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4-7-2010

### Excerpts From Subprime Lending and Securitization and Government-Sponsored Enterprises Hearing

United States: Financial Crisis Inquiry Commission (FCIC)

Heather Murren

Phillip Angelides

<https://elischolar.library.yale.edu/ypfs-documents/6113>

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Following are selected quotes from documents used by Commissioners in the hearing “Subprime Lending and Securitization and Government-Sponsored Enterprises” on April 7, 2010.

**Federal Reserve Board New York Operations Review 2005 Close-out report**

- Murren quoted in Session 1 @ 00:57:05; Transcript page 45.

"...there are insufficient resources to conduct continuous supervisory activities in a consistent manner."

**Federal Reserve Board New York Operations Review 2009 Close-out report**

- Angelides quoted in Session 1 @ 02:28:00; Transcript page 107.

"The supervision program for Citigroup has been less-than-effective. Although the dedicated supervisory team is well qualified and generally has sound knowledge of the organization, there have been significant weaknesses in the execution of the supervisory program."

**2007 Risk Management Review Presentation**

- Angelides referenced in Session 3 @ 02:15:30; Transcript page 368-369.

"The total sub-prime exposure in Markets and Banking was \$13bn with an additional \$16bn in Direct Super Senior and \$27bn in Liquidity and Par Puts. Sub-prime exposure was down slightly from last quarter."