The following situations are representative of the types of institutions that borrowed money from the Federal Reserve during the financial crisis. Feel free to add, delete or modify any situation.

**Situation 1: corporate bonds**

Congratulations! You will be playing the role of a very important economic entity

Who you are: the Chief Financial Officer of the Marriott Hotel Chain

What you have to sell: $30 million of corporate bonds (also called commercial paper)

Why you need to sell it: need to borrow money from the financial markets on a monthly basis (by selling bonds) to finance new construction and as general corporate cash management policy

**Situation 2: mortgage-backed securities**

Congratulations! You will be playing the role of a very important economic entity

Who you are: the Chief Financial Officer at Fidelity Investments

What you have to sell: $100 billion of mortgage backed securities

Why you need to sell it: these assets are almost worthless and have become known as “toxic assets”; no one wants them but you need to get them off of your balance sheet to improve your financial picture

**Situation 3: foreign bank**

Congratulations! You will be playing the role of a very important economic entity

Who you are: the President of Deutsche Bundesbank (Germany’s central bank)

What you have to sell: $100 billion of Euros

Why you need to sell it: many bank loans in Germany are denominated in US dollars; you want to make sure you have an adequate supply of dollars on hand to meet these needs

**Situation 4: commercial bank, short-term securities**

Congratulations! You will be playing the role of a very important economic entity

Who you are: the Chief Financial Officer of PNC Bank

What you have to sell: $50 million of short-term Treasury securities

Why you need to sell it: you need the money to increase the amount of loans you can make (to earn money)

**Situation 5: commercial bank, long-term securities**

Congratulations! You will be playing the role of a very important economic entity

Who you are: the Chief Financial Officer of Bank of America

What you have to sell: $500 million of long-term Treasury securities

Why you need to sell it: you need the money to increase the amount of loans you can make (to earn money)