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NOMINATIONS OF: ALFRED A. PLAMANN THOMAS W. GRANT, NOE HINJOSA, JR. AND WILLIAM R. TIMKEN, JR.

HEARING

BEFORE THE

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS UNITED STATES SENATE

ONE HUNDRED EIGHTH CONGRESS

FIRST SESSION

ON

NOMINATIONS OF:

ALFRED A. PLAMANN, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL CONSUMER COOPERATIVE BANK

THOMAS W. GRANT, OF NEW YORK, TO BE A DIRECTOR OF THE SECURITIES INVESTOR PROTECTION CORPORATION

NOE HINJOSA, JR., OF TEXAS, TO BE A DIRECTOR OF THE SECURITIES INVESTOR PROTECTION CORPORATION

WILLIAM R. TIMKEN, JR., OF OHIO, TO BE A DIRECTOR OF THE SECURITIES INVESTOR PROTECTION CORPORATION

MARCH 25, 2003

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NOMINATIONS OF:

ALFRED A. PLAMANN, OF CALIFORNIA TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL CONSUMER COOPERATIVE BANK AND THOMAS W. GRANT, OF NEW YORK NOE HINJOSA, JR., OF TEXAS WILLIAM R. TIMKEN, JR., OF OHIO TO BE DIRECTORS OF THE SECURITIES INVESTOR PROTECTION CORPORATION

TUESDAY, MARCH 25, 2003

U.S. SENATE,
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Washington, DC.

The Committee met at 9:25 a.m., in room SD–538 of the Dirksen Senate Office Building, Senator Richard C. Shelby, (Chairman of the Committee), presiding.

OPENING STATEMENT OF CHAIRMAN RICHARD C. SHELBY

Chairman SHELBY. The Committee will come to order.

Gentlemen, I want to thank you for your appearance before the Committee today and your willingness to accommodate the Senate's busy schedule of roll call votes this morning.

Starting at around 9:30, or so, we are facing a series of stacked roll call votes on the budget resolution. In the light of the efforts you all made to appear before the Committee today, we wanted to proceed as expeditiously as possible.

Any additional questions that we are unable to ask of you this morning we will submit in writing. We would ask that you respond as quickly as possible to them so that we can consider your nominations in the coming weeks.

I intend to waive my opening statement other than what I have said and include it in the record so that we can allow you to make your statements and respond to questions the Committee may have.

Senator Sarbanes.

COMMENTS OF SENATOR PAUL S. SARBANES

Senator SARBANES. Mr. Chairman, I am pleased to join you in welcoming the nominees, one for the National Cooperative Bank and three for the Securities Investor Protection Corporation.

Of course, the bank has a very important responsibility—to help low-income individuals, particularly in the areas of affordable housing and community economic development.

The President is required actually under the Act to appoint a representative to the board who, "has extensive experience in the cooperative field representing low-income cooperatives eligible to borrow from the bank and who is expected to be an advocate on behalf of the low-income cooperatives."

I would want to address a question or two to Mr. Plamann about this matter when we turn to questions.

The SIPC, of course, we know of its importance. It helps customers of failed brokers recover their cash and securities. It has a very important responsibility not often appreciated. These are part-time positions, but I think they are very important to the workings of our economic system.

I will forego the balance of the statement because we know that the nominees have traveled and I want to commend Chairman Shelby for really doing the best he can to get you up and have your hearing and try to clear you in face of this vote-a-rama that we are about to have.

Chairman SHELBY. Senator Dole.

COMMENTS OF SENATOR ELIZABETH DOLE

Senator DOLE. Mr. Chairman, I do have an opening statement which I will submit for the record in the interest of time.

Chairman SHELBY. It will be made a part of the record, without objection.

Senator DOLE. I would like to welcome each of you this morning. I particularly want to welcome Tim Timken, my friend. He is a man of tremendous commitment and will bring a great deal of expertise to the table.

I am delighted to have this opportunity to see you this morning.

Chairman SHELBY. Thank you. Gentlemen, would you stand and be sworn. Hold up your right hand.

Do you swear or affirm that the testimony that you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. PLAMANN. I do.

Mr. GRANT. I do.

Mr. HINOJOSA. I do.

Mr. TIMKEN. I do.

Chairman SHELBY. Do you agree to appear and testify before any duly-constituted committee of the Senate?

Mr. TIMKEN. I do.

Mr. HINOJOSA. I do.

Mr. PLAMANN. I do.

Mr. GRANT. I do.

Chairman SHELBY. Thank you. Be seated. Your written testimony will be made part of the record. We will start with Mr. Plamann, do you have a brief statement you would like to make?

Mr. PLAMANN. Yes.
Chairman SHELBY. Please make it brief, if you can.
Mr. PLAMANN. Good morning. Thank you very much.
Chairman SHELBY. Thank you.

STATEMENT OF ALFRED PLAMANN, OF CALIFORNIA TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE NATIONAL CONSUMER COOPERATIVE BANK

Mr. PLAMANN. Chairman Shelby, Ranking Member Sarbanes, and distinguished Members of the Committee. I am honored to appear here today as the nominee to become a Member of the Board of Directors of the National Consumer Cooperative Bank.

I actively sought this nomination in order to again serve on the Board of Directors of the NCB. I served as an elected Board Member for 6 years and as Chairman for two of those years.

During my tenure, the Bank made over $800 million in low-income loans, which represents a substantial increase, and the Bank's commitment to low-income housing was improved.

I am currently President and CEO of Unified Western Grocers, a cooperative wholesale grocery company in Los Angeles serving six western States. I am a graduate of the University of Colorado and a graduate of the University of Pennsylvania. I live in Los Angeles with my wife.

If confirmed by the Senate, I will bring to the Board of Directors of the National Consumer Cooperative Bank extensive experience in the cooperative field in support of low-income communities and low-income borrowers.

My low-income experience is in three areas. First, as CEO of Unified Western Grocers. Second, as a Board Member of the Weingart Center for the Homeless in Los Angeles. And third, as an elected Director of the NCB for 6 years.

Fifty-five percent of Unified Western Grocers' business is in Southern California heavily weighted to the Los Angeles area. Within the L.A. area, our retailers have catered to the central urban population, which is predominantly lower-income Hispanic, approximately 42 percent and African-American, approximately 36 percent.

As a member of the Weingart Center Board of Directors, I serve on the finance committee. The Weingart Center, one of the largest and most comprehensive facilities of its kind in the country, is breaking the cycle of homelessness in Los Angeles. They provide individual housing for 630 clients.

The Center also assists its clients by giving them basic skills necessary to stabilize their lives, secure a stable income, and find permanent housing within 4 months. Follow-up shows 30 percent are still free from addictive substances and live in their own homes with steady employment.

As a Board Member of the NCB for 6 years, two of which I served as Chair of the Board, I strongly supported the Bank's efforts to expand its low-income business. I was elected to the NCB Board in 1995, during which the NCB originated $82 million of low-income loans. During the 2 years I served as Chair of the Board, 1997 and 1998, the NCB originated a total of $362 million.

These activities give me a strong understanding of low- and no-income individuals and issues. I am committed to making a difference in low-income areas, not only through monetary assistance in my professional capacity, but also in personal time commitment.

I would be proud to serve on the Board of Directors of the National Consumer Cooperative Bank, and I appreciate your consideration.

Please allow me to answer any questions that you have at this time.

Chairman SHELBY. Thank you.

Mr. Grant.

STATEMENT OF THOMAS W. GRANT, OF NEW YORK TO BE A DIRECTOR OF THE SECURITIES INVESTOR PROTECTION CORPORATION

Mr. GRANT. Good morning, Chairman Shelby, Senator Sarbanes, and Senator Dole.

My remarks will be very brief. I did not write a very long statement. I will read it quickly.

It is an honor to have my nomination confirmed by the U.S. Senate as a Director of the SIPC. Provided the Senate and the President approve this nomination, I feel certain that I can be a positive force in continuing the careful, watchful role the SIPC plays in protecting investors, particularly in light of recent corporate and market difficulties.

With more than 35 years' experience in the securities industry, both with full-service securities firms and a small mutual fund family, my background should assist me in contributing to what is essentially care of the individual investor. Aside from my professional background, I feel that the support of a fine family with a wonderful spouse of 35 years and two great children further supports the values needed in this position.

The SIPC, in conjunction with the existing self-regulatory organizations, has played a significant role in making our capital markets the strongest in the world. Throughout the past 30 years, more than 99 percent of all investors have had all of their securities and cash returned when the firm holding their assets failed. This security for investors must remain firmly in place to continue the rebuilding of investor confidence.

The Committee can also be assured that I understand the responsibility of assuring that the assets we hold are used wisely. If needed, as time passes and conditions change, I further realize that a director's role includes the responsibility to see that the assets remain adequate. To date, taxpayers have not funded the SIPC and I feel that this is a sound policy for the future. The SIPC has also initiated an excellent education effort to better explain the SIPC's role and I am particularly interested to see that this effort is continued.

In conclusion, I would like to thank the President and this Committee for the opportunity to serve.

Chairman SHELBY. Thank you.

Mr. Hinojosa.

STATEMENT OF NOE HINOJOSA, JR., OF TEXAS TO BE A DIRECTOR OF THE SECURITIES INVESTOR PROTECTION CORPORATION

Mr. HINOJOSA. Chairman Shelby, good morning. Senator Sarbanes, good to be here. Senator Dole, good to see you again.

Good morning. My name is Noe Hinojosa, Jr., of Dallas, Texas, and I am honored to have been nominated by President George W. Bush to serve as a Director of the Securities Investor Protection Corporation.

My wife, Marcia, and my children, Mary Elizabeth and Noe III, express their regrets for not being here. They would have loved to have been here. But the children's commitment didn't permit that.

I was born in Brownsville, Texas and raised just across the border in Matamoros, Mexico. About 12 years ago, when I joined my partner, Bob Estrada, to start a firm in 1992, we had two employees, a pocket calculator, and a $300,000 loan. Today, we have over 20 employees, over $1 million in capital, and the finest technology available in the securities market. I am the Vice Chairman and part owner of an investment banking firm that specializes in public finance. And as a small business owner, particularly a minority small business owner, with my name on the door and my money on the line, I am keenly aware of the need to conduct our business in an ethical and professional manner.

I am also keenly aware of the important functions that agencies, such as the SIPC, provide and as such, I can assure this body, as I have assured the President, that if I am confirmed, I will work hard to maintain and promote the vital role the SIPC plays as the first line of defense for investors when a securities firm fails or declares bankruptcy. In the past 30 years, as you well know, more than 600,000 investors have recovered nearly $14 billion in assets with the SIPC's help. That safety net for investors must remain strong and be prepared for every contingency.

I believe my unique perspective as an owner of a securities firm and as an individual investor adds value to the policymaking role I shall play as a Director. My company, Estrada Hinojosa & Company, Inc., is a member in good standing of the Municipal Securities Rulemaking Board, the National Association of Securities Dealers, the Securities and Exchange Commission, and of course, the SIPC. In fact, my partner recently served as Chairman of the MSRB.

Since 1992, our business plan limits our involvement in securities to the municipal bond business. Our investor base is limited to institutional investors, most commonly described as bond funds, bank trust departments, and similar institutions. Hence, I have a good working knowledge of the responsibilities and obligations of securities firms and the great importance of compliance with all the rules and regulations placed on our industry.

In addition, I have made personal investments over the years ensuring the future security of my immediate and extended family. I can assure you I have the utmost interest in protecting the integrity of our capital markets, because without an institution such as the SIPC, the trust element of our financial system would be lost.

The SIPC must continue to maintain sufficient resources to handle its statutory responsibilities and to plan for every contingency

in these perilous times. The SIPC must continue its investor education initiatives and its record of reliance on industry assessments rather than taxpayer assistance.

I look forward to the opportunity to serve and respectfully request your support.

Chairman SHELBY. Thanks. Mr. Timken.

STATEMENT OF WILLIAM R. TIMKEN, JR., OF OHIO TO BE A DIRECTOR OF THE SECURITIES INVESTOR PROTECTION CORPORATION

Mr. TIMKEN. Chairman Shelby, Senator Sarbanes, Senator Dole, it is good to be with you.

My name is W.R. Timken, Jr., from Canton, Ohio. I am honored to be here today as President Bush's nominee for the position of Chairman of the Board of the Securities Investor Protection Corporation. Thank you for your consideration.

With me today are my wonderful wife, Sue Timken, and my sons, Kurt and Beau.

By way of background, I have for 28 years been Chairman of the Timken Company, a New York Stock Exchange-listed company since 1922. I received a bachelor's degree in economics and history from Stanford University and an MBA degree from Harvard University. I have served as the Vice Chairman and the Chairman of the National Association of Manufacturers, a nonprofit organization with 14,000 member-companies nationwide.

Although I have never been involved in the securities business, in addition to the Timken Company, I have served on the board of directors of three other public corporations and personally have been a substantial investor in securities.

I believe effectively functioning capital markets in which investors are willing to invest their resources are essential to our free enterprise system, which itself is essential to our American democracy. Investor confidence is a crucial factor.

I know that the SIPC, a nonprofit corporation, was established by the Congress in 1970 to protect the investor for the custody function undertaken by registered securities brokers and dealers. Handing over hard-earned money without immediately receiving a tangible piece of property is a leap of faith that investors must make. They do need some protection.

The results have been outstanding as the SIPC has served investors as their first line of defense in the event of brokerage firm failures. No fewer than 99 percent of eligible investors receive all of their cash and securities in a liquidation proceeding under the Securities Investor Protection Act. From its creation in 1970, through December 2002, the SIPC advanced $513 million in order to make possible the recovery of almost $14 billion in assets for an estimated 622,000 investors.

My intention as Chairman will be to work with our board and the SIPC associates to continue to fulfill the objectives of the Securities Investor Protection Act of 1970. I will seek advice from Congress, the securities industry, and the SEC. And I will see that the SIPC Fund and lines of credit are sufficient to meet the demands of our charge.

I would appreciate your support of my nomination and I will be happy to answer any questions and listen to any advice.

Thank you.

Chairman SHELBY. Thank you all. I will try to be as brief as I can. Mr. Timken, I will start with you and move from right to left.

One area of concern that I have concerns the public awareness of the Securities Investor Protection Corporation's function. I fear that many investors believe that the role is to indemnify investors against trading losses or market swings.

Do you agree that this may be a problem? Do you think there is a greater need for investor education in this regard?

Mr. TIMKEN. Senator, I agree. We have the results of the study conducted by the GAO for Representative Dingell which gave us some additional information on that. And the SIPC responded with an increased awareness program. I think advancements that Mr. Hinojosa referred to have been made.

I think we can do a better job and that would certainly be one of the things that we would definitely attempt to undertake.

Chairman SHELBY. Mr. Hinojosa, in August 2001, the Securities Investor Protection Corporation was faced with a liquidation of the MJK Clearing, Inc., a Minneapolis brokerage firm, that cleared trades from 175,000 accountholders.

By all accounts, the liquidation went smoothly. I understand that the fund was recently deemed to be sufficiently capitalized with a 99 percent confidence interval.

Nevertheless, are there any lessons that you feel can be drawn from this failure, the MJK failure, to help avoid such massive liquidations in the future?

What can be done to ensure the fund's ongoing health, which is a concern for everybody, especially for you board people?

Mr. HINOJOSA. I think in briefings that I have had with staff, there are serious attempts for ensuring that we have the appropriate lines of credit extended. We are working and we intend to work as a board very diligently with staff to ensure that the proper lines of credit care in place, that the $1.3 billion in net capital that the SIPC has is always there.

I wish that we could have 100 percent guarantee, not 99 percent. That is something we will continue to strive for. We certainly won't be bashful about coming before you and asking for your guidance if you feel that that needs to be enhanced and improved.

Chairman SHELBY. Mr. Grant, just following up on the MJK failure, that was the Securities Investor Protection Corporation's largest liquidation to date. MJK's financial difficulties were caused in large part by its securities lending business. Is this business particularly risky, or did MJK mismanage its activities, if you know?

Mr. GRANT. I am not 100 percent clear on it. But being in the securities business, I do lend securities myself, I do not think that lending is the risky part. The dimension is the risky part.

I think lending of securities is a good function for investors. It is a way to borrow money to buy houses and other things. And handled correctly, that is not the core of the problem.

The core of the problem is the management of the company and the ill-use of their funds.

Chairman SHELBY. The health of the funds has to be paramount.

Mr. GRANT. I think, just to comment further on the first question, we can raise more money. The amount charged of each firm is very minimal.

Chairman SHELBY. Going to the Board of the National Consumer Cooperative Bank, as a representative from the community development sector, what special perspectives do you believe you bring to the service on the Board of the NCB?

Mr. PLAMANN. My company is very active in providing services to the retailers who are an integral part of——

Chairman SHELBY. Is that the wholesale grocery business?

Mr. PLAMANN. The wholesale grocery business, yes.

Chairman SHELBY. Okay.

Mr. PLAMANN. And we provide goods and services to independent grocers who are an integral part of many low-income communities, particularly in South Central Los Angeles and areas like that.

So, we try to bring those services at a price and a cost that can keep them very competitive in those communities. We have to link very closely with those communities.

Many times, these grocery stores are the anchor of shopping areas that are neighborhood-oriented shopping areas. That anchor sometimes acts as a magnet, if you will, for other services, such as dry cleaners or shoe repair, or whatever it is, small businesses that find themselves around those areas.

On a professional basis, I think that is my link. On a personal basis, I commit a fair amount of time to the homeless problem in Los Angeles, which I think is a very difficult social problem for us.

Chairman SHELBY. The NCB's primary corporate mandate is to support cooperative efforts. What is special about the cooperative structure here? What is it about co-ops that you believe makes the structure particularly well suited for the community revitalization?

Mr. PLAMANN. Co-ops, of course, have been around for a long time, agricultural co-ops and buying co-ops. Our co-op has been around for 80 years. Its mission today is the same as it was when it was organized. That is, to allow small independent grocers to buy products at a price that is competitive with the larger, self-distributing channel. So, I believe that is the strength of it. In addition, we return our profits back to the small retailer.

Chairman SHELBY. Okay.

Senator Sarbanes.

Senator SARBANES. Thank you very much, Mr. Chairman.

Mr. Plamann, the National Consumer Cooperative Bank Act requires that the Board of Directors use its best efforts to ensure that at the end of each fiscal year of the bank, at least 35 percent of its outstanding loans are either, one, the cooperatives, at least a majority of the members of which are low-income persons and, two, other cooperatives if the proceeds of such loans are directly applied to finance the facility activity or service, that the Board finds would be used predominantly by low-income persons.

Now it is my understanding that the National Consumer Bank has yet to reach this goal. Is that your understanding?

Mr. PLAMANN. That is my understanding, yes, sir.

Senator SARBANES. In fact, it is falling fairly short of it, is it not?

Mr. PLAMANN. If it is measured strictly in the percentages, yes, sir. But several years ago, the Board decided that we needed to add

some additional incentives and we suggested that we may use some qualitative measures with regard to putting those assets in those communities.

I think we have been very successful in accomplishing that, basically through the NCB Development Corporation.

Senator SARBANES. I raise the point because you have chaired the Board and from all reports, did it in a very competent and efficient way. But 12 of the Members of the Board represent cooperative endeavors. Three remaining seats are reserved for appointment by the President.

Mr. PLAMANN. Yes, sir.

Senator SARBANES. Now you are back before us as a Presidential nominee.

Two people have been nominated by President Bush and confirmed by us to take care of small business and the agencies. So, you are going on as the representative of the low-income areas.

I have to say, with all due respect to your past activities, they are quite different from others who have gone on the Board as a representative of the low-income areas.

So what do you see as the rationale that justifies you being nominated to us as a representative of the low-income area, since this is an important goal of the National Cooperative Bank?

Mr. PLAMANN. I agree with you. It is a critical mission of the Bank. The Bank's economic equation has proven to be very successful in achieving, I would say, a significant increase in the years that I was there.

The last long-range plan that we put into place at the Bank set as a target approximately $600 million in low-income loans over a 3-year period. Last year, we achieved the first such number at $191 million, and there will be over $200 million per year in the next 2 years.

I would like to get back on the Bank board to ensure that that emphasis is in fact carried out.

Senator SARBANES. That is $200 million out of, what?

Mr. PLAMANN. There are I think about a billion dollars' worth of loans on the books at the moment.

Senator SARBANES. So you are running at 20 percent, as opposed to the 35 percent figure.

Mr. PLAMANN. Well, I think that, given the nature of the balance sheet, the $200 million are the originations in 1 year. But many of the loans are sold into the marketplace today.

I think the measure that was used when the Bank Act was set up is a little different from the percentage you are talking about.

Senator SARBANES. Well, we will be following this very closely. I do think it is a very important responsibility of the bank.

I would like to ask the SIPC nominees about two studies that the SIPC commissioned, one by Deloitte & Touche and one by Fitch Risk Management, after it handled the largest failure in history of MJK Clearing Corporation, which involved 174,000 customer accounts, over $10 billion in securities and cash.

Are you familiar with those studies?

Mr. GRANT. I am, sir.

Senator SARBANES. Is everyone, all three, familiar with them?

They have made a number of very important recommendations. Do you have any view on implementing the recommendations that have been made in those studies?

Mr. TIMKEN. Maybe I should start.

Senator SARBANES. We are running short on time, so if you could give me a brief answer.

Mr. TIMKEN. Actually, the SIPC's record has been one of excellence, I would say, in execution in getting securities to the individuals that lose them.

To date we have done relatively little on risk management. It is the conclusion of those two studies that the MJK situation, with the securities lending, not only had an issue of management of that firm, but also, it exposed the risk of the SIPC to variations going on in the financial markets with different types of actions.

And the suggestion derived from there was that we should work, first of all, with the SEC and the individual agencies like the New York Stock Exchange and the Nasdaq to improve surveillance. But also, that the SIPC itself needed perhaps to either, on an in-house basis or by contracting, develop a greater skill at the risk-management function to make sure that the Fund is protected and that we know what kind of problems are out there.

My current understanding is that the Board is considering that. The decision required is whether to move forward with an internal capability, which would require some more assets expended, or to contract it out. But it is a new phase of the SIPC's career, I think.

Mr. HINOJOSA. I think from my experience with the report, I think what we need to do is try to enhance or attempt to anticipate the problem issues in regards to broker-dealers getting into trouble.

I think that the report very specifically makes a recommendation in regards to enhancing surveillance. I think we need to work very closely with the SEC in regards to that because in the whole scheme of things, I think the SIPC did a tremendous job in coming to the rescue of investors. But, certainly, many instances like this would be a concern for us.

Chairman SHELBY. Mr. Grant.

Mr. GRANT. I agree with both of my colleagues that the SIPC can obviously strengthen their role and become tighter in their controls as to what they see.

But the first line of defense on the regulatory side is still up to the SRO's like the New York Stock Exchange, Nasdaq, and the SEC. And if a firm is going to be fraudulent, the records they file are false to begin with. We still always have to trust in that first line.

Senator SARBANES. But the Deloitte & Touche study had some very specific recommendations, all of which seemed to me to make a lot of good sense.

You are going to be three additions to this Board now. And so, you have an opportunity to go in there and really strengthen the system of investor protection, which is under assault for lots of reasons right now and it is a matter of real concern, and I commend that to you.

There are other studies. The GAO has recommended a robust investor education program that the SIPC undertake. I presume that you all would be in favor of encouraging an active investor edu-

cation program with respect to what the SIPC provides for investors.

Am I correct in that assumption?

Mr. HINOJOSA. You are very correct.

Mr. GRANT. Very correct. I agree completely. And they have made a much greater effort in recent years because investors are somewhat confused as to what they are protected for. And I think we will, as I said in my opening remarks, we will try to strengthen that greatly.

Senator SARBANES. And finally, very quickly, the SIPC Fund has about $1.26 billion reserves. SIPC broker-dealers hold $3 trillion of investor securities.

The broker-dealers are paying about $150 a year assessment into the Fund. And the question is, is this fund adequately capitalized?

Now, presumably, the broker-dealers think it is.

[Laughter.]

But to some extent, I think your decision on this question, if you decide that it is adequately capitalized, goes back to implementing the recommendations of Deloitte & Touche and of the Fitch Risk Management review.

I think the system has to be tightened up. I think there are a lot of stresses on investors right now in the current economic circumstance and it needs to be tightened up.

We do not want you coming in here after the fact, when we really had a bad event and we weren't really able to handle it very well and we had an impact on the economy.

And so, that is the message that I want to leave with you this morning.

Mr. Chairman, thank you very much.

Mr. TIMKEN. We hear that and understand that, and we will certainly take that into account as we proceed forward.

As you know, the SIPC does not have regulatory powers, so our work will be very much with the SEC and the SRO's, to make sure that the investor is protected.

Senator SARBANES. Thank you.

Chairman SHELBY. Thank you.

Thank you, Senator Sarbanes.

I want to thank all of you for your testimony today. We know we have been in a rush and in a hurry.

We hope to move your nominations quickly. Members of this Committee may wish to submit questions for the record, and if they do submit questions for the record, I hope you will respond as quickly as possible, and that will enable us to expedite your nominations.

The hearing is adjourned.

[Whereupon, at 9:57 a.m., the hearing was adjourned.]

[Prepared statements, biographical sketches of the nominees, and response to written questions supplied for the record follow:]

PREPARED STATEMENT OF SENATOR RICHARD C. SHELBY

Good morning. I am pleased to welcome the four of you before the Senate Banking Committee. One of the most important responsibilities of the Committee is the examination and confirmation of the Administration's nominations that fall underneath our jurisdiction. Three of you are here today as nominees to serve on the Board of Directors of the Securities Investor Protection Corporation. Mr. Plamann has been nominated by the President to serve as a Member of the Board of Directors of the National Consumer Cooperative Bank. Both organizations play an important role in our economy.

The SIPC was chartered by Congress to secure and return the assets of investors in bankrupt or failing firms. While not designed to be a blanket insurance fund for investor fraud or losses, the SIPC has a specific focus that is very meaningful—restoring investors with assets in the hands of bankrupt or otherwise financially troubled brokerage firms. Without the SIPC, investors at these firms might never recover their securities or money or face lengthy delays while their assets are tied up in our judicial system. From its creation by Congress in 1970 through December 2001, the SIPC advanced $513 million in order to make possible the recovery of $13.9 billion in assets for an estimated 622,000 investors.

The National Consumer Cooperative Bank was chartered by Congress to assist consumer and small business cooperatives. The NCB provides the resources necessary for cooperative endeavors to achieve growth and success. It serves its members through its lending and financing arrangements and by providing financial and other technical assistance. The NCB subsidiaries assist cooperatives and small businesses by providing organizational and technical assistance, banking services, advocacy, informational services, financial advice as well as information on capital sources. To date, the NCB has provided more than $6 billion in financing—creating thousands of homeownership opportunities and providing other critical services to our Nation's communities.

Both the SIPC and the NCB provide an invaluable service to individuals, communities and the economy. As leaders at these two organizations, you will be expected to address the current issues facing SIPC and the NCB and to adjust to challenges which lay ahead. As future public servants, I commend your willingness to step forward to embrace this responsibility. I look forward to hearing the testimony of each of the nominees present here today.

PREPARED STATEMENT OF SENATOR ELIZABETH DOLE

I would like to express my appreciation to you and to Ranking Member Sarbanes for agreeing to hold this hearing on the President's nominations to the Board of the National Consumer Cooperative Bank and to the Board of the Securities Investor Protection Corporation, known as the SIPC. The President has indeed nominated fine individuals with diverse backgrounds.

The National Consumer Cooperative Bank plays an important role by serving as a key source of financing to cooperative endeavors which serve both the interests of the consumer and society very well. The SIPC serves a critical need in our Nation by providing certain protections against losses to customers from the failure of a securities firm. This function gives a floor of protection to our securities markets and assures investors and pension holders won't be wiped out due to the failure of a securities firm.

The protections afforded by the SIPC carry greater importance when the market drops and the economy struggles especially when the fundamentals of the market are under such scrutiny. While the SIPC does not cover market losses, it does cover investors when a securities firm fails, especially if there were unauthorized trades made before the firm failed or if a Ponzi scheme was involved in the failure. However, many investors may be confused as to what protections the SIPC affords and what conditions must be met to access them.

According to a May 2001 General Accounting Office (GAO) report, investors may confuse the SIPC with other financial guarantee programs, and opportunities exist to improve the disclosure of the SIPC's policies. In addition, some investors who have gone through the process to receive compensation from SPIC have questioned what the SIPC appointed trustee's priorities are: The protection of investors or the protection of the SIPC Fund. These are important issues, and I look forward to discussing some of them with the nominees.

Our nominees are to be thanked for their commitment to our Nation in devoting some of their time to these positions. The President is to be congratulated for seeking such qualified individuals with such diverse backgrounds. Their different experi-

ences should bring a great deal to the table when reviewing the policies they will oversee. I especially want to welcome my friend William Robert Timken, known as Tim to his friends. He is a gentleman of honor and distinction. The SIPC and investors will greatly benefit from his expertise and dedication.

Thank you.

PREPARE STATEMENT OF SENATOR GEORGE V. VOINOVICH

I am pleased to introduce W.R. "Tim" Timken Jr., who has been nominated by the President to serve as Chairman of the Board of the Securities Investor Protection Corporation.

I have had the privilege of knowing Tim for many years and consider him to be a valuable leader and close friend. He serves as a role model for what a corporate executive can and should be. He has truly made a difference in the quality of life in his community, state and country.

The Timken Company headquartered in Canton, Ohio, manufactures highly engineered bearings and alloy steels. They are also becoming a leader in providing related components and services such as bearing refurbishment for the aerospace, medical, industrial, and railroad industries. The company's mission is to continually increase shareholder value by strengthening its leadership position in their chosen markets. More than fifty plants and 100 sales design and distribution centers around the world provide unmatched product quality and customer service.

Since becoming Chairman of the Board in 1975, Tim has led his family business, the Timken Company, to become a leading international manufacturer with operations in twenty-four countries employing approximately 28,000 people worldwide.

A former Chairman of the National Association of Manufacturers, Tim has always impressed me with his consistent sense of civic responsibility and has remained a leader in many facets of his community. He has been the backbone for many initiatives in the State of Ohio. Tim's relentless dedication to his neighbors and our Nation's leaders has proven his patriotism and compassion. He has a genuine appreciation for all that America stands for and is a tremendous civic leader not only for Canton, Ohio but also for the United States.

One thing that has remained constant, both in his professional and political endeavors, that will prove to be a valuable asset to the Securities Investor Protection Corporation, is his insistence on ethical behavior. Tim Timken is a man of unique character and integrity. His considerable accomplishments over the years have been made possible, in part, by the reputation that he has built for himself as an extraordinarily honest and forthright individual.

I believe that Tim's professional experience has prepared him well to serve in the position for which he has been nominated. In this era of uncertainty about the future, Tim would be a strong advocate for fairness and common sense and will serve with the vigilance and dedication that this Board requires.

I urge the Committee to quickly report the nomination of W.R. Timken, Jr. so that the Senate may soon vote on his confirmation.

Thank you, Mr. Chairman.

PREPARED STATEMENT OF ALFRED A. PLAMANN

MEMBER-DESIGNATE, THE NATIONAL CONSUMER COOPERATIVE BANK

MARCH 25, 2003

Chairman Shelby, Ranking Member Sarbanes, and distinguished Members of the Committee, I am honored to appear here today as a nominee to become a Member of the Board of Directors of the National Consumer Cooperative Bank.

I actively sought this nomination in order to again serve on the Board of Directors of the NCB. I served as an elected Board Member for 6 years and as Chairman for two of those years. During my tenure, the Bank made over $800 million in low-income loans, which represents a substantial increase, and the Bank's commitment to low-income housing was improved.

I am President and CEO of Unified Western Grocers, a cooperative wholesale grocery company in Los Angeles serving six western States. My background is financial, and I have worked in diverse companies such as Unified, ARCO, and U.S. Financial. I am a graduate of the University of Colorado where I earned my B.S. in accounting and I received by MBA from University of Pennsylvania (Wharton) with an emphasis in finance.

As you may know, the National Consumer Cooperative Bank was established in 1978 to address the unmet financial needs of an underserved market—those people who join together cooperatively to achieve their personal, social, and business goals. And in 1982, the NCB was privatized as a member-owned financial institution. Today, the Bank provides a broad array of financial services to cooperatives across the country. These businesses are large and small, and they serve both rural and urban communities.

The NCB—in partnership with its nonprofit affiliate, NCB Development Corporation—plays a vital role meeting the underserved financial needs of America's communities. Over the course of its 20-plus year history, the NCB has loaned or invested more than one billion in the areas of education, affordable housing, health care, small business ventures, affordable assisted living, worker ownership, and economic and community development ventures.

The cumulative impact is considerable. NCB loans and investments have created approximately:

- 25,000 units of affordable housing;
- 10,000 jobs for low-income individuals;
- School facilities for more than 4,500 students;
- Nearly 1 million square feet of community health center space serving 100,000 patients annually; and
- More than 1,000 units of affordable assisted living.

In 2002 alone, the NCB provided or arranged more than $191 million in financing for low-income and at-risk communities, and over the past 6 years it has originated over $1 billion of critically needed financing. It is obvious that the National Consumer Cooperative Bank has accomplished much. And I know it has the potential to do even more, not only as a lender and valued financial resource, but also as an exceptional example of the type of collaborative and innovative venture we need to respond to today's challenging problems and changing times.

If confirmed by the Senate, I will bring to the Board of Directors of the National Consumer Cooperative Bank extensive experience in the cooperative field in support of low-income communities and low-income borrowers. My low-income experience is in three areas: As the CEO of Unified Western Grocers, as a Board Member of the Weingart Center for the Homeless in Los Angles, and as an elected Director of the NCB for 6 years.

Fifty-five percent of Unified Western Grocers' business is in Southern California heavily weighted to the Los Angeles area. Within the LA area, our retailers have catered to the central urban population, which is predominately lower-income Hispanic (41.7 percent) and African-American (36.08 percent), with a per capita income of $10,800. In that base, our retailer members control an estimated 87 percent market share.

Most of the members in that market have been financed from inception by the corporation through working capital or facility loans. As CEO (and former CFO), I am intimately involved with the approval process and details of the unique issues involved in financing retailers. Many, if not most, of these loans are sold to the NCB or are completed in participation with the NCB.

One example is a company named KV Mart doing business as Top Valu and Valu Plus, headquartered in Carson, California, a leading independent grocery chain serving inner-city communities across Southern California. Over the past 24 years, KV Mart has developed a unique business model designed to cater to the needs of different ethnicities residing in inner-city neighborhoods by offering a wide range of culturally specific products and services. The company's approach to serving inner-city communities has been successful partially as a result of its hiring practices that center on employing residents from each of the local areas in which the company operates stores.

In 1992, KV Mart had nine stores with sales volume totaling $81,000,000 and 590 employees. Today the company operates twenty-two stores with sales volume totaling $250,000,000 and employs 1,400 individuals. Under my direction as CFO, and subsequently as CEO, Unified Western Grocers (UWG) and its subsidiary, Grocers Capital Company (GCC), have been instrumental in providing financial assistance to help KV Mart achieve this level of growth. Over the past 10 years, GCC has provided KV Mart with over $18,000,000 in long-term loans for store purchases, store remodels, and capital stock investments. UWG has also provided numerous short-term inventory loans to support new stores, and GCC has supplied guarantees in support of $8,000,000 in loans from the National Consumer Cooperative Bank. Finally, UWG has provided lease guarantees/sublease arrangements in support of four of KV Mart's locations.

During the Los Angles riots, thirty-six of our members' stores were destroyed, twenty experienced delayed openings, and twenty were subjected to looting. With our assistance, sixteen stores were totally rebuilt in these lower-income communities. The corporation helps people who want to get started and have staying power so low-income people have continuing service.

Unified Western Grocers, under my leadership, actively supports low-income communities. In fact, our bakery and dairy divisions are located in low-income areas in south LA where we provide employment for 109 in the bakery and 148 in the dairy. As a member of the Weingart Center Board of Directors, I serve on the finance committee. The Weingart Center, one of the largest and most comprehensive facilities of its kind in the country, is breaking the cycle of homelessness in Los Angeles. They provide individual housing for 630 clients.

The Center also assists its clients by giving them the basic skills necessary to stabilize their lives, secure a stable income, and find permanent housing within 4 months. Follow-up shows 30 percent are still free from addictive substances 6 months after completing the program and reside in their own homes with steady employment. Additionally, Weingart presents service referrals for 6,000 people a year and offers high school and English classes to 200 students per day. As a member of the finance committee, which meets monthly, I assist with allocating a $10,000,000 budget, requests for grants, and other significant funding activities.

As a Board Member of the NCB for 6 years, two of which I served as Chair of the Board, I strongly supported the Bank's efforts to expand its low-income business. I was elected to the NCB board in 1995, during which the NCB originated $82.3 million of low-income loans. During the 2 years I served as Chair of the Board, 1997 and 1998, the NCB originated a total of $361.8 million of low-income loans. The significant growth of the NCB's low-income business speaks volumes about the efforts of the Board and staff to serve low-income communities and to carry out the public policy mission of the bank.

These activities give me a strong understanding of low- and no-income individuals and issues. I am committed to making a difference in low-income areas, not only through monetary assistance in my professional capacity, but also in personal time commitment.

I would be proud to serve on the Board of Directors of the National Consumer Cooperative Bank, and I appreciate your consideration.

Allow me to answer any questions you may have at this time.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: **Plamann, Alfred Allen**

Position to which nominated: Member Board of Directors National Consumer Cooperative Bank

Date of nomination: January 9, 2003

Date of birth: 10 May 1942 **Place of birth:** Merrill, Wisconsin

Marital Status: Married **Full name of spouse:** Nancy Marie McBride Plamann

Name and ages of children: Christopher Rhoades Plamann, 29
Kendall Elizabeth Plamann, 26

Education:

Institution	Dates attended	Degrees received	Dates of degrees
University of Colorado	9/60 – 6/65	BS	6/65
University of Pennsylvania	1/70 – 6/71	MBA	6/71

Honors **List below all scholarships, fellowships, honorary degrees, military medals, awards, honorary society memberships and any other special recognitions for outstanding service or achievement.**

1995 – Jerry Buss Humanitarian Award, Muscular Dystrophy Association
1998 – Albert Schweitzer Leadership Award, Hugh O'Brian Youth Leadership Organization
1999 – Inspiration Award, Weingart Center for the Homeless
2000 – Life Spirit Award Santa Marta Hospital Foundation (Los Angeles, CA)

Memberships: **List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.**

Organization	Office held (if any)	Dates
Community-Related Board Memberships:		
Los Angeles Area Chamber of Commerce		1995 - Present
The Town Hall of Los Angeles		1996 - Present
Pepperdine University - Graziadio School Board of Visitors		1996 - Present
San Gabriel Valley Council Boy Scouts	President & Chairman	1997 - Present
Weingart Center Association for the Homeless, Los Angeles, CA		2000 - Present
Industry-Related Board Memberships:		
Food Distributors International	Chairman of the Board	1994 - Present
Food Marketing Institute	Vice Chair	1994 - Present
National Consumer Cooperative Bank	Chairman of the Board	1995 - 2001
National Grocers Association		1996 - 2001
California Grocers Association		1997 - Present
Retailer Owned Food Distributors & Associates, Inc.		2000 - Present
Western Family Foods, Inc.		2000 - Present

Other Memberships	Dates
Annandale Golf Club	1995 - Present
California Club	2000 - Present

Employment record: **List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.**

1989- Present **Unified Western Grocers, Inc. & Certified Grocers of California, Ltd., Los Angeles, CA**

1994 – Present President and Chief Executive Officer
1989 – 1994 Senior Vice President of Finance and Chief Financial Officer

1989 **Edgington Oil Company, Long Beach, CA** Chief Financial Officer

1975-1989 **Atlantic Richfield Company, Inc., Los Angeles, CA**

1985-1989 ARCO International Oil & Gas Co., Los Angeles, CA, Vice President Finance
1981-1985 ARCO Oil & Gas Co., Dallas, TX, Controller
1979-1981 Anaconda Copper Co., Denver, CO, Controller
1975-1979 ARCO Oil & Gas Co., Los Angeles, CA, Assistant Corporate Controller

1971-1975 **U.S. Financial, Inc., San Diego, CA** Treasurer and Controller

Government experience: **List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.**

1966-1969 Supply Officer, United States Navy, Honorably discharged as Lieutenant, JG

Published Writings: **List the titles, publishers and dates of books, articles, reports or other published material you have written.**

None

Political Affiliations and activities: **List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.**

Member, Americans for Tax Reform, a 22-person food industry tax reform coalition that supported The Tax Reform Act of 2001.

Political Contributions: **Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.**

Food Marketing Institute FoodPAC Contributions: 11/15/96 - $1,000; 11/19/97 - $1,000; 2/3/02 - $1,000; 2/26/02 - $1,000; 10/24/02 - $1,500
Food Distributors International: 9/22/97 - $500; 9/13/00 - $1,000; 12/5/01 - $1,000

Qualifications: **State fully your qualifications to serve in the position to which you have been named.**

If confirmed by the Senate, I will bring to the Board of Directors of the National Consumer Cooperative Bank extensive experience in the cooperative field in support of low-income communities and low-income borrowers. My low-income experience is in three areas: as the CEO of Unified Western Grocers, as a board member of the Weingart Center for the Homeless in Los Angles, and as an elected director for six years of the NCB.

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Unified Western Grocers, under my leadership, actively supports low-income communities. In fact, our bakery and dairy divisions are located in low-income areas in south LA where we provide employment for 109 in the bakery and 148 in the dairy.

In my position as a member of the Weingart Center Board of Directors, I work on funding issues for low-income and *no-income* homeless individuals. The Weingart Center, one of the largest and most comprehensive facilities of its kind in the country, is breaking the cycle of homelessness in Los Angeles. They provide individual housing for 630 people. The Center also assists its clients by giving them the basic skills necessary to stabilize their lives, secure a stable income and find permanent housing within four months. Follow-up shows thirty percent are still free from addictive substances six months after completing the program and reside in their own homes with steady employment. Additionally, Weingart presents service referrals for 6,000 people a year and offers high school and English classes to 200 students per day. As a member of the Finance Committee, which meets monthly, I assist with allocating a $10,000,000 budget, requests for grants and other significant funding activities.

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the Board, 1997 and 1998, NCB originated a total of $361.8 million of low-income loans. The significant growth of NCB's low-income business speaks volumes about the efforts of the Board and staff to serve low-income communities and to carry out the public policy mission of the bank.

These activities give me a strong understanding of low- and no-income individuals and issues. I'm committed to making a difference in low-income areas, not only through monetary assistance in my professional capacity, but also in personal time commitment.

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

Membership on the Board of Directors of the NCB is not a full-time position. Directors appointed by the President are compensated at the per diem rate of a GS 18 equivalent for approximately ten to twelve days of board meetings annually; therefore, I will not resign my current position as President and CEO of Unified Western Grocers

2. As far as can be foreseen, state whether you have any plans after completing Government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

My current employment will continue during and after my service to NCB.

3. Has anybody made you a commitment to a job after you leave government?

NCB's Board of Directors consists of three positions filled by Presidential appointment, including the position for which I am being considered, and 12 positions filled by election by NCB's member stockholders. Since December 31, 1981, however, NCB has not been a government agency but rather a private entity owned by those member stockholders. Thus, I will not "leave government" upon completion of service as an NCB Board member and will continue my present employment throughout my service as an NCB Board member.

4. Do you expect to serve the full term for which you have been appointed?

Yes

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

The National Consumer Cooperative Bank makes loans in the normal course of business to cooperative organizations, such as Unified Western Grocers and its members, based upon NCB's standard terms and policies. If I am confirmed as a member of the board of directors of NCB, I will recuse myself from any transaction, discussion, or other matter that would present an actual or perceived conflict of interest.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

Since the NCB is a cooperative owned by its members, Grocers Capital Corporation, a wholly owned subsidiary of Unified Western Grocers, owns common stock of NCB. That stock comprises B1 stock purchased to qualify for loans and B2 and C stock received as patronage refunds based upon its interest payments to the bank as follows:

- Class B1 Stock – 680 shares
- Class B2 Stock – 21,687 shares
- Class C Stock – 14 shares

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

Member, Americans for Tax Reform, a 22-person food industry tax reform coalition that supported the Tax Reform Act in June, 2001.

Chairman, Public Affairs Committee of the Food Marketing Institute

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

I will recuse myself from any discussion of transactions or policies that represent a conflict of interest under the National Consumer Cooperative Bank conflict of interest policy.

Civil, criminal and investigatory actions:

1. Give the full details of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

Except as described below, none.

My current employer, Unified Western Grocers, Inc., (the "Company") has become involved in litigation in the state of Hawaii stemming from the Company's 1996 sale of a subsidiary to a private investor, events subsequent to the sale, and the subsequent bankruptcy and liquidation of such business. A case titled In re: *Hawaiian Grocery Stores, Ltd; and Mark J.C. Yee vs. Unified Western Grocers, Inc., Certified Grocers of California, Ltd., and Grocers Specialty Company, and KPMG,* was filed December 14, 2001. In this case the Trustee for the bankruptcy estate, who is the plaintiff in the matter, has asserted preference claims against Certified Grocers of California, Ltd. ("Certified"), the predecessor of Unified, based on alleged insider

relationship, fraudulent transfer claims against Certified and Grocers Specialty Company, fraud claims against Certified, Grocers Specialty Company and other unnamed parties, and contract and tort claims against KPMG. In May 2002 the Trustee filed a separate complaint in state court titled *Mark J.C. Yee, Trustee for the Bankruptcy Estate of Hawaiian Grocery Stores, Ltd., vs. Unified Western Grocers, Inc., Certified Grocers of California, Ltd., Grocers Specialty Company, RHL, Inc., Alfred A. Plamann, Charles Pilliter, Daniel T. Bane, Robert M. Ling, David A. Woodward, Richard H. Loeffler, Fletcher Robbe, Goodsill Anderson Quinn and Stifel, and Does 1-10.* This action, which generally arises out of the same transactions that are the subject of the proceeding referenced above, asserts breach of fiduciary duty by the officers and directors of Hawaiian Grocery Stores, Ltd. ("HGS"), the controlling shareholder of HGS (Grocery Specialty Company) and the controlling shareholder's parent corporation (Certified), and breach of fiduciary duties by defendants Goodsill, Loeffler, RHL, Inc., and Robbe. At the time of the subject transaction, I was President and Chief Executive Officer of Certified and a Director of its Hawaiian Grocery Stores subsidiary, and thus I was included among the named officer-director defendents. Coincident with the closing, I resigned my position as a director of HGS.

All of the above-describe proceedings have been consolidated in a proceeding now pending in the Federal District for Hawaii. The case is in the very early stages and the Company and the individual defendants intend to vigorously defend this litigation. In this regard, the Company has filed a Motion to dismiss the claim to which I am a party. A decision on this motion is pending.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

None

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: GRANT (Last) THOMAS (First) WATERS (Other)

Position to which nominated: MEMBER - BOARD of DIRECTORS SECURITIES INVESTOR PROTECTION CORPORATION

Date of nomination: ?

Date of birth: 23 (Day) 05 (Month) 1941 (Year) **Place of birth:** NEW YORK. NEW YORK

Marital Status: MARRIED **Full name of spouse:** MARY INGRAM GRANT

Name and ages of children:

THOMAS W. GRANT JR. 29
MARY GRANT Hills 32

Education:

Institution	Dates attended	Degrees received	Dates of degrees
UNIV. of NORTH CAROLINA (at CHAPEL Hill)	09/59-06/63	BA	SAME
DEERFIELD ACADEMY	09/55 - 06/59	GRADUATED	

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships and any other special recognitions for outstanding service or chievement.

N/A

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
VETERANS OF FOREIGN WARS	–	1990 - PRESENT
MEMBER	DISTRICT 12 (NOW 10) NASD	1981 - 82 - 83
MEMBER	SMALL FIRMS ADVISORY COMMITTEE	1994 - 1997
DIRECTOR	- SECURITIES INDUSTRY ASSOC.	1979 - 80 - 81

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

Thomas W. Grant
H. G. Wellington & Co., Inc.
14 Wall Street
New York, NY 10005
(212) 732-6800

Curriculum Vitae

9/91 – Present	H.G. WELLINGTON & CO., INC., New York, NY **President, CEO and Director.** Full management and regulatory responsibilities for this seventy-six year old, full service New York Stock Exchange member firm. Includes complete responsibility relating to H.G. Wellington Capital Management which manages individual and institutional investments with a total of $600 million under management.
10/96 – Present	PAX WORLD FUNDS, Portsmouth, NH **President CEO** **Pax World Management Corp., Pax World Balanced Fund Inc., Pax World Growth Fund Inc., and Pax World High Yield Fund Inc., Pax World Money Market Fund.** This mutual fund group founded in 1971 is the first socially responsible – or ethical mutual fund group. Today it manages 1.4 billion in four no-load funds with over 70,000 shareholders. Also **CEO of Pax World Capital Management** which manages separate accounts for individuals and institutions that are generally eleemosynary in nature.
10/67 – 5/91	FAHNESTOCK & CO., INC. New York, NY **Managing Director of N.Y.S.E. member firm.** Management responsibilities included Corporate Syndicate and Municipal Finance, securities clearance, International division – Including London, Paris, Munich, Curacas, and Buenos Aires.
10/65 – 10/67	MONTGOMERY SCOTT & CO. New York, NY **Vice President**, Registered Representative and research assistant.
10/63 – 10/65	U.S. ARMY Ft. Lewis, WA **Sergeant**, Third Brigade Headquarters of the Fourth Infantry Division. Operations/intelligence

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

N/A

Published Writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

N/A

Political Affiliations and activities: List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

CURRENTLY REGISTERED REPUBLICAN
REPUBLICAN NATIONAL COMITEE SINCE 1996

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

N/A

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

ATTACHMENT #1

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

   WILL NOT SEVERING CURRENT EMPLOYMENT. NOT NECESSARY

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

   NOT APPLICABLE

3. Has anybody made you a commitment to a job after you leave government?

   NOT APPLICABLE

4. Do you expect to serve the full term for which you have been appointed?

   YES

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

   NONE

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

   NONE

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

   NONE

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

NONE.

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

NON EXIST

Civil, criminal and investigatory actions:

1. Give the full derails of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

NONE.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

NONE

1

As my Curriculum Vitae clearly shows my thirty two year involvement in multiple aspects of The Securities Industry qualify me in a specific way to be an industry representative to The Board of The Securities Investor Protection Corporation. I have also been involved with the industry from a regulatory and organizational standpoint as I was a member of District 10 of The N.A.S.D. for three years the N.Y. Stock Exchange small firms advisory board and served as a Director of The Securities Industry Association.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Hinojosa (Last) Noe, Jr. (First) (Other)

Position to which nominated: Board of Directors of the Securities Investor Protection Corporation

Date of nomination: November 13, 2002

Date of birth: 22 August 1961 (Day) (Month) (Year)

Place of birth: Brownsville, Texas

Marital Status: Married

Full name of spouse: Marcia S. Gambrel Hinojosa

Name and ages of children:

Mary Elizabeth Hinojosa, 14 yrs. old
Noe Hinojosa, III, 9 yrs. old

Education:

Institution	Dates attended	Degrees received	Dates of degrees
U. of Texas-Pan American	1979-84	B.B.A.	1984
Presbyterian Pan-American	1976-79	High School	1979

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships and any other special recognitions for outstanding service or chievement.

-Outstanding Leadership as Board of Trustee of the Texas Municipal Advisory Council

-Student Body President-UT Pan American

-Athletic Scholarship in Soccer-UT Pan American

Memberships: List below all memberships and offices held in professional, fraternal, business, scholar civic, charitable and other organizations.

Organization	Office held (if any)	Dates

(Please see Attachment #1)

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

(Please see Attachment #2)

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

Please see Attachment #3 for a list of Municipal and State clients that Estrada Hinojosa has represented since its inception in January of 1992

Published Writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

None

Political Affiliations and activities: List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

Contributor to the Republican National Committee
Contributor to the Republican Party of Texas

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

U.S. Senator Kay Bailey Hutchison $1,000 on 3/15/97
U.S. Senator Kay Bailey Hutchison $1,000 on 4/15/99

U.S. Congressman Solomon Ortiz $1,000 on 7/18/01
U.S. Congressman Solomon Ortiz $1,000 on 9/3/02

U.S. Copgressman Silvestre Reyes $500 on 2/13/96

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

See Attachment #4

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

I will not sever my current employment

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

This is not a full time position with the U.S. Government

3. Has anybody made you a commitment to a job after you leave government?

No

4. Do you expect to serve the full term for which you have been appointed?

Yes

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

Not applicable

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

Not applicable

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

No conflicts have ocurred during the last 10 years

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

I have not lobbied for any federal legislation in the last ten years

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

Not applicable

Civil, criminal and investigatory actions:

1. Give the full derails of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

I have never been a subject of an inquiry or investigation

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

Not applicable

Attachment #1

Organization	Office held (if any)	Dates
Estrada Hinojosa & Co., Inc.	Vice Chairman	Since 1992
National Association of Securities Dealers	Registered Representative	Since 1988
Preston Hollow Presbyterian Church	Member	Since 1999
Presbyterian Pan American School	Advisory Board Member	Since 2002
Tower Club of Dallas	Member	Since 1999
T Bar M Tennis Club of Dallas	Member	Since 2001
World Trade Center Club (NY)	Former Member	1995 to 2001
First Baptist Church in Hurst, Tx.	Former Member	1988 to 1998
Municipal Advisory Council of Texas	Former Board Member	1995 to 1998
First Southwest Company	Vice President	1988 to 1992
Lwr. Rio Grande Valley Conf. Of Mayors	Executive Director	1986 to 1987
U.T. Pan American	Student Body President	1984
American Student Association	National Vice President	1984

Attachment #2

Position	Organization	Location (TX)	Dates
Student Body President	U.T. Pan American	Edinburg	1983 to 1984
Hispanic Outreach Coord.	Reagan-Bush '84	Austin	1984
Staff Member	U.S. Sen. John Tower	Austin	1984 to 1985
Asst. Vice President	Leal Petroleum	San Antonio	1985
Legal Assistant	Joe Weiss Law Office	San Antionio	1985
Campaign Coordinator	Roy Barrera for AG	San Antonio	1986
Executive Director	LRGV Conf. of Mayors	Pharr	1986 to 1987
Unemployed	Texas Workforce Comm.	Arlington	1987
Asst. VP & Vice President	First Southwest Co.	Dallas	1987 to 1992
Vice Chairman	Estrada Hinojosa & Co.	Dallas	1992 to Today

Attachment #3

Representative Clients as Financial Advisor

STATE AGENCIES

Texas Agricultural Finance Authority (Financial Advisor)
Texas Public Finance Authority (Structuring Agent)
Texas State Technical College System (Co-Financial Advisor)
Texas State Treasury Department (Co-Financial Advisor)

CITIES

City of Arcola, Texas (Financial Advisor)
City of Asherton, Texas (Financial Advisor)
City of Avondale, Arizona (Financial Advisor)
City of Brownsville, Texas (Financial Advisor)
City of Crystal City, Texas (Financial Advisor)
City of Dallas, Texas (Co-Financial Advisor)
City of Del Rio, Texas (Financial Advisor)
City of Douglas, Arizona (Financial Advisor)
City of Eagle Pass, Texas (Financial Advisor)
City of Edinburg, Texas (Financial Advisor)
City of Fort Worth, Texas (Co-Financial Advisor)
Town of Guadalupe, Arizona (Financial Advisor)
City of Houston, Texas (Co-Financial Advisor)
City of Junction, Texas (Financial Advisor)
City of Laredo, Texas (Financial Advisor)
City of Las Cruces, New Mexico (Financial Advisor)
City of Los Fresnos, Texas (Financial Advisor)
City of Mercedes, Texas (Financial Advisor)
Town of Parker, Arizona (Financial Advisor)
City of Penitas, Texas (Financial Advisor)
City of Peoria, Arizona (Financial Advisor)
City of Primera, Texas (Financial Advisor)
City of Raymondville, Texas (Financial Advisor)
City of Rio Grande City, Texas (Financial Advisor)
City of Rio Rancho, New Mexico (Financial Advisor)
City of River Oaks, Texas (Financial Advisor)
City of Robstown, Texas (Financial Advisor)
City of Roma, Texas (Financial Advisor)
City of San Antonio, Texas (Co-Financial Advisor)
Town of South Padre Island, Texas (Financial Advisor)
City of Tolleson, Arizona (Financial Advisor)
City of White Settlement, Texas (Financial Advisor)

COUNTIES

Bexar County (Co-Financial Advisor)
Brazoria County (Financial Advisor)
Cameron County (Financial Advisor)

Dallas County (Co-Financial Advisor)
Dimmit County (Financial Advisor)
El Paso County (Financial Advisor)
Frio County (Financial Advisor)
Gila County, Arizona (Financial Advisor)
Hidalgo County (Financial Advisor)
Jim Wells County (Financial Advisor)
Maverick County (Financial Advisor)
Nueces County (Financial Advisor)
Sabine County (Financial Advisor)
Santa Fe County, NM (Financial Advisor)
Webb County (Financial Advisor)
Zavala County (Financial Advisor)

SCHOOL DISTRICTS

Asherton Independent School District (Financial Advisor)
Brownsville Independent School District (Financial Advisor)
Chandler, Arizona Unified School District (Financial Advisor)
Charlotte Independent School District (Financial Advisor)
Crystal City Independent School District (Financial Advisor)
Donna Independent School District (Financial Advisor)
Eagle Pass Independent School District (Financial Advisor)
Harlandale Independent School District (Financial Advisor)
Kingsville Independent School District (Financial Advisor)
Laredo Independent School District (Financial Advisor)
Lasara Independent School District (Financial Advisor)
Los Fresnos Cons. Independent School District (Financial Advisor)
Mercedes Independent School District (Financial Advisor)
Monte Alto Independent School District (Financial Advisor)
Presidio Independent School District (Financial Advisor)
Raymondville Independent School District (Financial Advisor)
Rio Grande City Independent School District (Financial Advisor)
Roma Independent School District (Financial Advisor)
San Antonio Independent School District (Financial Advisor)
San Benito Independent School District (Financial Advisor)
Socorro Independent School District (Financial Advisor)
Ysleta Independent School District (Financial Advisor)

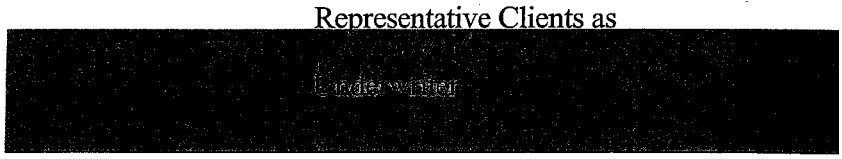
OTHER

Bexar Metropolitan Water District (Financial Advisor)
Brownsville Navigation District (Financial Advisor)
City of Brownsville Industrial Development Corp. (Financial Advisor)
City of Dallas Housing Finance Corporation (Co-Financial Advisor)

[redacted]

City of Douglas, AZ Community Housing Corp. (Financial Advisor)
City of Douglas, AZ Municipal Property Corp. (Financial Advisor)
City of Edinburg Industrial Development Corp. (Financial Advisor)
City of El Paso Housing Authority (Financial Advisor)
City of Gainesville Housing Authority (Financial Advisor)
City of Odessa Housing Authority (Financial Advisor)
City of Pharr Economic Development Corporation (Financial Advisor)
City of San Antonio Water System (Co-Financial Advisor)
City of White Settlement Industrial Dev. Corp. (Financial Advisor)
City Public Service Board of San Antonio (Co-Financial Advisor)
Dallas Area Rapid Transit (Co-Financial Advisor)
Dallas County Hospital District (Co-Financial Advisor)
Dallas Cowboys Football Club (Co-Financial Advisor)
Del Mar College District (Financial Advisor)
El Paso County Community College District (Financial Advisor)
El Paso County Hospital District (Financial Advisor)
El Paso County Housing Finance Corporation (Financial Advisor)
El Paso County Industrial Development Corp. (Financial Advisor)
Fort Worth Higher Education Finance Corp. (Co-Financial Advisor)
Hillsborough County (FL) Housing Finance Auth. (Financial Advisor)
Laguna Madre Water District (Financial Advisor)
Metro. Water District of Southern California (Co-Financial Advisor)
Nueces County Housing Finance Corporation (Financial Advisor)
Town of Guadalupe, AZ Municipal Prop. Corp. (Financial Advisor)
Town of Parker, AZ Municipal Prop. Corp. (Financial Advisor)
Valley Municipal Utility District #2 (Financial Advisor)
Winter Garden Housing Finance Corporation (Financial Advisor)

Representative Clients as



STATE AGENCIES

Department of Veterans Affairs of the State of California
Illinois Housing Development Authority
North Texas Tollway Authority
Los Angeles State Building Authority
State Public Works Board of the State of California
State of Illinois
State of Texas
Texas Department of Housing and Community Affairs
Texas National Research Laboratory Commission Financing Corporation
Texas Public Finance Authority
Texas Turnpike Authority
Texas Veterans Land Board
Texas Water Development Board

CITIES

Town of Addison, Texas
City of Albuquerque, New Mexico
City of Alice, Texas
City of Allen, Texas
City of Alvin, Texas
City of Arlington, Texas
City of Atlanta, Georgia
City of Austin, Texas
City of Beaumont, Texas
City of Bellmead, Texas
City of Bonham, Texas
City of Brenham, Texas
City of Brownsville, Texas
City of Bryan, Texas
City of Burleson, Texas
City of Carrollton, Texas
City of Chicago, Illinois
City of Copperas Cove, Texas
City of Corpus Christi, Texas
City of Cuero, Texas
City of Dallas, Texas
City of Denison, Texas
City of Denver, Colorado
City of DeSoto, Texas
City of Donna, Texas
City of Duncanville, Texas
City of Edinburg, Texas
City of Irving, Texas
City of Keene, Texas
City of Killeen, Texas
City of Lake Worth, Texas
City of Lancaster, Texas
City of Laredo, Texas
City of Las Cruces, New Mexico
City of Lewisville, Texas
City of Longview, Texas
City of Lubbock, Texas
City of Maypearl, Texas
City of McAllen, Texas
City of McKinney, Texas
City of Mercedes, Texas
City of Mesquite, Texas
City of Midland, Texas
City of Mineral Wells, Texas
City of Mission, Texas
City of Navasota, Texas
City of New Braunfels, Texas
City of New Orleans, Louisiana
City of Orange, Texas
City of Palestine, Texas
City of Pantego, Texas
City of Pharr, Texas
City of Phoenix, Arizona
City of Plano, Texas

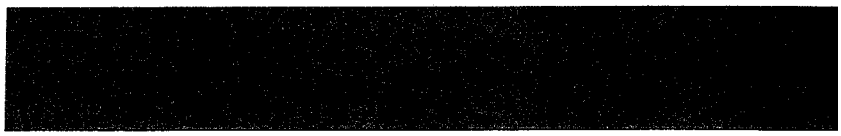
[redacted]

City of El Campo, Texas
City of El Paso, Texas
Town of Flower Mound, Texas
City of Fort Stockton, Texas
City of Fort Worth, Texas
City of Frisco, Texas
City of Gainesville, Texas
City of Garland, Texas
City of Grand Prairie, Texas
City of Grapevine, Texas
City of Greenville, Texas
City of Groesbeck, Texas
City of Harker Heights, Texas
City of Harlingen, Texas
City of Houston, Texas
City of Hutchins, Texas
City of Quitman, Texas
City of Round Rock, Texas
City of San Antonio, Texas
City of San Benito, Texas
City of San Juan, Texas
City of San Saba, Texas
City of Southlake, Texas
City of Springtown, Texas
City of Sugar Land, Texas
City of Taylor, Texas
City of The Colony, Texas
City of Tucson, Arizona
City of Victoria, Texas
City of Weslaco, Texas
City of White Settlement, Texas

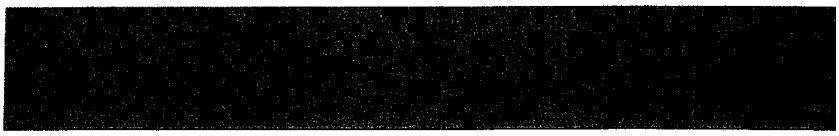
SCHOOL DISTRICTS

Academy Independent School District
(Bell County)
Aldine Independent School District
(Harris County)
Angleton Independent School District
(Brazoria County)
Arlington Independent School District
(Tarrant County)
Asherton Independent School District
(Dimmit County)
Austin Independent School District
(Travis County)
Bastrop Independent School District
(Bastrop County)
Belton Independent School District
(Bell County)
Brock Independent School District
(Parker County)
Brownsville Independent School District
(Cameron County)
Burleson Independent School District
(Johnson County)
Canutillo Independent School District
(El Paso County)

Carrollton-Farmers Branch Independent School District
(Dallas County)
Clifton Unified School District
(Greenlee County, Arizona)
Copperas Cove Independent School District
(Coryell & Bell Counties)
Corpus Christi Independent School District
(Nueces County)
Crosby Independent School District
(Harris County)
Dallas Independent School District
(Dallas County)
Del Valle Independent School District
(Travis County)
Denver School Facilities Leasing Corporation
(Denver, Colorado)
Duncanville Independent School District
(Dallas County)
Edcouch-Elsa Independent School District
(Hidalgo County)
Edinburg Consolidated Independent School District
(Hidalgo County)
El Paso Independent School District
(El Paso County)
Fort Worth Independent School District
(Tarrant County)
Frisco Independent School District
(Collin & Denton Counties)
Galena Park Independent School District
(Harris County)
Garland Independent School District
(Dallas County)
Granbury Independent School District
(Hood, Johnson, Parker and Somervell Counties)
Harlandale Independent School District
(Bexar County)
Hays Consolidated Independent School District
(Hays County)
Hidalgo Independent School District
(Hidalgo County)



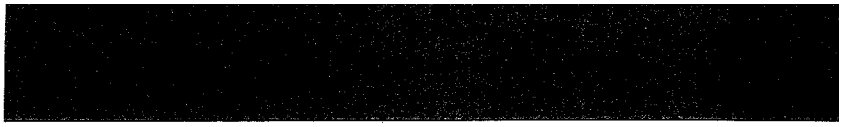
Houston Independent School District
(Harris County)
Hurst-Euless-Bedford Independent School District
(Tarrant County)
Irving Independent School District
(Dallas County)
Kerrville Independent School District
(Kerr County)
Krum Independent School District
(Denton & Wise Counties)
La Joya Independent School District
(Hidalgo County)
Lago Vista Independent School District
(Travis County)
Laredo Independent School District
(Webb County)
Lewisville Independent School District
(Denton County)
Los Angeles Unified School District
(Los Angeles County, California)
Los Fresnos Independent School District
(Cameron County)
Madisonville Independent School District
(Madison County)
Mansfield Independent School District
(Tarrant and Johnson Counties)
Maypearl Independent School District
(Ellis County)
McKinney Independent School District
(Collin County)
Mission Consolidated Independent School District
(Hidalgo County)
Pharr-San Juan-Alamo Independent School District
(Hidalgo County)
Presidio Independent School District
(Presidio County)
Rio Hondo Independent School District
(Cameron County)
Robstown Independent School District
(Nueces County)



San Diego, California Unified School District
(San Diego County)
South San Antonio Independent School District
(Bexar County)
Temple Independent School District
(Bell County)
United Independent School District
(Webb County)
Vernon Independent School District
(Wilbarger County)
Victoria Independent School District
(Victoria County)
Weatherford Independent School District
(Parker County)
Weslaco Independent School District
(Hidalgo County)
White Settlement Independent School District
(Tarrant County)
Wylie Independent School District
(Collin County)
Ysleta Independent School District
(El Paso County)

HIGHER EDUCATION INSTITUTIONS

Alamo Community College District
Austin Community College District
Chicago State University
Collin County Community College District
Corpus Christi Junior College District
Dallas County Community College District
Houston Community College System
Laredo Community College District
South Texas Community College District
Southmost Union Junior College District
Stephen F. Austin State University
Tarrant County Junior College District
Texas A&M University System
Texas Southern University
Texas State University System
Texas Tech University
The University of Arizona
The University of Houston System



The University of North Texas
The University of Texas System
Yavapai County Community College District (Arizona)

COUNTIES

Dade County, Florida
Dallas County, Texas
Dane County, Wisconsin
Denton County, Texas
El Paso County, Texas
Galveston County, Texas
Harris County, Texas
Hays County, Texas
Hidalgo County, Texas
Hudspeth County, Texas
Jefferson County, Texas
Maverick County, Texas
Nueces County, Texas
Pima County, AZ
San Diego County, CA
Taos County, New Mexico
Tarrant County, Texas
Tom Green County, Texas
Travis County, Texas
Webb County, Texas
Williamson County, Texas
Zavala County, Texas

OTHER

Alamo Area Housing Finance Corporation
Alliance Airport Authority
Ascension Health Credit Group
Beeville Water Supply District
Bexar Metropolitan Development Corporation
Bexar Metropolitan Water District
Brazos County Housing Finance Corporation
Brazos River Authority
Brownsville Navigation District
Burleson, Texas Economic Development Corporation
Burleson, Texas Community Service Development Corporation
California Infrastructure and Economic Development Bank
California School Finance Authority
Cameron County Fresh Water Supply District #1
City and County of Denver, Colorado
City of Atlanta, Georgia Airport Authority
City of Brownsville, Texas Public Utility Board
City of Chicago, Illinois Park District
City of Dallas Housing Finance Corporation
City of El Paso Public Service Board
City of Fort Worth Housing Finance Corporation
City of Houston Housing Finance Corporation
City of Phoenix, Arizona Civic Improvement Corporation
City of Phoenix, Arizona Housing Finance Corporation
City of Phoenix, Arizona Industrial Development Authority

City Public Service Board of San Antonio
Clear Lake City Water Authority
Coastal Water Authority
County of Maricopa, Arizona Industrial Development Authority
Dade County Housing Finance Authority
Dallas County Hospital District
Department of Water and Power of the City of Los Angeles, CA
DeSoto Economic Development Corporation
Development Corporation of McAllen, Inc.
Dallas-Fort Worth International Airport Board
Duncanville Community and Economic Development Corporation
El Paso County Housing Finance Corporation
El Paso County Industrial Development Corporation
El Paso County Water Authority
Fort Bend Flood Control Water Supply Corporation
Greater Kelly Development Authority
Gulf Coast Water Authority
Houston Area Water Corporation
Industrial Development Corporation of the City of Galveston
Laguna Madre Water District
Metropolitan Pier and Exposition Authority of Illinois
Nederland, Texas Economic Development Corporation
North Central Texas Health Facilities Development Corporation
Nueces River Authority
Orlando, Florida Utilities Commission
Palo Pinto County Municipal Water District No. 1
Pantego Economic Development Corporation
Park Board of Trustees of the City of Galveston
Pecan Grove Municipal Utility District
Plano Health Facilities Development Corporation
Port of Beaumont Navigation District
Port of Houston Authority of Harris County, Texas
Port of Port Arthur, Texas
Sabine River Authority
South Texas Higher Education Authority
South Texas Water Authority
Southlake Parks Development Corporation
Tarrant County Health Facilities Development Corporation
Texas Affordable Housing Corporation
Trinity River Authority
United States Department of Housing and Urban Development
West Texas Municipal Power Agency
Willacy County Navigation District

Attachment #4

The President of the United States of America under the Securities Investor Protection Act of 1970 Section 78ccc. (c)(2)C is required to appoint five directors and with the advice and consent of the United States Senate 78c(2)C(i), three directors shall be selected from among persons who are associated with, and representatives of different aspects of, the securities industry, not all of whom shall be from the same geographical area of the United States.

In 1987 I joined the firm of First Southwest Company in Dallas, Texas and in 1988 I became a Registered Representative of the National Association of Securities Dealers. In 1992 I joined my long time partner Robert A. Estrada to create Estrada Hinojosa & Co., Inc. as a partner and owner, and as such I am considered an active member of the securities industry.

Our firm specializes in the trading, underwriting and financial advisory services to municipalities in their issuance of municipal bonds. With offices in Dallas (our headquarters), Houston, San Antonio, Miami, Florida and San Diego, California, in 2002 our firm participated in 182 transactions as either financial advisor or underwriter for a record total in excess of $11.6 billion.

Based on my experience as both owner and banker the President found me qualified to serve on the Board of Directors of the Securities Investor Protection Corporation.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Timken (Last) William (First) Robert (Jr.) (Other)

Position to which nominated: Chairman, Securities Investor Protection Corporation

Date of nomination: Nov., 2002

Date of birth: 21 (Day) 12 (Month) 1938 (Year) **Place of birth:** Canton, Ohio

Marital Status: Married **Full name of spouse:** Sue Shaffer Timken

Name and ages of children:

Henry H. Timken II - 40
Kristin C. Timken - 42
William R. Timken III - 37
Mark P. Timken - 34

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Phillips Academy Andover	6/52-6/56	Diploma	6/56
Stanford University	9/56-6/60	BA	6/60
Harvard Business School	9/60-6/62	MBA	6/62

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships and any other special recognitions for outstanding service or chievement.

See separate sheet.

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
See separate sheet.		

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

Employer: The Timken Company, Canton, Ohio (unless otherwise stated)

4/65-Present	Member, Board of Directors
10/65-4/68	Director - Corporate Development (Colmar, France)
4/68-4/73	Corporate Vice President
4/73-4/75	Vice Chairman - Board of Directors
4/75-Present	Chairman - Board of Directors
1/98-11/99	Chairman, President and CEO
11/99-7/02	Chairman and CEO
7/02-Present	Chairman - Board of Directors

Government experience:

List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

None

Published Writings:

List the titles, publishers and dates of books, articles, reports or other published materials you have written.

Articles

National Competitiveness Is Everyone's Business (guest editorial) - Production & Inventory Management Review, October, 1989
The Ultimate Gamble? - Leaders, Jan/Feb/Mar/1984
Univ. of Akron's "Economic View" (guest viewpoint) - Fall, 1983
Manufacturing: A Requisite, Not a Requiem - Industry Week, 10/3/83

Op-eds

It's simple: No tax cuts, no growth - 2/14/01
The old economy: There is no such thing - 9/29/00
Trade with China - Key to U.S. prosperity and security - 5/5/00
Economy must grow faster - 9/12/96
Exports mean big payoff for U.S. - 11/14/95

Political Affiliations and activities:

List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

See separate sheet.

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

See attached sheet.

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

See attached sheet.

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

   No

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

   N/A

3. Has anybody made you a commitment to a job after you leave government?

   N/A

4. Do you expect to serve the full term for which you have been appointed?

   Yes

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

None

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

In my roles as chairman of The Timken Company and chairman of the National Association of Manufacturers (NAM), I have communicated to government elected officials and administrative officials on numerous issues that affect manufacturing.

I have never testified before Congress nor to my knowledge ever dealt with issues relating to banking and securities markets.

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

N/A

Civil, criminal and investigatory actions:

1. Give the full derails of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

None

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

None

Honors and Awards

State of Ohio Governor's Award
City of Colmar, France, Silver Medal Award
Honorary Doctor of Laws Degree, Ashland College
Canton Chamber of Commerce Award of Appreciation
U.S. Department of Treasury Medal of Merit (1985, 1986, 1987)
Honorary Doctor of Laws Degree, Limestone College
Canton, Ohio, Amateur Sports Hall of Fame
Honorary Doctor of Humanities Degree, Capital University
Chevalier, French Legion of Honor
Garfield Society of Hiram College
Canton Rotary Club Paul Harris Fellow Award
Fred A. Lennon Honorary Ashbrook Scholar Alumnus Award
Ellis Island Medal of Honor
Inside Business N.E. Ohio Business Hall of Fame
Adam Smith Award
Woodrow Wilson Award for Corporate Citizenship
The University of Akron Honorary Alumni Award

Memberships

Business

- The Timken Company
  Chairman – Board of Directors, since 1975
- Diebold, Incorporated
  Director and Member of the Executive Committee, 1986-present
- Former Public Corporation Board of Directors
  The Louisiana Land and Exploration Company, 1972-1997 (company sold)
  Aeroquip-Vickers, Inc. (formerly TRINOVA Corporation), 1973-1999 (company sold)
  Tejas Energy, LLC, 1998-1999 (company sold)

Professional

- U.S.-Japan Business Council
  Member, 1980-present
- Management Executives' Society
  Member, 1986-present
  President, 1991-93
- U.S. Council on Competitiveness
  Member, 1989-present
- Department of Commerce Japan Corporate Program
  Member, 1990-93
- Ohio Business Roundtable
  Executive Committee, 1992-present
  Chairman, 1997-98
- National Association of Manufacturers (NAM)
  Chairman, 2000-2001
  Vice Chairman, 1999-2000
  Board of Directors Executive Committee, 1995-present; Chairman, 2001-02
  Co-chairman - Ohio Centennial Leadership Committee, 1995
  Manufacturing Institute Board of Trustees, 1996-present
- Regional Business Council-Northeastern Ohio
  Board of Trustees, 1999-present
  Chairman, 1999-2000

Educational

- Ohio Foundation of Independent Colleges
  Board of Trustees, 1988-1997
  Chairman, 1990-91
- Stanford University
  Board of Trustees, 1976-1987

Memberships – page 2

- Stanford University School of Business
  Advisory Council, 1973-76, 1987-1993
- Andover Alumni Council
- Institut Europeen d'Administration des Affaires (INSEAD)
  U.S. Advisory Board, 1979-present
- Stark Education Partnership, 1989-present
  Founder
- Canton Country Day School
  Founder
  President and Board of Trustees, 1967-1971

Local/National - Civic

- Timken Foundation
  Vice President, 1971-present
- Hoover Institution on War, Revolution and Peace
  Board of Overseers, 1977-1983, 1986-1992, 2002-
- Professional Football Hall of Fame Museum
  Board of Trustees, 1978-present
- Vote America Foundation
  Board of Directors, 1981-1992
- Timken (Henry & Louise) Foundation, 1982-present
- Stark County Development Board
  Board of Trustees, 1985-present
- Statue of Liberty National Fundraising Committee
  Ohio State Chairman, 1986
- Aerospace Education Foundation
  Barry Goldwater Fellow, 1989
- Anderson, M.D., Cancer Center National Finance Advisory Committee for the George and Barbara Bush Endowment for Innovation Cancer Research, 2000-present
- Canton Urban League, 2002-

Political Affiliations and Activities
(During the last 10 years {since 1993})

Stark County Republican Finance Committee - Member
Ohio Republican Finance Committee - Honorary Life Member
Vice Chairman - President's Dinners - Washington, D.C. - 2001, 2002
Presidential Elector - State of Ohio - 2000
Ohio Delegate to 1996 Republican National Convention
Ray C. Bliss Institute of Applied Politics Advisory Board
Ohio Leadership Council Co-chairman - 1993
Ohio Presidential Trust Chairman - 1996
Bush for President Exploratory Committee Finance Committee - 1999
Ohio Victory 2000 Finance Committee - 2000
Victory 2000 National Finance Committee - 2000
Taft for Governor Finance Chairman - 1997-98; 2001-02

Political Contributions
($500 or more during the last 8 years {since 1995})

Charles Bass Victory Committee	$ 500.00	April 1995
Dole for President	1,000.00	April 1995
Ohio Republican Party	25,000.00	June 1995
Taft for Ohio	5,000.00	June 1995
Regula for Congress	500.00	July 1995
Ohio Manufacturers' Association (PAC)	500.00	September 1995
The Presidential Trust	20,000.00	December 1995
Taft for Ohio	5,000.00	February 1996
Joyce George Congressional Committee - primary	1,000.00	March 1996
Ohio Manufacturers' Association (PAC)	500.00	March 1996
LaTourette for Congress - primary	1,000.00	March 1996
Stratton for Ohio Supreme Court	500.00	April 1996
Bob Schaffer for Congress	1,000.00	April 1996
Republican House-Senate Dinner	5,000.00	April 1996
Regula for Congress	500.00	August 1996
Voinovich for Senate - primary	1,000.00	October 1996
Ohio Republican Party	10,000.00	October 1996
Timken Company Good Government Fund (PAC)	4,000.00	1996
Taft for Ohio – primary	2,500.00	May 1997
DeWine for Senate – primary	1,000.00	May 1997
DeWine for Senate – general	1,000.00	May 1997
Voinovich for Senate – general	1,000.00	May 1997
Ohio Republican Party State Candidate Fund	15,500.00	December 1997
Stark County Candidate Fund – Republican	5,000.00	December 1997
Ohio Republican Senate Candidate Fund	5,000.00	December 1997
Ohio Republican House Candidate Fund	5,000.00	December 1997
John Kasich Pioneer PAC	5,000.00	December 1997
Timken Company Good Government Fund (PAC)	4,999.92	1997
Ohio Republican State Candidate Fund	15,500.00	May 1998
Taft for Governor	2,500.00	May 1998
Petro for Auditor	2,500.00	May 1998
Blackwell for Secretary of State	2,500.00	May 1998
Newt Gingrich PAC	3,000.00	May 1998
Citizens for Schuring	1,000.00	October 1998
Committee to Elect Moyer	2,000.00	October 1998
Ohio House Republican Campaign Committee	2,000.00	October 1998
Bush for President	1,000.00	August 1999
Friends of George Allen	1,000.00	August 1999
Republican National Committee	20,000.00	December 1999
Republican National State Elections Committee	20,000.00	December 1999
1999 State Victory Fund Committee	25,000.00	December 1999

Political Contributions – page 2

Timken Company Good Government Fund (PAC)	4,999.92	1999
2000 Republican House-Senate Dinner	25,000.00	April 2000
Bush for President Compliance Committee	1,000.00	April 2000
RNC Presidential Trust	10,000.00	June 2000
Ohio Republican Party State Victory Committee	15,000.00	June 2000
Republican National State Elections Committee	11,750.00	June 2000
G. W. Bush Food Costs Home Fundraiser	2,000.00	June 2000
Ohio Republican Party – Convention	4,875.00	June 2000
Citizens for Schuring	500.00	October 2000
Ohioans for Fair Judges	2,000.00	October 2000
Ohio House Campaign Committee	3,000.00	October 2000
Bush-Cheney Recount Fund	5,000.00	October 2000
Citizens for Schuring	2,000.00	December 2000
Timken Company Good Government Fund (PAC)	1,666.64	2000
Ohio Republican Finance Committee	1,500.00	January 2001
DeWine Ohio 17 Star PAC	5,000.00	January 2001
National Republican Committee Trust	5,000.00	January 2001
Republican National State Elections Committee	30,000.00	January 2001
Citizens for Schuring	2,000.00	January 2001
Taft for Governor	2,500.00	January 2001
Ohio Republican Party	25,000.00	January 2001
Voinovich for Senate – primary	1,000.00	August 2001
Voinovich for Senate – general	1,000.00	August 2001
Collins for Senate	1,000.00	October 2001
Elizabeth Dole 2002 Campaign	1,000.00	October 2001
Ohio House Campaign Committee	3,000.00	October 2001
Ohio Senate Campaign Committee	3,000.00	October 2001
Republican National Committee	20,000.00	December 2001
Ohioans for Blackwell	2,500.00	December 2001
Citizens for Petro	2,500.00	December 2001
Timken Company Good Government Fund (PAC)	4,999.92	2001
Roy B Fund (PAC)	1,000.00	February 2002
Keep Judge Sara Lioi	500.00	February 2002
Stark County Republican Party	1,500.00	February 2002
DeWine Ohio 17 Star Leadership PAC	5,000.00	February 2002
Ohio Republican Party Campaign Account	16,500.00	April 2002
Taft-Bradley – general	2,500.00	April 2002
Citizens for Schuring – primary	2,500.00	April 2002
Citizens for Schuring – general	2,500.00	May 2002
Ohio's Salute to Mike Turner	1,000.00	June 2002
Linda Lingle for Governor Hawaii	6,000.00	June 2002
Deters for Ohio's Future	2,500.00	October 2002
Ohioans for Blackwell	2,500.00	October 2002
Dole 2002 Committee – general	1,000.00	October 2002
O'Connor for Supreme Court	2,200.00	October 2002

Political Contributions – page 3

Stratton for Supreme Court	2,200.00	October 2002
Republican National State Elections Committee	40,000.00	October 2002
Timken Company Good Government Fund (PAC)	4,999.92	2002
Stark County Republican Party	2,000.00	February 2003
Timken Company Good Government Fund (PAC)	833.32	2003

Qualifications

For 28 years I have served as Chairman – Board of Directors of a public Fortune 600 company.

I have also served as a director on four other public corporate boards and numerous civic and charitable institutions.

RESPONSE TO WRITTEN QUESTION OF SENATOR SHELBY FROM THOMAS W. GRANT

Q.1. I understand that a number of exchange rule changes are pending before the SEC that would permit the implementation of a pilot program for portfolio margining in the account of a customer with an account equity of at least $5 million for positions in broad-based index options and futures. This pilot program, which was developed nearly 4 years ago, is integral to the consideration of risk-sensitive portfolio margining for securities customers. SEC Chairman Bill Donaldson recently pledged his assistance in working to finalize these rules so that the pilot program can finally be implemented.

The SIPC has bean asked to use its existing rulemaking and rule interpretation authority to determine whether the SIPA will apply to the securities accounts in the portfolio margining pilot. Will you work with the SIPC staff to resolve this issue as soon as possible?

A.1. I have spoken with the SIPC staff concerning the subject of margining an account which contains both securities and futures. The issues which are raised by such a "cross-margined" account are new and complex. The complexity arises from the historical separation of the regulatory regimes for securities, on the one hand, and futures, on the other. Thus, for example, the Securities Investor Protection Act protects securities left with a stock brokerage firm for safekeeping, but the definition of the term "security" in that statute specifically excludes, "any commodity or related contract or futures contract, or any warrant or right to subscribe to or purchase or sell any of the foregoing." The SIPC staff informs me that periodic discussions of the cross-margining of securities and futures among the SIPC, the Securities and Exchange Commission, the Options Clearing Corporation, and the Chicago Board Options Exchange have taken place over the last one and a half years.

I will work with the SIPC staff to determine the best approach to resolve promptly the issues raised by the proposed pilot program for portfolio margining.

RESPONSE TO WRITTEN QUESTION OF SENATOR SHELBY FROM WILLIAM R. TIMKEN, JR.

Q.1. I understand that a number of exchange rule changes are pending before the SEC that would permit the implementation of a pilot program for portfolio margining in the account of a customer with an account equity of at least $5 million for positions in broad-based index options and futures. This pilot program, which was developed nearly 4 years ago, is integral to the consideration of risk-sensitive portfolio margining for securities customers. SEC Chairman Bill Donaldson recently pledged his assistance in working to finalize these rules so that the pilot program can finally be implemented.

The SIPC has been asked to use its existing rulemaking and rule interpretation authority to determine whether the SIPA will apply to the securities accounts in the portfolio margining pilot. Will you work with the SIPC staff to resolve this issue as soon as possible?

A.1. I have spoken with the SIPC staff concerning the subject of margining an account which contains both securities and futures.

The issues which are raised by such a "cross-margined" account are new and complex. The complexity arises from the historical separation of the regulatory regimes for securities, on the one hand, and futures, on the other. Thus, for example, the Securities Investor Protection Act protects securities left with a stock brokerage firm for safekeeping, but the definition of the term "security" in that statute specifically excludes "any commodity or related contract or futures contract, or any warrant or right to subscribe to or purchase or sell any of the foregoing." The SIPC staff informs me that periodic discussions ofthe cross-margining of securities and futures among the SIPC, the Securities and Exchange Commission, the Options Clearing Corporation, and the Chicago Board Options Exchange have taken place over the last one and a half years.

I will work with the SIPC staff to determine the best approach to resolve promptly the issues raised by the proposed pilot program for portfolio margining.

RESPONSES WRITTEN QUESIOTNS OF SENATOR SARBANES FROM ALFRED A. PLAMANN

The National Consumer Cooperative Bank Act requires that the Board of Directors, "use its best efforts to ensure that at the end of the each fiscal year of the Bank at least 35 per centum of its outstanding loans are to: (1) cooperatives at least a majority of the members of which are low-income persons and (2) other cooperatives, if the proceeds of such loans are directly applied to finance a facility, activity, or service that the Board finds will be used predominantly by low-income persons." It is my understanding that the NCB has yet to reach that goal.

Q.1.a. As the low-income representative on the Board, how will you ensure that 35 percent of the Bank's loans are made to low-income cooperatives and cooperatives that directly service the needs of low-income persons?

A.1.a. During my past tenure an the Board there was a dual effort to spur and support low-income, cooperative development both through the use of the NCB loan portfolio and through the use of the NCB's other resources. I will continue to be an advocate on the Board for low-income cooperatives by setting higher and higher standards and expectations for increasing low-income loans and measuring best efforts based on out willingness and ability to invest increasing resources to deliver capital and technical assistance to low-income cooperatives.

My focus, however, and what I hope to achieve on the Board, goes well beyond the resources we have available through the NCB loan portfolio and balance sheet. The NCB is a relatively small organization and the needs of low-income cooperatives are substantial and growing. I would hope to leverage the expertise of the NCB and its balance sheet to access other capital that can be directed to low-income cooperatives, For example, in 2002, the NCB used its resources to arrange over $100 million of low-income transactions, which involved other sources of private and public investment. As a low-income representative I will advocate raising the bar for deploying these critical resources to low-income cooperatives. I would also advocate for capacity building and technical assistance programs for low-income cooperatives. For example, the NCB's affil-

iate, NCB Development Corporation, is operating a program in 10 States directed at revolutionizing the use of Medicaid resources for affordable assisted living recipients. I would push to increase the resources that the NCB is directing to these kinds of programs.

Q.1.b. It is my understanding that the NCB staff bonus structure provides an incentive for staff to originate low-income loans. Do you support the bonus provisions for employees that takes into account the Board's efforts to reach the 35 percent annual goals?

A.1.b. When I was Board Chair, we increased the weight of low-income activities in the incentive plans. The plans provide for an increased reward for achieving the low-income goals, but the plans also have a penalty that substantially reduces the overall award if the low-income goal is not achieved. I feel that these plans provide an appropriate incentive for management to reach even higher to achieve the mission of the Bank.

Q.2. How do you plan to use your board seat to represent low-income consumers at the NCB and assure that the Bank continues to help finance consumer-owned cooperatives that serve poor people? Would you advise the Bank to do anything differently?

A.2. My job will be to promote the needs of low-income cooperatives, even in circumstances where these needs may appear to be in conflict with the NCB's requirements to operate a viable, financial services organization, I understand the bottom-line requirements of running a business, and once I think those requirements can be met, I will be pressing to use as many resources as we can to serve low-income cooperatives.

Q.3. What are your plans to work with the various national and regional advocacy groups that represent underserved populations to ensure that their views are represented on the NCB Board?

A.3. The NCB, and its affiliate, NCB Development Corporation, are involved in a number of partnerships and programs with national and regional advocacy groups. As I understand it, there are also a number of advisory groups in various sectors like community health care, education, and housing that have been convened to assist the NCB to determine how best to deploy its resources in these areas. I expect to be personally involved in these discussions to learn fast hand what the views of low-income constituents are.

Q.4. Congress specifically directed the NCB to, among other things, "encourage the development of new and existing cooperatives eligible for its assistance by providing specialized credit and technical assistance." As the low-income representative Board Member, how would you encourage the creation of now cooperatives owned by low-income individuals?

A.4. Vital to the creation of new, low-income cooperatives are programs that are focused on providing higher risk, nontraditional financing and that are directed at building the capacity of low-income residents to form and operate their own enterprises. I intend to use my Board role to continue to advocate for and expand the resources that the NCB directs to these areas.