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## Solyndra's Whorehouse Lender

Bruce Krasting | September 17, 2011 | 1,833 | 11

If you want to find out what happened with Solyndra you have to follow the money. I did. The half billion dollars of taxpayer dough that is probably lost in Sol came from the Federal Financing Bank ("FFB"). It's worth a look at this bank to see what else is going on.

FFB is a bank that is owned and controlled by the US Treasury. The chairman of the Board is the TSec. (Tim Geithner). With the (big) exception of the Post Office all of the loans at FFB are guaranteed by government agencies. Technically speaking, FFB has no risks on loans guaranteed by an agency like the DOE. But I don't think that should absolve Tim Geithner of any responsibility regarding the losses the country faces with Solyndra. If he, (*or anyone else at Treasury*) puts their pen to a ½ billion loan, **they better well know where the taxpayers money is going.** That didn't happen.

FEDERAL FINANCING BANK  
Date of Financial Statement  
September 30, 2009 and 2008  
(Dollars in thousands)

Loans available as September 30, 2009 and 2008, consist of the following:

	2009	2008
Rural Utilities Service, Department of Agriculture	\$ 21,261,048	\$ 22,000,000
Credit Liquidity Fund, Federal Reserve Administration	15,384,098	1,000,000
U.S. Postal Service	7,200,000	7,200,000
Rural Utilities Service, Department of Agriculture Department of Agricultural Marketing	1,047,087	1,000,000
Private Business Administration	2,037,211	2,000,000
Department of Energy	307,000	307,000
U.S. Postal Service, Department of Revenue and Internal Development	286,762	286,762
Foreign Military Sales, Department of Defense	242,270	242,270
Historically Black Colleges and Universities, Department of Education	493,209	508,400
Manufacturing, Department of Defense, Navy	2,270	24,000
Rural Business Administration	2,270	18,200
Young Professional Development Training Program	4,400	5,300
Federal Railroad Administration, Department of Transportation	1,100	2,000
Total loans available	\$ 51,304,811	\$ 47,878,860

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FFB has been around for 40+ years. I believe it has always been a bank that has been used and abused by whoever happened to be running the show at Treasury. For example; from 9/30/2008 (*Pre - Tim and O*) to 9/30/3009 (*Post - Tim and O*) the FFB lent out \$17.1 billion to the nice folks at the National Credit Union Administration's "Liquidity Fund". NCU is the guarantor of the deposits in the country's Credit Unions (similar to FDIC). They were up against it in 2009. They had no money left in the till to insure that those deposits would be safe. A bailout was needed to avoid a crisis. But rather than have a public debate about this, the FFB just borrowed some money and wrote a check to NCU. **Problem solved.**

The following are the balance sheet assets of the FFB for fiscal year end 2008 and 09. **Note that there were no outstanding loans guaranteed by the DOE in 08.** But a year later the number had jumped up to nearly a Bil. It was clear back then that the FFB was rapidly becoming a policy tool of the new administration. By June 30th 2011 the DOE-guaranteed loans at FFB has grown to \$5.2B. Clearly the Administration is (*was?*) using the bank to facilitate its objectives.

The borrowers identified as the beneficiaries of the FFB's deep pockets include:

**Abound Solar Arizona Solar – UNC Beacon Great Basin Transmission Kahuku Wind Power Solyndra Solar Partner I Solar Partner II And Solar Partner(s) III – VIII**

The names on this list are the problems-to-be for the DOE. (*I can't wait to find out who we are partnering up with on the I – VIII deals*)

The FFB/DOE has also been lending big bucks to some well know names.

**Fisker Automotive, Inc. Tesla Motors, Inc. Ford Motors**

These successful companies owe the FFB a total of \$3.8 billion. There is one company that I don't recognize. But





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11 comments

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**spoogeman** on [Sep 17, 11:31 AM](#) said:

From my perch, the whole of Washington is a whorehouse.

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**Louis Cabeza** on [Sep 17, 11:47 AM](#) said:

I don't find the title of the article helpful and, besides, aren't whorehouses the definition of a cash only business? Well, unless you're a self destructive governor.

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**notice what those universities are** on [Sep 17, 12:27 PM](#) said:

every single one of them is a traditionally black school, except FIU, which has a 59% hispanic undergrad enrollment

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**Confirmed Gold Bug** on [Sep 17, 2:00 PM](#) said:

This SPV is the government version of Enron accounting, and then some more. Where is Enron now?

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**loan to India** on [Sep 17, 3:29 PM](#) said:

I read last week that the Federal Bank made a large loan to a wind turbine plant in India. We have one here in Fort Smith, Arkansas owned by Hyundi. I am so glad a competent company is starting American jobs! Government, get out of business deals!!!!

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