For Online Publication Internet Appendix For "Do Labor Markets Discipline? Evidence from RMBS Bankers"

Appendix A. Details on data selection

To build our sample of RMBS signers, we start with a universe of 3,994 U.S. RMBS deals issued between 2004 and 2006 with a value of at least \$100 million. We find names of people associated with these deals from two sources. First, we identify 8-K filings associated with the deals. We focus on 8-Ks used to disclose pooling and servicing agreements and other pertinent deal documents because these 8-Ks are typically filed shortly after the deal's prospectus supplement and are signed by someone associated with the deal sponsor. We do not use 8-Ks signed by third-party trustees or servicers to ensure that signers are affiliated with the deal sponsor. The 8-Ks are typically signed by a single individual on behalf of the sponsoring entity.¹ Second, we identify the shelf registration statement (S3) associated with each deal. Registration statements lay out the primary terms and structure of the deals, and registrations statement signers were routinely named by the FHFA in lawsuits alleging RMBS fraud. The SEC requires shelf registrations to be signed by the principal officers and a majority of the directors of the issuing entity. For asset-backed securities, the issuing entity is typically a subsidiary of the bank that functions as the deal's sponsor and/or depositor, and the signers are typically senior structured finance executives. The median registration statement is signed by four people. We include all signers of the registration statements in our sample.

We find sponsor signatures for 3,331 deals, which represents 83% of the initial RMBS deal sample. The 3,331 RMBS deals for which we have sponsor signatures were signed by 513 unique individuals. We find biographical information for 392 (76%) of these individuals, representing at least one signer for each of the 3,331 deals, including public profiles on a large professional networking platform for 314 individuals (60%). The median RMBS signer is associated with 10 deals. However, the distribution of number of deals per individual is highly skewed. Twenty seven people signed documents related to more than 100 deals, typically representing all or most of their bank's deals.

As a control group, we use the same process to collect signatures of non-RMBS deals closed during the same time period.² This results in 404 non-RMBS signers, 91 of whom also signed RMBS deals. We define someone as a RMBS signer if at least half of their deals were RMBS, which results in a sample of 386 RMBS signers and 319 non-RMBS signers.

¹In the few cases where 8-Ks are signed by more than one person, we limit our sample to the first signer for consistency.

²These are primarily CMBS and securitized deals related credit cards, auto loans, and students loans. The sample does not include CDOs because they do not typically have SEC filings.

We add to the RMBS signer sample by searching for public profiles of individuals involved in RMBS on the large professional networking platform. The platform's membership includes a majority of finance professionals, as evidenced by our 60% success rate finding profiles for RMBS signers on the platform. The information we analyze is at the position level, including job titles, start dates, end dates, and in most cases descriptions of what the position entailed. Using this position-level information, we identify individuals who worked at a top-18 RMBS underwriter during 2004 to 2006 in positions with descriptions that include the keywords "MBS" or "Mortgage Back."³ We restrict the sample by dropping positions identified as internships or administrative assistants and positions that contain keywords related to wealth management, investment management, sales and trading, research, legal, accounting, technology, compliance, or operations. This results in a sample of 329 non-signer RMBS bankers with public profiles.

For comparison purposes, we repeat the same process with the same firms and time period but different keywords to build a control sample of non-RMBS bankers. We identify the non-RMBS bankers as individuals who have CMBS or ABS keywords in their position descriptions but do not have RMBS keywords. As show in the sixth column of Table 1, this results in 294 individuals with characteristics that are largely similar to the RMBS banker sample. For our difference in differences analysis, identify samples of RMBS and non-RMBS bankers during the 1998 to 2000 time period using the same process. We also identify a control sample of 1,208 investment bankers using the same process with "M&A" and "IPO" keywords. The investment banker sample is described in Table IA.3 of the internet appendix.

Finally, we construct a sample based on attendance at the 2006 American Securitization Forum (ASF), a major securitization conference. From the 715 issuer attendees listed for the ASF, we find public networking profiles for 415 individuals (58% of attendees). Whereas 78% of the RMBS banker sample worked for top-18 underwriters, only 18% (75/415) of ASF issuers were employed by top-18 underwriters in 2006. We compare the ASF issuers to investor attendees at the same conference and also follow Cheng, Raina, and Xiong (2014) and compare to ASF issuers to a random sample equity analysts in 2006 obtained from IBES.⁴ All three samples are described in Table IA.3 of the internet appendix.

³Our keyword searches do not treat references to "CMBS" or "Commercial Mortgage Back" as RMBS keywords.

⁴Starting with 1,045 ASF investor attendees, we find public profiles for 548 people (52%). Starting with 808 analysts, we find public networking profiles for 368 people (45%).

Appendix B. Additional tables and figures



Panel A: Job position keywords

Panel B: Description keywords



Fig. IA.1. Biographical keyword frequency at top underwriters as of 2011. This figure shows the most frequent words included in the biographies of RMBS bankers still employed at a top-18 underwriter as of 2011. The 18 underwriters we focus on are listed in Panel A of Figure 5. A larger font size represents a higher frequency. Panel A considers words in the reported job titles while Panel B considers words in the job descriptions.



Fig. IA.2. Difference-in-differences representation for employment at a top RMBS underwriter. This figure compares the employment status of RMBS bankers with that of CMBS and nonmortgage ABS bankers over time. Signers are not included in the sample. Specifically, the lines on the left represent the fraction of 1998-2000 RMBS bankers and 1998-2000 CMBS and non-mortgage ABS bankers that remained employed at a top-18 underwriter during 2001 to 2005. The lines on the right represent the fraction of 2004-2006 RMBS bankers and 2004-2006 CMBS and non-mortgage ABS bankers that remained employed at a top-18 underwriter during 2007 to 2011.

Table IA.1 Mortgage-related fines and penalties paid to government agencies by large financial institutions

This table summarizes the penalties paid by large financial institutions to government agencies from 2012-2017 for activities related to residential mortgage-backed securities ("RMBS"), collateralized debt obligations ("CDO"), and the underlying fraudulent loan practices that affected RMBS and CDO. The 2012-2014 settlements are cited from Zingales (2015) and the 2015-2017 settlements are collected from DOJ and SEC reports. Additionally, 3 large discriminatory lending settlements totaling more than \$200 million are not included in the table below.

			Amounts	
Year	Financial Institutions	Government Agencies	(in millions)	Description
2012	Wells Fargo, JPMorgan Chase, Citigroup, Bank of America, Ally Financial	DOJ, HUD, 49 STATES	\$25,000	Collective agreement to address mortgage loan servicing and foreclosure abuses
2012	Wells Fargo	SEC	\$6,500	Improper pricing of CDOs and other complex securities
2012	JP Morgan Chase	SEC	\$296.90	Misleading disclosures of mortgage-related risk and exposure
2012	Credit Suisse	SEC	\$120	Misleading disclosures of mortgage-related risk and exposure
2013	Bank of America	FNMA	\$11,600	Selling Fannie Mae hundreds of billions of dollars of defective loans
2013	Bank of America and 12 other banks	Fed and OCC	\$9,300	Foreclosure abuses from the robo-signing scandal
2013	Bank of America	Fed NY	\$62	For defective mortgage securities that Maiden Lane II had purchased from AIG
2013	Bank of America	NCUA	\$165	For losses related to purchases of RMBS by failed credit unions
2013	Fifth Third	SEC	\$6.50	Improper accounting of real estate loans
2013	Bank of America	MBIA	\$1,700	Countrywide mortgage value misrepresentation and underwriting standards
2013	UBS	FHFA	\$885	Violation of security laws in private-label RMBS
2013	JP Morgan	DOJ,NCUA,FDIC,FHFA, NY,CA,DE	\$13,000	DOJ settlement for selling securities that contain fraudulent and toxic mortgages
2013	RBS Securities	SEC	\$150	Made misleading disclosures about mortgage-related risk
2013	Deutsche Bank	FHFA	\$1,900	Settlement on claims that Deutsche Bank violated laws in private label RMBS sales to Fannie Mae
2014	Citigroup	DOJ, States	\$7,000	DOJ settlement for selling securities that contain fraudulent and toxic mortgages
2014	Morgan Stanley	FHFA	\$1,250	Violations of laws in private label mortgage backed securities sales to Fannie Mae and Freddie Mac from 2005-2007
2014	JP Morgan Chase	DOJ	\$614	Knowingly underwriting non-compliant mortgage loans that were insured by the HUD
2014	Societe Generale	FHFA	\$122	Violations of laws in private label mortgage backed securities sales to Fannie Mae and Freddie Mac in 2006
2014	Bank of America	FHFA	\$9,500	Settlement on mortgage securities sold to Fannie Mae and Freddie Mac
2014	Credit Suisse	FHFA	\$885	Violations of laws in private label mortgage backed securities sales to
				Fannie Mae and Freddie Mac from 2005-2007
2014	Barclays	FHFA	\$280	Violations of laws in private label mortgage backed securities sales to Fannie Mae and Freddie Mac from 2005-2007
2014	First Horizon	FHFA	\$110	Violations of laws in private label mortgage backed securities sales to Fannie Mae and Freddie Mac from 2005-2007
2014	SunTrust Mortgage	DOJ. HUD. CFPB	\$968	Mortgage and foreclosure abuses
2014	US Bank	DOJ	\$200	For violating False Claims Act by underwriting federally insured
				mortgages that were non-compliant
2014	RBS Securities	FHFA	\$99.50	Violations of laws in private label RMBS sales to Fannie Mae and Freddie Mac from 2005-2007

Table IA.1 (continued)

			Amounts	
Year	Financial Institutions	Government Agencies	(in millions)	Description
2014	Citigroup	DOJ, NYS, Colorado, FHFA	\$4,000	Federal and state claims on the conduct of Citigroup in sales of RMBS prior to 2009
2014	Bank of America	AIG	\$650	Settling allegations of fraud in packaging of mortgages and sales to investors during housing bubble
2014	SunTrust Mortgage	DOJ	\$320	Concludes criminal investigation of SunTrust for failure to administer the HAMP program
2014	Morgan Stanley	SEC	\$275	Misleading mortgage-related risk in 2 particular RMBS sold in 2007
2014	Bank of America	Federal Government	\$1,270	Countrywide fraud in selling thousands of toxic mortgages to Fannie Mae and Freddie Mac
2014	Bank of America	DOJ, SEC, 6 States	\$16,650	DOJ settlement for selling securities that contain fraudulent and toxic mortgages
2015	Nomura Holdings and RBS	Fannie Mae, Freddie Mac	\$806	Making false statements in selling RMBS securities to Fannie Mae and Freddie Mac
2015	Deutsche Bank	SEC	\$55	For overstating the value of RMBS portfolio during the financial crisis
2015	Citigroup	SEC	\$180	SEC charged two Citigroup affiliates with defrauding
2016	Goldman Sachs	DOJ, States	\$5,060	DOJ settlement for selling securities that contain fraudulent and toxic mortgages
2016	Morgan Stanley	DOJ, HUD, States	\$2,600	DOJ settlement for selling securities that contain fraudulent and toxic mortgages
2016	Wells Fargo	DOJ, HUD, States	\$1,200	Fraudulent certification of federally insured home loans by the HUD
2016	HSBC	DOJ, HUD, States	\$470	Mortgage loan origination, servicing and foreclosure abuses
2017	Credit Suisse	DOJ, States	\$5,280	DOJ settlement for selling securities that contain fraudulent and toxic mortgages
2017	Deutsche Bank	DOJ, States	\$7,200	DOJ settlement for selling securities that contain fraudulent and toxic mortgages
		Total:	\$137,779.90	

Table IA.2 Top-18 underwriters

	RMBS bankers			Non-	Non-RMBS bankers		
	Full sample	Signers	Non-signers	Full sample	Signers	Non-signers	
Citi	48	21	27	31	8	23	
Credit Suisse	46	17	29	21	0	21	
JP Morgan	46	24	22	75	31	44	
UBS	42	17	25	26	0	26	
Bank of America	40	17	23	56	18	38	
Deutsche	38	11	27	22	4	18	
WAMU	38	22	16	5	2	3	
Lehman	38	14	24	18	4	14	
Bear Stearns	32	10	22	21	7	14	
Morgan Stanley	31	7	24	12	5	7	
Goldman	29	13	16	17	6	11	
Barclays	23	4	19	16	0	16	
GMAC	23	15	8	13	9	4	
Merrill Lynch	22	6	16	25	4	21	
Countrywide	21	9	12	8	0	8	
RBS	16	11	5	17	3	14	
Nomura	14	5	9	4	0	4	
HSBC	12	7	5	11	3	8	
Subtotal	559	230	329	398	104	294	
Other	156	156	0	215	215	0	
Total	715	386	329	613	319	294	

This table presents the frequencies for the original top-18 RMBS underwriters in the data samples described in Table 1.

Table IA.3 Alternative samples

This table describes the alternative samples of financial professionals. The investment bankers sample consists of employees of top-18 underwriters with investment banking keywords in their job descriptions during 2004-2006. In addition, the sample requires qualifying positions not be internship or administrative assistant positions and not contain keywords associated with wealth management, investment management, sales and trading, research, legal, accounting, technology, compliance, or operations. The ASF issuers sample consists of securitization issuers from a list of conference attendees of the 2006 American Securitization Forum. The ASF investors sample consists of securitization investors from a list of conference attendees of a random sample of 2006 analysts from IBES.

	Investment bankers	ASF issuers	ASF investors	Equity analysts
Age	30	39	38	37
MBA (%)	35.3	33.5	38.1	47.6
Top 25 Alma Mater (%)	58.4	23.4	26.3	41.3
Director or above $(\%)$	27.2	67.8	59.3	52.2
Vice-President (%)	17.6	19.5	29.3	14.1
Associate $(\%)$	16.2	11.1	4.8	0.8
Analyst (%)	39.1	1.6	6.6	32.9
Employed at top-18 underwriter (%)	100.0	18.1	11.7	31.5
Number of individuals	1,208	415	548	368

Table IA.4Standard errors and confidence intervals for the main specifications

This table reports standard errors and confidence intervals for the main specifications in the paper using different types of variance calculations. The results consider different cluster definitions and bootstrap, jackknife, and Cameron, Gelbach, and Miller (2008) block bootstrap procedures.

	Employed at Original Firm	Employed at Top Underwriter	Promoted	Job Upgrade at Top Underwriter	Job Upgrade at any Company
		-		-	· _ ·
RMBS Coefficient	0.026	0.043	-0.020	0.026	-0.079
Standard Error					
Baseline – Clustered by bank	(0.019)	(0.040)	(0.026)	(0.041)	(0.043)
Clustered by bank (within group regression)	(0.019)	(0.040)	(0.026)	(0.041)	(0.042)
Clustered by bank (bootstrap)	(0.018)	(0.039)	(0.026)	(0.039)	(0.044)
Clustered by bank (jackknife)	(0.020)	(0.041)	(0.026)	(0.042)	(0.043)
Clustered by bank (CGM block bootstrap)					
Clustered by bank×RMBS	(0.014)	(0.029)	(0.019)	(0.030)	(0.031)
Clustered by bank×senior	(0.023)	(0.039)	(0.026)	(0.038)	(0.042)
Clustered by bank×position	(0.027)	(0.037)	(0.026)	(0.038)	(0.038)
Clustered by position	(0.028)	(0.030)	(0.021)	(0.020)	(0.034)
Robust	(0.029)	(0.033)	(0.025)	(0.033)	(0.041)
Conventional	(0.029)	(0.033)	(0.024)	(0.033)	(0.042)
95% Confidence Interval					
Baseline – Clustered by bank	(-0.014 to 0.066)	(-0.042 to 0.127)	(-0.076 to 0.035)	(-0.061 to 0.113)	(-0.169 to 0.012)
Clustered by bank (within group regression)	(-0.014 to 0.065)	(-0.041 to 0.127)	(-0.075 to 0.034)	(-0.060 to 0.112)	(-0.168 to 0.010)
Clustered by bank (bootstrap)	(-0.010 to 0.062)	(-0.033 to 0.119)	(-0.071 to 0.030)	(-0.051 to 0.103)	(-0.166 to 0.008)
Clustered by bank (jackknife)	(-0.015 to 0.067)	(-0.045 to 0.130)	(-0.076 to 0.035)	(-0.062 to 0.114)	(-0.169 to 0.011)
Clustered by bank (CGM block bootstrap)	(-0.007 to 0.061)	(-0.034 to 0.111)	(-0.068 to 0.029)	(-0.054 to 0.103)	(-0.153 to -0.003)
Clustered by bank×RMBS	(-0.003 to 0.055)	(-0.017 to 0.102)	(-0.060 to 0.019)	(-0.035 to 0.087)	(-0.141 to -0.016)
Clustered by bank×senior	(-0.021 to 0.072)	(-0.036 to 0.122)	(-0.072 to 0.031)	(-0.050 to 0.102)	(-0.163 to 0.006)
Clustered by bank×position	(-0.027 to 0.079)	(-0.031 to 0.117)	(-0.072 to 0.031)	(-0.049 to 0.101)	(-0.155 to -0.003)
Clustered by position	(-0.043 to 0.095)	(-0.031 to 0.116)	(-0.087 to 0.046)	(-0.036 to 0.088)	(-0.187 to 0.030)
Robust	(-0.031 to 0.083)	(-0.022 to 0.107)	(-0.069 to 0.028)	(-0.039 to 0.091)	(-0.159 to 0.001)
Conventional	(-0.032 to 0.083)	(-0.022 to 0.108)	(-0.068 to 0.027)	(-0.038 to 0.090)	(-0.161 to 0.003)

Table IA.5Employment outcomes and gender

The dependent variables are indicators for employment status in 2011 (i.e., five years after the sample period). Employees are considered to work for their original firm if they are employed by a bank that acquired their original firm. All regressions are OLS. *RMBS* is an indicator for being an RMBS banker. *Female* is an indicator for the gender of the banker. The regressions analyze all RMBS and non-RMBS bankers who were originally employed by top-18 underwriters in 2004-2006. Clustered (by underwriter) standard errors are in parentheses. *represents 10% significance, **represents 5% significance, ***represents 1% significance.

	Employed at Original Firm		Emple Top Une	oyed at lerwriter
-	(1)	(2)	(3)	(4)
Mean	0.263	0.263	0.400	0.400
RMBS	$0.033 \\ (0.025)$	$0.029 \\ (0.024)$	$0.046 \\ (0.040)$	$0.034 \\ (0.038)$
$RMBS \times Female$		$0.022 \\ (0.068)$		$0.069 \\ (0.053)$
Female	0.059	0.047	0.021	-0.018
Age	(0.040) -0.008*** (0.003)	(0.062) - 0.008^{***} (0.003)	(0.042) -0.006* (0.003)	(0.053) - 0.006^* (0.003)
MBA	-0.005	-0.005	-0.029	-0.029
Top 25 Alma Mater	(0.057) -0.060** (0.029)	(0.057) -0.061** (0.029)	(0.049) - 0.082^{***} (0.030)	(0.049) -0.084*** (0.030)
Bank Fixed Effects	Yes	Yes	Yes	Yes
Position Level Fixed Effects	Yes	Yes	Yes	Yes
Observations	892	892	892	892
Adjusted R-Squared	0.076	0.075	0.053	0.052

Table IA.6 Employment outcomes of of RMBS bankers vs. investment bankers at top underwriters

The dependent variables are indicators for employment status in 2011 (i.e., five years after the sample period). Employees are considered to work for their original firm if they are employed by a bank that acquired their original firm. All regressions are OLS. *RMBS* is an indicator for being an RMBS banker. *Senior* is an indicator for being a senior banker (i.e., having a position of VP or higher) during the sample period. The regressions analyze the sample of RMBS bankers and investment bankers with professional networking profiles who were originally employed at top-18 underwriters. Clustered (by underwriter) standard errors are in parentheses. *represents 10% significance, **represents 5% significance, **represents 1% significance.

	Employed at		Emplo	byed at
_		(2) Top Underwrit		derwriter
	(1)	(2)	(3)	(4)
Mean	0.225	0.220	0.342	0.335
	0.010	0 110***	0.004*	0.007***
RMBS	0.010	0.118***	0.064*	0.237***
	(0.034)	(0.043)	(0.037)	(0.046)
$RMBS \times Senior$		-0.163***		-0.270***
		(0.054)		(0.074)
Age	-0.006***	-0.009***	-0.004**	-0.008***
-	(0.002)	(0.002)	(0.002)	(0.002)
MBA	-0.024	-0.045**	-0.026	-0.041*
	(0.021)	(0.022)	(0.020)	(0.022)
Top 25 Alma Mater	-0.029	-0.030	-0.046*	-0.047
-	(0.028)	(0.029)	(0.025)	(0.032)
Bank Fixed Effects	Voc	Voc	Voc	Vog
Desition Level Fired Effects	Tes Voc	Tes Voc	Tes Voc	res
Charmenting	1 7 6 7	IES	1 es	1 es
Observations	1,707	1,501	1,101	1,501
Adjusted R-Squared	0.080	0.107	0.082	0.113

Table IA.7 Brokercheck employment outcomes of RMBS bankers vs. non-RMBS bankers

The dependent variables are indicators for employment status in 2011 (i.e., five years after the sample period). Outcome variables are entirely based on information available from FINRAs Brokercheck based on registration status in 2011. All regressions are OLS. RMBS is an indicator for being an RMBS banker. The regressions analyze RMBS and non-RMBS signers who were originally employed by top-18 underwriters in 2004-2006 and were registered with FINRA as of the end of 2006. Clustered (by underwriter) standard errors are in parentheses. *represents 10% significance, **represents 5% significance, **represents 1% significance.

	(1)	(2)	(3)
	Registered at Same Bank	Registered at Top Bank	Registered at Any Firm
Mean	0.241	0.416	0.620
RMBS	-0.014 (0.108)	-0.066 (0.106)	-0.182^{**} (0.079)
Age	-0.001 (0.008)	-0.008 (0.007)	0.002 (0.005)
MBA	-0.184^{**} (0.088)	-0.331^{***} (0.101)	-0.289^{***} (0.098)
Top 25 Alma Mater	0.135^{*} (0.072)	$\begin{array}{c} 0.145\\ (0.102) \end{array}$	0.044 (0.098)
Bank Fixed Effects Position Level Fixed Effects	Yes Yes	Yes Yes	Yes Yes
Observations Adjusted R-Squared	$\begin{array}{c} 137\\ 0.114\end{array}$	$\begin{array}{c} 137\\ 0.153\end{array}$	$\begin{array}{c} 137\\ 0.136\end{array}$

Table IA.8Matched sample descriptions

This table describes the sample of RMBS bankers used in the matching analysis in Table 4, as well as the control groups of RMBS bankers and investment bankers. RMBS bankers are matched to non-RMBS bankers based on original underwriter and original job position. A minimum age difference of 5 years is also required (matched pairs are selected to minimize age differences). RMBS bankers are matched to investment bankers using the same procedure.

	RMBS/Non-RMBS banker match		RMBS/Investm	nent banker match
	RMBS bankers	non-RMBS bankers	RMBS bankers	Investment bankers
Age	35.31	35.30	34.45	34.20
MBA Top 25 Alma Mater	$23.7\%\ 27.7\%$	$24.3\%\ 36.2\%$	$21.3\%\ 25.6\%$	$50.6\%\ 58.0\%$
RMBS signers matched	329		352	

Table IA.9Matched sample regressions

This table shows results similar to those in Table 4, within a regression framework. OLS regressions are estimated using the two samples used in the matching analysis. Employees are considered to work for their original firm if they are employed by a bank that acquired their original firm. *RMBS* is an indicator for being an RMBS banker. Clustered (by underwriter) standard errors are in parentheses. *represents 10% significance, **represents 5% significance, **represents 1% significance.

	RMBS/Non-RM	ABS banker match	RMBS/Investment banker match		
	(1)	(2)	(3)	(4)	
	Employed at	Employed at	Employed at	Employed at	
	original	top-18	original	top-18	
	underwriter	underwriter	underwriter	underwriter	
Mean	0.261	0.391	0.267	0.415	
RMBS	0.005	0.062	-0.057	-0.004	
	(0.044)	(0.052)	(0.036)	(0.045)	
Age	-0.009	-0.007	-0.015***	-0.011***	
	(0.005)	(0.005)	(0.004)	(0.004)	
MBA	-0.041	-0.090	-0.037	-0.012	
	(0.072)	(0.063)	(0.041)	(0.046)	
Top 25 alma matter	-0.080*	-0.089	-0.048	-0.061	
	(0.044)	(0.053)	(0.062)	(0.050)	
Dank Final Effects	Vec	Vec	Vac	Vac	
Dalik Fixed Effects	res	res	res	res	
Observations	Ies	Ies	1 es 704	1 es 704	
Observations	008	008	(04	(04	
Adjusted K-squared	0.122	0.107	0.110	0.109	

Table IA.10Senior RMBS banker employment difference-in-differences regressions

This table shows regressions similar to those in Table 5, estimated using the subsample of senior bankers (i.e., those bankers with job positions of VP or higher). The dependent variables are indicators for employment status five years after the sample period (2011 for the samples of 2004-2006 bank employees, and 2005 for the 1998-2000 samples of bank employees). Employees are considered to work for their original firm if they are employed by a bank that acquired their original firm. All regressions are OLS. *RMBS* is an indicator for being an RMBS banker as opposed to a non-RMBS banker as of the sample period. *Post* is an indicator for being in the 2004-2006 sample. *RMBS* × *Post* is the interaction of *RMBS* and *Post*, which captures the differential change from 1998-2000 to 2004-2006 employment trajectories for RMBS bankers compared to CMBS and non-mortgage ABS bankers. The regressions analyze RMBS and non-RMBS non-signer samples from 2004-2006 and 1998-2000 (signers are not included). Clustered (by underwriter) standard errors are in parentheses. *represents 10% significance, **represents 5% significance, **represents 1% significance.

	Employ	ved at Origin	nal Firm	Employe	Employed at Top Underwriter		
	(1)	(2)	(3)	(4)	(5)	(6)	
Mean	0.272	0.354	0.373	0.440	0.561	0.545	
$RMBS \times Post$			-0.046 (0.074)			-0.012 (0.096)	
RMBS	$\begin{array}{c} 0.020 \\ (0.049) \end{array}$		$\begin{array}{c} 0.055 \ (0.050) \end{array}$	0.081 (0.077)		0.078^{*} (0.047)	
Post		-0.273^{***} (0.075)	-0.225^{***} (0.059)		-0.260^{***} (0.093)	-0.249^{***} (0.059)	
Age	-0.009^{**}	-0.008	-0.015^{***}	-0.009^{*}	-0.010^{**}	-0.014^{***}	
MBA	(0.004) 0.084 (0.057)	(0.005) -0.125^{*}	(0.003) 0.045 (0.061)	(0.003) 0.071 (0.050)	(0.003) -0.018 (0.060)	(0.004) 0.052 (0.057)	
Top 25 Alma Mater	(0.057) - 0.148^{**} (0.066)	(0.065) -0.218^{***} (0.066)	(0.061) -0.225^{***} (0.046)	(0.059) - 0.133^{**} (0.054)	(0.009) -0.181^{**} (0.079)	(0.057) -0.191*** (0.047)	
Bank Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	
Position Level Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	
Include ABS Sample	Yes	No	Yes	Yes	No	Yes	
Include 1998-2000 Sample	No	Yes	Yes	No	Yes	Yes	
Observations	316	212	523	316	212	523	
Adjusted R-Squared	0.071	0.114	0.143	0.098	0.095	0.145	

Table IA.11Employment outcomes of ASF issuers

The dependent variables are indicators for employment or promotion status in 2011 (i.e., five years after the sample period). Columns 1 through 3 compare outcomes of ASF issuers with those of ASF investors. Columns 4 through 6 compare outcomes of ASF issuers with those of equity analysts. *ASF Issuer* is a dummy variable that takes the value of one if the individual is an ASF issuer, and zero otherwise. Robust standard errors are in parentheses. *represents 10% significance, **represents 5% significance, ***represents 1% significance.

	ASF issuers vs ASF investors			ASF issu	ASF issuers vs equity analysts		
	(1)	(2)	(3)	(4)	(5)	(6)	
	Employed Original Firm	Promoted Original Firm	Job Upgrade Anywhere	Employed Original Firm	Promoted Original Firm	Job Upgrade Anywhere	
Mean	0.446	0.069	0.323	0.407	0.060	0.408	
ASF Issuer	0.022 (0.036)	0.036 (0.023)	0.061 (0.040)	0.126^{***} (0.044)	0.069^{***} (0.025)	-0.065 (0.055)	
Age	0.000	0.002	0.002	-0.003	0.000	0.004	
MBA Top 25 Alma Mater	$\begin{array}{c} (0.002) \\ -0.005 \\ (0.036) \\ 0.021 \\ (0.039) \end{array}$	$\begin{array}{c} (0.001) \\ 0.010 \\ (0.023) \\ 0.000 \\ (0.025) \end{array}$	$(0.003) \\ 0.001 \\ (0.042) \\ 0.072 \\ (0.046)$	$\begin{array}{c} (0.002) \\ -0.068^{*} \\ (0.039) \\ -0.003 \\ (0.040) \end{array}$	$\begin{array}{c} (0.001) \\ -0.020 \\ (0.022) \\ -0.013 \\ (0.023) \end{array}$	$\begin{array}{c} (0.003) \\ 0.044 \\ (0.047) \\ 0.027 \\ (0.049) \end{array}$	
Bank Fixed Effects Position Level Fixed Effects Include ASF Investors Include 2006 Equity Analysts	No Yes Yes No	No Yes Yes No	No Yes Yes	No Yes No Ves	No Yes No Ves	No Yes No Ves	
Observations Adjusted R-Squared	869 -0.004	579 0.025	579 0.031	732 0.025	485 0.029	485 0.043	

Table IA.12 Employment outcomes of RMBS signers by (continuous) deal characteristics

The dependent variables are indicators for employment status in 2011 (i.e., five years after the sample period). Employees are considered to work for their original firm if they are employed by a bank that acquired their original firm. All regressions are OLS. The regressions analyze the sample of RMBS signers with professional networking profiles who were originally employed at top-18 underwriters and who primarily signed RMBS deals. Loss Rate average loss rate as of September 2012 for deals the person signed. Misreporting Rate is the average misreporting rate for deals the person signed. Misreporting is calculated at the deal level using data from Griffin and Maturana (2016b) for deals with at least 20% of loans matched to loan-level property records data. Settlement Rate is the percent of deals a person signed that were implicated in settlements. Clustered (by underwriter) standard errors are in parentheses. *represents 10% significance, **represents 5% significance, **represents 1% significance.

	Employed at Original Firm			Employed at Top Underwriter		
	(1)	(2)	(3)	(4)	(5)	(6)
Mean	0.279	0.286	0.283	0.367	0.363	0.370
Loss Rate	$\begin{array}{c} 0.180 \\ (0.391) \end{array}$			-0.027 (0.519)		
Misreporting Rate		$0.874 \\ (0.771)$			$0.799 \\ (0.912)$	
Settlement Rate			-0.108 (0.262)			$\begin{array}{c} 0.021 \\ (0.238) \end{array}$
Control Variables	Yes	Yes	Yes	Yes	Yes	Yes
Bank Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Position Level Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	226	168	230	226	168	230
Adjusted R-Squared	0.136	0.163	0.123	0.124	0.181	0.110

Table IA.13 Return to school difference-in-differences regressions

The dependent variables are indicators for returning to school by five years after the sample period (2011 for the samples of 2004-2006 bank employees, and 2005 for the 1998-2000 samples of bank employees). All regressions are OLS. *RMBS* is an indicator for being an RMBS banker as opposed to a non-RMBS banker as of the sample period. *Post* is an indicator for being in the 2004-2006 sample. *RMBS* × *Post* is the interaction of *RMBS* and *Post*, which captures the differential change from 1998-2000 to 2004-2006 returning-to-school trajectories for RMBS bankers compared to CMBS and non-mortgage ABS bankers. The regressions analyze RMBS and non-RMBS non-signer samples from 2004-2006 and 1998-2000 (signers are not included). Clustered (by underwriter) standard errors are in parentheses. *represents 10% significance, **represents 5% significance, ***represents 1% significance.

	(1)	(2)	(3)
Mean	0.157	0.109	0.112
$RMBS \times Post$			-0.033
			(0.046)
2102			
RMBS	-0.020		0.010
	(0.053)		(0.032)
Post		0.108***	0.135***
		(0.033)	(0.046)
Age	-0.009***	-0.008***	-0.007***
	(0.004)	(0.003)	(0.002)
MBA	-0.025	0.025	0.031
	(0.089)	(0.071)	(0.063)
Top 25 Alma Mater	0.050	0.048	0.043
1	(0.049)	(0.070)	(0.036)
Bank Fixed Effects	Yes	Yes	Yes
Position Level Fixed Effects	Yes	Yes	Yes
Include ABS Sample	Yes	No	Yes
Include 1998-2000 Sample	No	Yes	Yes
Observations	210	174	313
Adjusted R-Squared	0.058	0.099	0.090