The answer to the question is highlighted in red. Explanations are highlighted in green.

3. According to the text, which of the following is a financial intermediary?
   a. New York Stock Exchange
      The NYSE is a financial market place.
   b. the over-the-counter (OTC) market
      The OTC is a financial market place.
   c. investment banker
      An investment banker is a company that specializes in helping corporations and governments issue new securities.
   d. mutual fund (investment) company
      A mutual fund takes “deposits” from investors, and then invests the money in various financial assets. Investors do not own the investments that are purchased by the mutual fund, but they do receive the benefits of the successes or failures of the mutual fund’s investments. A similar process exists with banks, credit unions, and pension funds.
   e. More than one of the above.

RETURN TO THE SAMPLE QUESTIONS