIBIT 21.01

Subsidiary List:

Always Exhibit 21 in the 10K

LIST OF THE REGISTRANT'S SUBSIDIARIES

Pursuant to Item 601(b)(21)(ii) of Regulation S-K, certain subsidiaries of the Registrant have been omitted which, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary (as defined in Rule 1-02(w) of Regulation S-X) as of November 30, 2006.

Company	Jurisdiction of Incorporation
Lehman Brothers Holdings Inc.	Delaware
Appalachian Asset Management Corp.	Delaware
Lehman Risk Services (Bermuda) Ltd.	Bermuda
Aegis Finance LLC	Delaware
ARS Holdings I LLC	Delaware
Banque Lehman Brothers S.A	France
Erin Asset Management I LLC	Delaware
Opal Finance Holdings Ireland Limited	Ireland
LB 745 LLC	Delaware
Lehman Brothers Bancorp Inc.	Delaware
Lehman Brothers Commercial Bank	Utah
Lehman Brothers Bank, FSB	United States of America
Aurora Loan Services LLC	Delaware
BNC Mortgage, Inc.	Delaware
Lehman Brothers Trust Company, National Association	United States of America
Lehman Brothers Trust Company of Delaware	Delaware
Lehman Brothers Canada Inc.	Canada
Lehman Brothers Commercial Corporation	Delaware

www.sec.gov/Archives/edgar/data/806085/0001104659/07/010272/000110465907010272-index.htm



Sample Letter Sent to Public Companies Asking for Information Related to Repurchase Agreements, Securities Lending Transactions, or Other Transactions Involving the Transfer of Financial Assets

In March 2010, the Division of Corporation Finance sent the following illustrative letter to certain public companies requesting information about repurchase agreements, securities lending transactions, or other transactions involving the transfer of financial assets with an obligation to repurchase the transferred assets.

March 2010

Name
Chief Financial Officer
XYZ Company
Address

“Repo 105”

Dear Chief Financial Officer:

We are currently reviewing your Form 10-K for fiscal year ended _____. In our effort to better understand the decisions you made in determining the accounting for certain of your repurchase agreements, securities lending transactions, or other transactions involving the transfer of financial assets with an obligation to repurchase the transferred assets, we ask that you provide us with information relating to those decisions and your disclosure.

With regard to your repurchase agreements, please tell us whether you account for any of those agreements as sales for accounting purposes in your financial statements. If you do, we ask that you:

- Quantify the amount of repurchase agreements qualifying for sales accounting at each quarterly balance sheet date for each of the past three years.

Thanks!

Questions?

Financial Regulation in the United States



Michael R. Lavin

University at Buffalo Libraries

April 27, 2010

Banks in Context: the Financial Services Sector

522 Credit Intermediation

- Depository institutions 5221
- Non-Depository 5222

523 Securities and Commodities

524 Insurance

525 Funds, Trusts, Other Fin. Vehicles

- Pension Funds 5251
- Mutual Funds 5259

What Is a Bank?

- **Accepts Deposits**
 - Repayable on demand
- **Makes Loans and Investments**
- **Other Financial Services**
 - Provides a means of exchange (checking accounts, debit cards, etc.)

What Makes Banks So Special?

- **Where the money is**
 - Need for public trust, confidence
- **Role in the money supply**
 - Fractional reserve banking
- **Impact on Economy**

Types of Banks

- **Commercial Banks**
- **Thrift Institutions**
 - Savings banks
 - Savings associations (S&Ls, etc.)
- **Credit Unions**
- **Bank Holding Companies**
- **Nondepository Institutions**
 - Mortgage banks; investment banks

Overview of Bank Regulation

- **Historical trends**
 - mistrust of government
 - mistrust of banks
- **Fragmented, decentralized system**
- **State vs. federal**
- **Overlapping coverage of regulatory agencies**

Regulatory Agencies

- **Comptroller of the Currency (OCC)**
- **Federal Deposit Insurance Corp. (FDIC)**
- **Office of Thrift Supervision (OTS)**
- **Federal Reserve System (The “Fed”)**
- **National Credit Union Admin. (NCUA)**
- **Other**

Coordination and Overlap

- **Overlapping functions and jurisdictions**
- **Coordination**
 - **Federal Financial Institutions Examination Council (FFIEC)**



Financial Reports

Call Reports

http://www2.fdic.gov/Call_TFR_Rpts/

Uniform Bank Performance Reports (UBPR)

<https://cdr.ffiec.gov/public/ManageFacsimiles.aspx>

Researching the Financial Industry

Presented by Charles Lyons, Michael Lavin, and Edward Herman at the Depository Library Council, April 27, 2010, Buffalo, NY.

Edward Herman prepared this segment.
Lockwood Library, Arts & Sciences Libraries
University at Buffalo
lolherma@buffalo.edu
716-645-7395

Answers

Consult the attached file, [Fifth Grader Q A.pdf](#), for more detailed answers to the questions.

Are You Smarter Than a 5th Grader?



Are You Smarter Than a 5th Grader?

#1 for 1 piece of candy

#2 for 1 piece of candy

#3 for 1 piece of candy

#4 for 2 pieces of candy

#5 for 2 pieces of candy

#6 for 2 pieces of candy

#7 for 3 pieces of candy

#8 for 3 pieces of candy

#9 for 3 pieces of candy

Bonus for 5 pieces of candy

#1 for piece of candy

- List 3 Web sites that have federal government information about saving, investing, and managing money appropriate for use by most consumers.



Answer: #1 for 1 piece of candy

- [mymoney](#)
- [Federal Citizen Information Center](#)
- [Consumer Action Web Site](#)
- [FDIC](#)
- [Federal Reserve](#)

Return

#2 for 1 piece of candy

- Does the federal government support a Web site the tells me how to report different types of fraud?



Answer: #2 for 1 piece of candy

- [Stop Fraud](#)

Return

#3 for 1 piece of candy

- Help a library user locate the most recent monthly government report on the unemployment rate in your county.



Answer: #3 for 1 piece of candy

- [Bureau of Labor Statistics](#)

Return

#4 for 2 pieces of candy

- The federal government publishes anecdotal financial data about the economy eight times a year compiled through interviews with business leaders and economists. Locate copies of this report published in 2007/2008, immediately prior to the economic meltdown.



Answer: #4 for 2 pieces of candy

- *Summary of Commentary on Current Economic Conditions by Federal Reserve District (Beige Book)*

Return

#5 for 2 pieces of candy

- Help a library user locate monthly statistics from 1947 to date that measure loans and investments at all commercial banks, and U.S. government securities held by commercial banks. Her friend, “Fred,” told her you could help.



Answer: #5 for 2 pieces of candy

- [Economic Data – FRED \(Federal Reserve Bank of St. Louis\)](#)

Return

#6 for 2 pieces of candy

- Help a library user locate the most recent figures measuring outstanding mortgage debt. Is there something wrong with this question?



Answer: #6 for 2 pieces of candy

Board of Governors of the Federal Reserve System

- Select All Statistical Releases.
- Click Mortgage Debt Outstanding.

The question fails to specify a geography.

Return

#7 for 3 pieces of candy

- Create a list of branch banks in your neighborhood, and data about their financial stability. Think of what agency might collect this data.



Answer: #7 for 3 pieces of candy

Federal Deposit Insurance Corporation (FDIC)

- Select "Industry Analysis"
- Select "Bank Data & Statistics"
- Select "Institution Directory"
- Select "Find Offices" and enter your zip code.
- Click on the highlighted name of the bank's home office to view data.

Return

#8 for 3 pieces of candy

- The Financial Industry Regulatory Authority (FINRA) is a private entity that regulates securities firms doing business with the public. Does the Federal Register include its regulations?



Answer: #8 for 3 pieces of candy

- Yes. The Securities and Exchange Act of 1934, section 19, covers Registration, Responsibilities, and Oversight of Self-Regulatory Organizations.

Return

#9 for 3 pieces of candy

- Locate a document that describes HSBC Mortgage Corp.'s home improvement loans by race in the Buffalo Metropolitan area. Compare this information with that for all institutions covered.



Answer: #9 for 3 pieces of candy

- Home Mortgage Disclosure Act (HMDA)

Return

BONUS for 5 pieces of candy

- I want to know where my tax dollars are going. How can I get a better handle on grants distributed by the federal government to my city? What is wrong with this question?

Answer: BONUS for 5 pieces of candy

- USAspending.gov
- [Consolidated Federal Funds Report](#)

The question does not specify a time frame.

Return

Game Templates: Selected Sources

- [Parade of Games](#)
- [Power Point Games](#)
- [PowerPoint Games and Game Templates](#)

Acknowledgements

- Jason Adsit—Director, Teaching & Learning Center, University at Buffalo, introduced me to PowerPoint games as a presentation technique.
- Gary Bodenschatz—created the template, but I could not determine his affiliation
- Jim Gordon--Lead Programmer/Analyst, University at Buffalo, provided assistance tweaking the original template.

Thanks for Playing!



Researching the Financial Crisis Answers to Questions

Prepared by Edward Herman
Lockwood Library, University at Buffalo
lolherma@buffalo.edu (716-645-7395)

Question 1

List 3 web sites that have federal government information about saving, investing, and managing money appropriate for use by most consumers.

mymoney

<http://www.mymoney.gov/>

Federal Citizen Information Center

<http://www.pueblo.gsa.gov/>

Consumer Action Web Site

<http://www.consumeraction.gov>

FDIC

<http://www.fdic.gov/>

Select:

- Consumer Protection
- Financial Education & Literacy
- Money Smart - A Financial Education Program. Print or use your computer to take advantage of this information.

Federal Reserve

<http://www.federalreserve.gov/>

Question 2

Does the federal government support a Web site that tells me how to report different types of fraud?

stopfraud.gov

<http://www.stopfraud.gov>

Topics cover:

- Bankruptcy Fraud
- Computer-Based Fraud
- Cyber Crime
- Elder Fraud
- Health Information Privacy Violations
- Housing Discrimination
- Identity Theft
- Investment and Securities Fraud
- Mail Fraud
- Mass Marketing/Telemarketing Fraud
- Medicare Fraud
- Mortgage Fraud or Loan Scams
- Recovery Act Fraud
- Rescue Fraud
- Retirement Plan Abusive Transactions
- Social Security number misuse
- Student Loan Fraud
- Tax Fraud
- Unfair Competition

Question 3

Help a library user locate the most recent monthly government report on the unemployment rate in your county.

Bureau of Labor Statistics

<http://www.bls.gov/>

Select Unemployment—State and Local Unemployment Rates

The Census Bureau collects unemployment statistics for the Bureau of Labor statistics through the monthly Current Population Survey. Data cover the civilian labor force, comprised of the employed civilian noninstitutional population and those unemployed.

The unemployed population includes:

- Those who did not have a job during the reference week, but were available for work (excluding temporary illness). The reference week includes the 12th day of the month.
- Those who attempted to find a job during the previous month.
- Laid off workers waiting to be recalled, regardless of whether they sought work during the previous month.

The unemployment rate is the ratio of the unemployed to the civilian labor force expressed as a percent [100 x (unemployed/labor force)].

Statistics exclude people defined as “not in the labor force.” These are:

- Youth under 16 years old.
- Institutionalized people living in nursing homes, prisons, or other institutions.
- Active military personnel.
- Those who do not have jobs and are not looking for one, such as students, retirees, and people too discouraged to seek work.

Frequently Asked Questions about unemployment insurance statistics are at

<http://www.bls.gov/lau/laufaq.htm>.

Question 4

The federal government publishes anecdotal financial data about the economy eight times a year compiled through interviews with business leaders and economists. Locate copies of this report published in 2007/2008, immediately prior to the economic meltdown.

The Federal Reserve publishes the *Summary of Commentary on Current Economic Conditions by Federal Reserve District*, commonly known as the *Beige Book*. Each Federal Reserve Bank gathers anecdotal information about current economic conditions in its District through reports from Bank and Branch directors; interviews with key business contacts, economists, market experts; and other sources. The *Beige Book* summarizes this information by District and economic sector.

<http://www.minneapolisfed.org/bb/>

Question 5

Help a library user locate monthly statistics from 1947 to date that measure loans and investments at all commercial banks, and U.S. government securities held by commercial banks. Her friend, "Fred," told her you could help.

Economic Data – FRED (Federal Reserve Bank of St. Louis)

<http://research.stlouisfed.org/fred2/>

- Select the Banking category.
- Choose Loans and Securities & Investments.

Question 6

Help a library user locate the most recent figures measuring outstanding mortgage debt. Is there something wrong with this question?

Board of Governors of the Federal Reserve System

<http://www.federalreserve.gov/default.htm>

- Select All Statistical Releases.
- Click Mortgage Debt Outstanding.

The question fails to specify geography.

Question 7

Create a list of branch banks in your neighborhood, and data about their financial stability. Think of what agency might collect this data.

Federal Deposit Insurance Corporation (FDIC)

<http://www.fdic.gov>

- Select "Industry Analysis"
- Select "Bank Data & Statistics"
- Select "Institution Directory"
- Select "Find Offices" and enter your zip code, city, or county.
- Click on the highlighted name of the bank's home office to view data.

Question 8

The Financial Industry Regulatory Authority (FINRA) is a private entity that regulates securities firms doing business with the public. Does the *Federal Register* include its proposed regulations?

Yes. The Securities and Exchange Act of 1934, section 19, covers Registration, Responsibilities, and Oversight of Self-Regulatory Organizations. Section 19(b)(1) states that:

"Each self-regulatory organization shall file with the Commission, in accordance with such rules as the Commission may prescribe, copies of any proposed rule or any proposed change in, addition to, or deletion from the rules of such self-regulatory organization... The Commission shall, upon the filing of any proposed rule change, publish notice thereof together with the terms of substance of the proposed rule change or a description of the subjects and issues involved. The Commission shall give interested persons an opportunity to submit written data, views, and arguments concerning such proposed rule

change. No proposed rule change shall take effect unless approved by the Commission or otherwise permitted in accordance with the provisions of this subsection.”

The National Association of Securities Dealers (NASD) and the regulatory committee of the New York Stock Exchange merged becoming FINRA in 2007. It regulates transactions between securities firms and the public; registers and trains financial services professionals; and protects investors.

FINRA regulations are at <http://www.finra.org/Industry/Regulation/>. FINRA also provides educational information for investors. Click the “Investors” link on the FINRA home page, <http://www.finra.org/>.

FINRA is sometimes confused with the Securities Investor Protection Corporation (SIPC). SIPC insures investors up to a maximum of \$500,000 should securities dealers default or engage in unauthorized trading. Security dealers fund SIPC.

Question 9

Locate a document that describes HSBC Mortgage Corp.’s home improvement loans by race in the Buffalo Metropolitan area. Compare this information with that for all institutions covered.

Home Mortgage Disclosure Act (HMDA)
<http://www.ffiec.gov/hmda/>

- Select On-Line Reports.
- Select Disclosure Reports – HMDA for data by specific institutions.
- Select Aggregate Reports -- HMDA to compare HSBC Mortgage Corp. to all financial institutions HMDA covers.

“The Home Mortgage Disclosure Act (HMDA) requires most lending institutions to report on home mortgage loan applications, including the application outcome, loan- and applicant-related information, and property location. Annual data collected through HMDA provide a unique set of annually updated files with information at the neighborhood level.” (Pettit, K. and Droesch, A. (2008). *A Guide to Home Mortgage Disclosure Act Data*. [Washington, D.C.]: Urban Institute.
http://www.urban.org/UploadedPDF/1001247_hdma.pdf. Referenced April 21, 2010

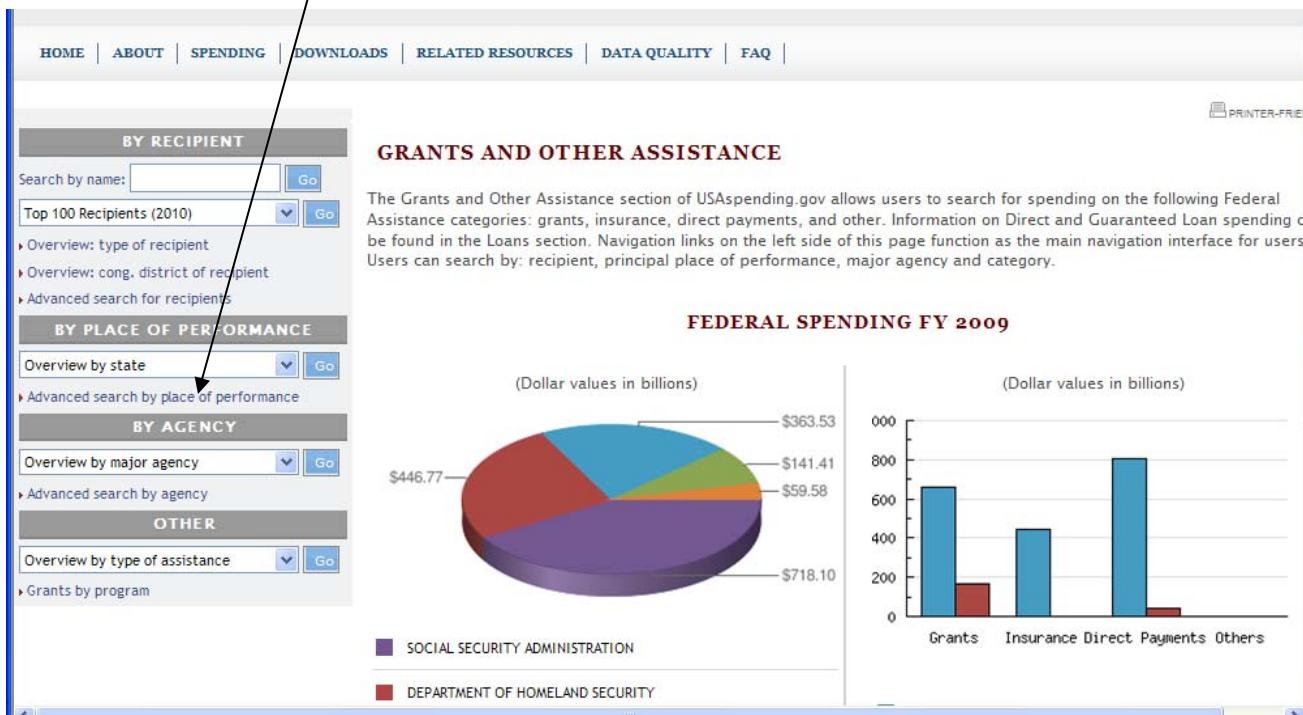
Bonus Question

I want to know where my tax dollars are going. How can I get a better handle on grants distributed by the federal government to my city? What is wrong with this question?

The question fails to specify a time period. The illustrations below refers to fiscal year 2009.

USAspending.gov
<http://www.usaspending.gov/>

- Select Spending-Grants on the home page.
- Click Advanced search by place of performance.



- Enter the state, city, assistance category, fiscal year, level of detail, and display format on the search form, and click submit.

BY RECIPIENT

Search by name:

Top 100 Recipients (2010)

Overview: type of recipient

Overview: cong. district of recipient

Advanced search for recipients

BY PLACE OF PERFORMANCE

Overview by state

Advanced search by place of performance

BY AGENCY

Overview by major agency

Advanced search by agency

OTHER

Overview by type of assistance

Grants by program


Advanced Search by Place of Performance

Note: the "Place" is where the work is done, not where the recipient is located. [?](#)

Principal Place State:	New York <input type="button" value="Go"/> (required)
Place City or County:	Buffalo <input type="button" value="Go"/>
Recipient Category:	ALL <input type="button" value="Go"/>
Assistance Category:	Grants and Cooperative Agreements <input type="button" value="Go"/>
Total Dollars >=:	<input type="text"/> (for each recipient, within search)
Fiscal Year:	2009 <input type="button" value="Go"/> or a range from <input type="text"/> to <input type="text"/>
Business Fund Indicator:	ALL <input type="button" value="Go"/> ?
Level of Detail:	Complete (all information) <input type="button" value="Go"/>
Output Type:	(Note:XML download will return only 1000 records. Users are encouraged to use API for full XML download) HTML <input type="button" value="Go"/>

[Submit Query](#) [Clear Query](#)

- Various groups in the City of Buffalo received 160 grants from the federal government during fiscal year 2009.

 [Show only Recovery Act grants/other data](#)

Expanded Detail on Individual Transactions for FY 2009

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<p>1</p> <p>Award Or Aggregate # 1</p> <p>Recipient Information ?</p> <table border="1"> <tr><td>Recipient Name</td><td>Buffalo Airfield, Inc</td></tr> <tr><td>Recipient Address Line 1</td><td>NA</td></tr> <tr><td>Recipient Address Line 2</td><td>1764 SWEENEY ST</td></tr> <tr><td>Recipient Address Line 3</td><td>NULL</td></tr> <tr><td>Recipient City Code</td><td>0750</td></tr> <tr><td>Recipient City Name</td><td>BUFFALO</td></tr> <tr><td>Recipient County Code</td><td>029</td></tr> <tr><td>Recipient County Name</td><td>ERIE</td></tr> <tr><td>Recipient State Code</td><td>New York</td></tr> <tr><td>Recipient State Name</td><td>NEW YORK</td></tr> <tr><td>Recipient Zip Code</td><td>141200000</td></tr> <tr><td>Congressional District</td><td>NY26: New York 26</td></tr> <tr><td>Recipient Congressional District</td><td>26</td></tr> <tr><td>Recipient Category</td><td>For Profits</td></tr> <tr><td>Recipient Type</td><td>profit organization</td></tr> <tr><td>Recipient DUNS Number</td><td>1450496690000</td></tr> <tr><td>D&B Confidence Code</td><td>06</td></tr> </table>	Recipient Name	Buffalo Airfield, Inc	Recipient Address Line 1	NA	Recipient Address Line 2	1764 SWEENEY ST	Recipient Address Line 3	NULL	Recipient City Code	0750	Recipient City Name	BUFFALO	Recipient County Code	029	Recipient County Name	ERIE	Recipient State Code	New York	Recipient State Name	NEW YORK	Recipient Zip Code	141200000	Congressional District	NY26: New York 26	Recipient Congressional District	26	Recipient Category	For Profits	Recipient Type	profit organization	Recipient DUNS Number	1450496690000	D&B Confidence Code	06	<p>2</p> <p>Project and Award Info ?</p> <table border="1"> <tr><td>Major Agency</td><td>Department of Transportation</td></tr> <tr><td>Agency Code</td><td>6920: DOT - Federal Aviation Administration</td></tr> <tr><td>Agency Name</td><td>Federal Aviation Administration</td></tr> <tr><td>Federal Award ID</td><td>33602020202009</td></tr> <tr><td>Federal Award ID Modification</td><td>0000</td></tr> <tr><td>State Application ID Number</td><td>SAI Not Available</td></tr> <tr><td>CFDA Program Number</td><td>20.106</td></tr> <tr><td>CFDA Program Title</td><td>Airport Improvement Program</td></tr> <tr><td>Assistance Category</td><td>Grants & Cooperative Agreements</td></tr> <tr><td>Assistance Type</td><td>project grant</td></tr> <tr><td>Project Description</td><td>Improve Existing Airport</td></tr> <tr><td>Program Source Agency</td><td>69</td></tr> <tr><td>Program Source Account</td><td>8106</td></tr> <tr><td>Program Source Sub Account</td><td>000</td></tr> <tr><td>Program Source Description</td><td>Grants-in-aid for Airports (Airport and Airway Trust Fund)</td></tr> </table>	Major Agency	Department of Transportation	Agency Code	6920: DOT - Federal Aviation Administration	Agency Name	Federal Aviation Administration	Federal Award ID	33602020202009	Federal Award ID Modification	0000	State Application ID Number	SAI Not Available	CFDA Program Number	20.106	CFDA Program Title	Airport Improvement Program	Assistance Category	Grants & Cooperative Agreements	Assistance Type	project grant	Project Description	Improve Existing Airport	Program Source Agency	69	Program Source Account	8106	Program Source Sub Account	000	Program Source Description	Grants-in-aid for Airports (Airport and Airway Trust Fund)
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The Consolidated Federal Funds Report (CFFR) (<http://www.census.gov/govs/cffr/>) also lists how federal moneys were distributed. However, CFFR does not provide names of recipients and counties are the smallest geographies covered.