2021 ACCESS & IMPACT CONFERENCE

Gauging the Participation of Diverse Communities in the Capital Markets

Conference Report

On October 24, 2021, the FINRA Investor Education Foundation, FINRA's Office of the Chief Economist, and NORC at the University of Chicago convened the 2021 Access and Impact Conference as a virtual event. This conference brought together leaders in academia, industry, and policy to explore original academic and industry research on financial inclusion in the capital markets.

FINRA Investor Education FOUNDATION | FINRA | NORC

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2021 Access & Impact Conference Report: Gauging the Participation of Diverse Communities in the Capital Markets

Summary

On October 24, 2021, the FINRA Investor Education Foundation, FINRA's Office of the Chief Economist, and NORC at the University of Chicago convened the 2021 Access and Impact Conference as a virtual event. This conference brought together leaders in academia, industry, and policy to explore original academic and industry research on financial inclusion in the capital markets. Panelists shared insights on increasing access or reducing impediments to financial services for all market participants. The 2021 Access and Impact Conference sought to examine the financial services ecosystem and identify opportunities for collaboration to generate solutions that eliminate barriers and impediments to financial inclusion.

Advancing Financial Inclusion in the U.S.

The 2021 Access and Impact Conference was developed as a component of the FINRA Investor Education Foundation's (FINRA Foundation) Financial Inclusion Framework. Built on pillars of communications, education, and research, the Financial Inclusion Framework aims to create new understanding and relationships that address systemic wealth disparities and lead to better outcomes for communities of color and underserved communities.

The Financial Inclusion Framework embodies the Foundation's values and beliefs that define financial capability, not only by knowledge and skill, but also by opportunity and access. We believe advancing financial capability requires a strong commitment to racial, ethnic, gender, and economic inclusion. We recognize that investing is a key facilitator of financial security and economic mobility and that effective financial education is achieved through collaboration, innovation, expertise, and commitment to consumer well-being.

Learn more about the FINRA Foundation's Financial Inclusion Framework, its guiding principles, and programs at the FINRA Foundation website.

Objectives of the Conference

FINRA President and CEO Robert Cook and FINRA Foundation President Gerri Walsh highlighted the importance of collaboration within the financial services industry to generate solutions to barriers to the capital markets. Expanding access helps strengthen the markets themselves, and it demonstrates an industry commitment to removing impediments to financial inclusion, closing the wealth gap, and fostering a more inclusive and equitable society.

All investors, regardless of factors such as socioeconomic status, gender, race, and ethnicity, should have the ability to participate in the opportunities and benefits of capital markets and advancing the dialogue on how to achieve this goal. Developing a holistic view of the impediments that exist to financial inclusion is critical. The innovative research and programs highlighted by researchers and panelists in this conference are intended to inform further discussion around financial inclusion and help drive meaningful change.

> *"I hope you will leave this conference with an appreciation for our shared responsibility to tackle these issues head-on and concrete ideas about how to do so. Together we can make our financial system even better."*
>
> *– FINRA President and CEO Robert Cook*

Keynote Conversation: Expanding Capital Markets Access in Diverse Communities

In this keynote conversation, national thought leaders shared their perspectives on advancing financial inclusion, developing solutions to overcome barriers, and building trust in the capital markets.

Defining Financial Inclusion

- Financial inclusion goes beyond simply providing financial tools.
- Financial inclusion is making sure individuals fully participate in the market and experience financial well-being.
- Achieving financial inclusion requires access to products that are appropriate for navigating the financial services system and saving and investing for financial goals.
- Understanding individual circumstances, interests, and financial desires is crucial to defining a new, shared vision of financial inclusion.

Welcome Remarks

SPEAKERS

Gerri Walsh
President, FINRA Foundation

Robert Cook
President and CEO, FINRA

Keynote Conversation: Expanding Capital Markets Access in Diverse Communities

MODERATOR

Ritta McLaughlin
Director, FINRA Foundation

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> *"A commitment to building financial capability—especially inclusive financial capability—really requires a commitment to racial, gender, and socioeconomic justice."*
>
> *– FINRA Foundation President Gerri Walsh*

Structural Barriers and Impediments

Historical barriers, including discrimination, and a lack of trust in institutions present obstacles that must be overcome.

- Income primarily affects the ability to create savings, to invest, and to fully participate in the financial system.
- Individuals living with disabilities in the U.S. face significant extra costs and a steeper uphill battle to build financial capability.
- Predatory practices or market downturns can deter future market participation.

Altering the Narrative

- Terminology is important: Using historically loaded terms such as "literacy" or speaking about fraud victims in a way that conveys blame or shame, for example, can be alienating and may turn individuals away from participation in the capital markets.
- Education is not enough to change behavior. Efforts must be made to understand the basis for decision-making in different households.
- Normative assumptions are problematic, particularly when speaking about communities of color, because the goals and the means assumed are often not shared by those communities and informed by a different set of cultural experiences.
- The goals of new, younger investors often include social impact and sustainability, which must be incorporated into the investment education conversation.

Building Trust and Developing Solutions

- Many competing messages exist, which can make ascertaining what are good, healthy financial practices difficult.
- The messages of regulators are dwarfed by the volume (literally and figuratively) of financial services marketing.
- Trust builds and leads to greater engagement in the capital markets when there are clear expectations about what are reasonable target marketing practices and what are predatory practices.

Keynote Conversation: Expanding Capital Markets Access in Diverse Communities – CONTINUED

PANELISTS

Camille Busette
Director of Race, Prosperity, and Inclusion Initiative and Senior Fellow in Governance Studies, Brookings Institution, and FINRA Board Member and FINRA Foundation Board Member

Noel Andrés Poyo
Deputy Assistant Secretary for Community Economic Development, Office of Domestic Finance, U.S. Department of the Treasury

Gerri Walsh
President, FINRA Foundation

- Understanding how individuals use information when making financial decisions and setting standards that are informed by this understanding is important.
- Because individuals communicate in different ways, thought must be put into assessing how to appropriately tailor messages for different audiences and which mechanisms can best convey these messages.

Accountability for Financial Inclusion

- The economy thrives when everyone can participate in the capital markets to the extent that their finances allow.
- Ensuring financial inclusion is a shared responsibility, with everyone having a role to play.
- There is a hierarchy to this shared responsibility: Individuals have a responsibility to do their homework, but financial industry regulators (including federal, state, and self-regulatory organizations) and other government entities have a higher level of responsibility; and financial institutions, who have power and direct insights regarding individuals' financial transactions, arguably have an important role to play.
- Innovation by regulators is required to create structures that allow for a more inclusive capital market system.

Plenary Session: Gaps and Consequences

In this session, researchers discuss some of the most critical gaps and consequences of inclusion, or the lack thereof, in capital markets. Topics include racial and ethnic demographic trends for investors, entrepreneurship, fintech, use of alternative financial services, and financial socialization.

Bridging the Divide: The Racial and Ethnic Composition of Investor Households

Valdes, O., & Mottola, G. (2021). Bridging the divide: A closer look at changes in the racial and ethnic composition of investor households. FINRA Investor Education Foundation. https://www.finrafoundation.org/sites/finrafoundation/files/bridging-the-divide_0.pdf

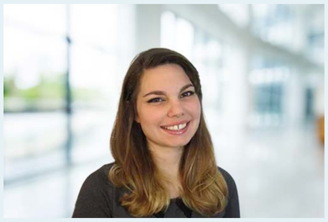
Olivia Valdes shared findings from a study that, using data collected through the FINRA Foundation's National Financial Capability Study (NFCS), examines gender and race/ethnicity in relationship to the likelihood of owning a non-retirement investment account. Hispanic/Latino and African American adults are underrepresented in the investor ranks, with sociodemographic differences explaining some discrepancies. Even when factoring out sociodemographic characteristics, women of color have a lower likelihood of owning a taxable account than their male and white counterparts. Increasing resources, access to processes and products, and knowledge may help bridge the divide for investors.

Plenary Session: Gaps and Consequences

MODERATOR

Gary Mottola
Director of Research, FINRA Foundation

PANELISTS



Olivia Valdes
Associate Principal Research Analyst, FINRA Foundation

Chris Brummer
Agnes N. Williams Research Professor; Faculty Director, Institute of International Economic Law; Professor of Law, Georgetown Law

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Likelihood of Owning Investment Account
(before and after adding controls)

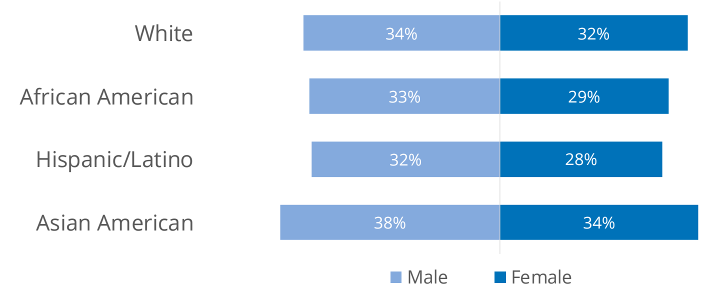
	Before	After
African American	26%	34%
Hispanic/Latino	23%	31%
White	35%	33%

When hypothetically "equaling the playing field," the gaps between people of color and white adults substantially close.

Factors Tied to Owning Non-Retirement Investments

- Emergency Savings
- Income
- Risk Tolerance
- Financial Literacy
- Owning a Home
- College Degree
- Age
- Marital Status
- Gender
- Employment Status

Taxable Account Ownership



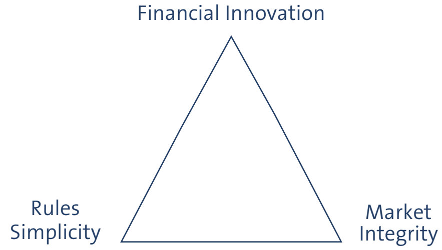
Even after factoring out sociodemographic factors, large disparities remained for women of color.

Fintech and the Innovation Trilemma

Yadav, Y., & Brummer, C. (2019). Fintech and the innovation trilemma. Georgetown Law Journal 235, 17-45. https://scholarship.law.vanderbilt.edu/faculty-publications/1084

Chris Brummer discussed the connectivity between financial innovation, market integrity, and rule simplicity as three foundational objectives of fintech regulation. The trilemma hypothesizes that between the three objectives, regulators can achieve at most two objectives at any given time. The trilemma arises when regulators simultaneously seek all three objectives.

The Theory
(As in Life, Rules are about Choices)



Plenary Session: Gaps and Consequences – CONTINUED

Kyoung Tae (KT) Kim
Associate Professor and Graduate Program Coordinator, University of Alabama

Kyung Min Lee
Affiliated Faculty at the Schar School of Policy and Government Global Practice, George Mason University

Kenneth White
Assistant Professor, Department of Financial Planning, Housing and Consumer Economics, University of Georgia

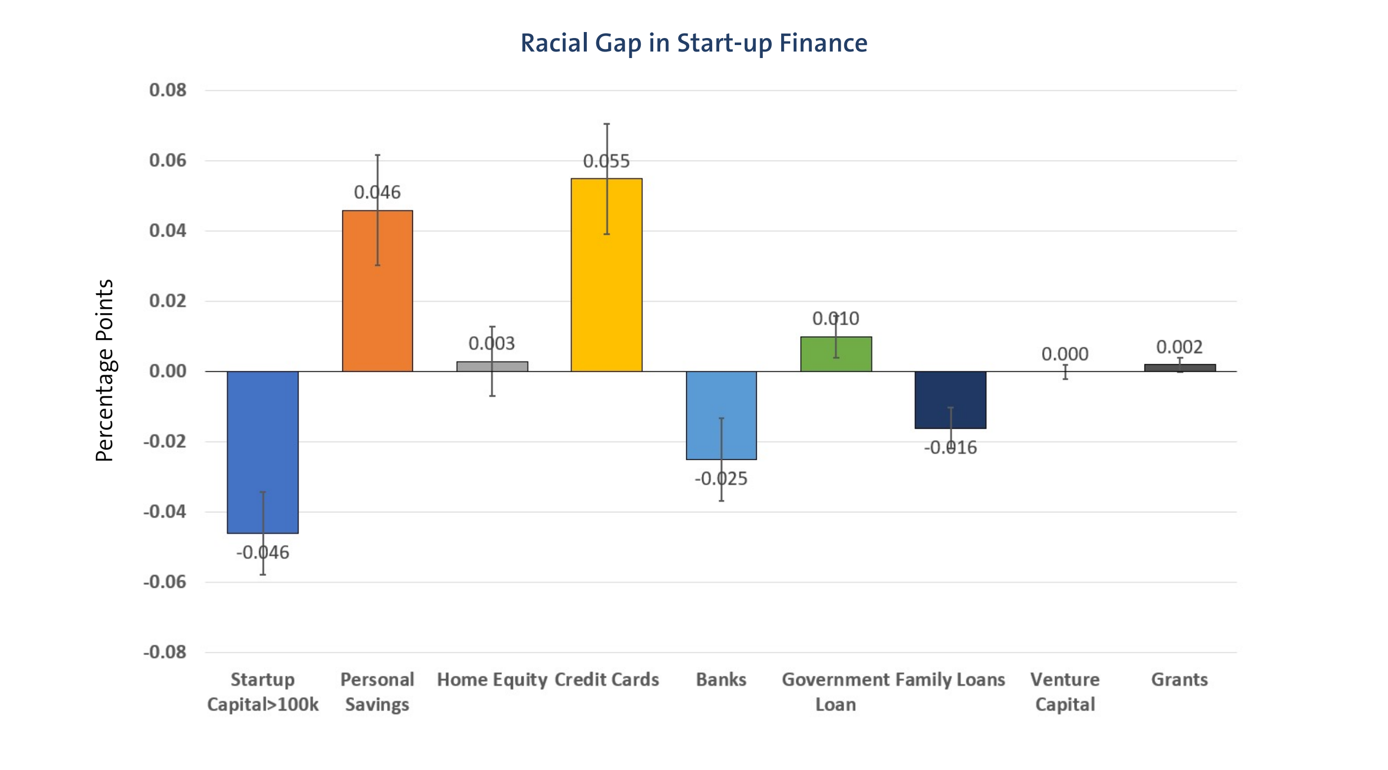
Shifting the prioritization in the regulatory framework exacerbates the trilemma when taking into consideration fintech and financial inclusion. Fintech complicates the trilemma with elements such as automation, gatekeeper disintermediation, and gamification. It is difficult to assess the tradeoffs and impacts of new technologies as the financial ecosystem expands.

Superimposing inequality and accelerated innovation represent a new trilemma in regulatory oversight. This context requires evaluating how to maximize opportunity, minimize risk, and avoid exacerbating wealth inequality. Protecting investors while avoiding impeding access creates opportunities, risks, and presents unique challenges. Financial inclusion embodies the principle of fairness, a cornerstone of regulatory oversight of the financial markets.

Black Entrepreneurs, Job Creation, and Financial Constraints

Kim, M., Lee, K., Brown, D., & Earle, J. (2021). Black entrepreneurs, job creation, and financial constraints, (Discussion Paper No. 14403). IZA Institute of Labor Economics. https://ftp.iza.org/dp14403.pdf

Kyung Min Lee shared research examining the consequences and causes of Black-owned firms' lack of financial access and fewer employees. Black entrepreneurs are more likely to use personal savings or credit cards for startup funding, and a lack of financial access reduces their profitability.

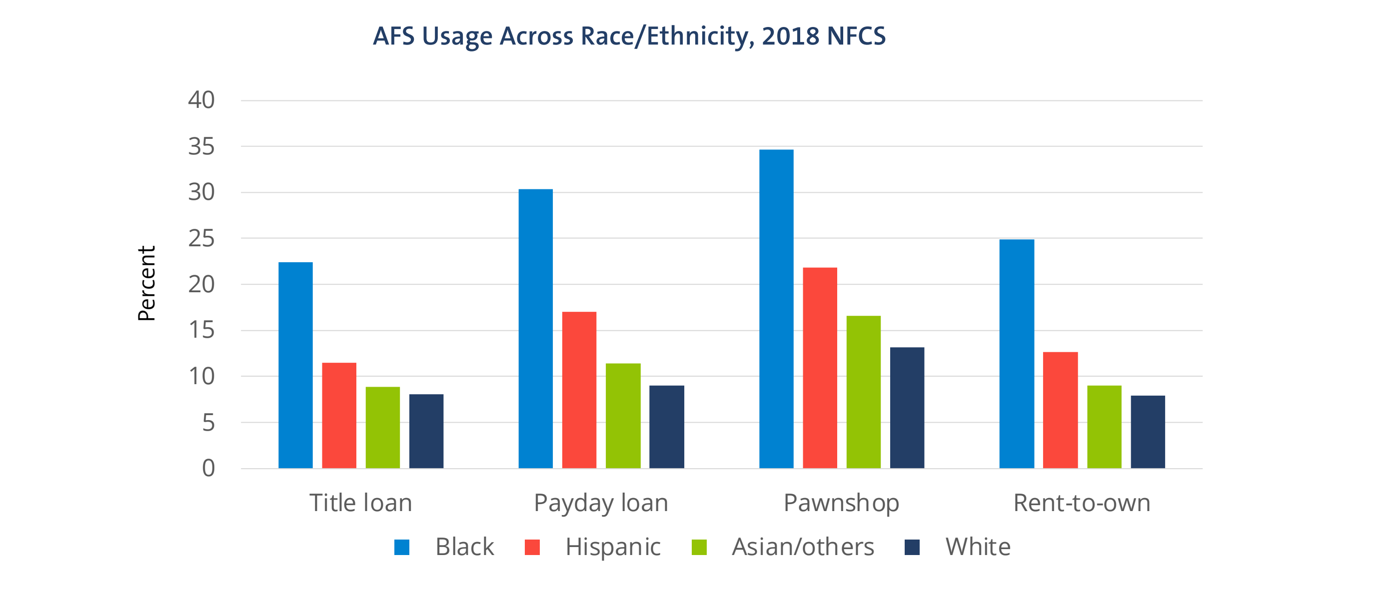


Findings also showed that the Community Reinvestment Act increased the number of firm employees between 5 and 7 percent at Black-owned firms. These findings support the hypothesis that Black entrepreneurs face financial constraints, which impacts the number of firm employees.

Decomposition of Racial/Ethnic Differences in the Alternative Financial Services Market Participation

Kim, K. T., Lee, J., & Lee, J. M. (2021). Decomposition of racial/ethnic differences in the alternative financial services market participation. Unpublished manuscript.

Kyoung Tae (KT) Kim investigated racial/ethnic disparities in the usage of alternative financial services and the role of financial literacy in explaining such disparities. The findings identified significant racial/ethnic gaps in the use of alternative financial services such as auto title and payday loans, pawnshops, and rent-to-own (RTO) stores.



Though patterns differ across the group comparisons, both objective and subjective financial literacy contributed to racial/ethnic gaps in alternative financial services use. Socioeconomic factors such as transitory income shock, age, risk tolerance, and the presence of a dependent child were also identified as strong contributing factors to alternative financial services use. Even though there have been high rates of formal financial market participation, the alternative financial services market fills a supplementary niche in the consumer financial marketplace, especially in communities of color.

How Financial Socialization Messages Relate to Financial Management, Optimism and Stress: Variations by Race

White, K., Watkins, K., McCoy, M., Muruthi, B., & Byram, J. L. (2021). How financial socialization messages relate to financial management, optimism and stress: Variations by race. Journal of Family and Economic Issues, 42(2), 237-250. https://doi.org/10.1007/s10834-020-09704-w

Kenneth White analyzed how parental financial messages about savings, banking, and investing and the association of these three types of messages with three financial outcomes (financial management, financial stress, and financial optimism) varied by race and ethnicity.

Findings showed that African American students received the fewest saving and banking messages compared to other racial/ethnic groups, and Hispanic/Latino students received the fewest investing messages. Students who received messages to invest demonstrated higher average financial management, lower average financial stress, and higher average financial optimism than those who did not receive messages about investing. Additionally, African American students who received messages to invest their money had a greater average increase in their financial management scores than both Asian and other students who were encouraged to invest their money.

To decrease racial and ethnic disparities in the type of messaging being discussed in the home, financial professionals and educators should engage parents on how to have conversations with their children. Teaching children investing concepts involving more comprehensive lessons with discussions on risk, time value of money, and financial goal setting may also have a positive spillover effect on other financial behaviors.

Plenary Session: Addressing Market Access (Part 1 – Research)

In this session, researchers examined the role of trust in financial services, the availability of financial advice, advances in technology, and effects of advertising on investor participation.

Trust and Race: Evidence from the Market for Financial Advice

Clifford, C., Gerken, W. & Qiu, T. (2021) Trust and race: Evidence from the market for financial advice. Unpublished manuscript.

Christopher Clifford presented research on the role of racial composition of local financial advisors as it relates to investor participation in the financial markets. The results suggest that, on average, racial homophily—the preference for associating with individuals of the same racial background—plays an important role in facilitating investor participation in the equity markets.

Using data from FINRA BrokerCheck, Meridian IQ, Investment Advisor Public Disclosure, the IRS, and the U.S. Census Bureau, this research found that the presence of an advisor of a similar race leads to an increase in stock market participation. The existence of a racial match (*e.g.*, at least one black advisor in a zip code with predominately black households) correlated to equity market participation rates that were 12 percent higher, even after controlling for socioeconomic factors such as income and education. The effects held within zip code changes as well. In addition, the effect of racial homophily on forming trust in local financial advisors was found to be strongest among middle-income households, *i.e.*, annual incomes ranging between $50,000 – $200,000. Middle income households were 25 percent more likely to invest when there was racial homophily.

The relationships this research revealed between racial homophily and stock market participation have several implications. It is clear that non-monetary costs can affect market participation, and disparate impact can exacerbate wealth gaps. These are factors that must be considered when hiring, as well as when developing programs that are intended to build trust across cultures.

Plenary Session: Addressing Market Access (Part 1 – Research)

MODERATOR

Lori Walsh
Vice President, Office of the Chief Economist, FINRA

RESEARCHERS PERSPECTIVES

Christopher Clifford
Chair, Department of Finance and Quantitative Methods; Phillip Morris Associate of Finance, University of Kentucky

Will Gerken
Real Estate Endowed Associate Professor of Finance, University of Kentucky

Stanislav Sokolinski
Assistant Professor, Finance and Economics Department, Rutgers Business School

Where Is the Intersection of Madison Avenue and Wall Street? Advertisement, Local Access to Investment Advice, and Stock Market Participation

Farizo, J., Gerken, W., & Wu, G., (2021). Where is the intersection of Madison Avenue and Wall Street? advertisement, local access to investment advice, and stock market participation. Available at SSRN: http://dx.doi.org/10.2139/ssrn.3914328

Will Gerken shared findings from research on the effects of advertisements by investment advisory firms on household stock market participation. As with other industries, investment advisory firms invest heavily in advertising to promote awareness and use of their products and services, spending more than $9 billion in advertising in 2019.

Using data from Kantar Media, U.S. Securities and Exchange Commission Form ADV, FINRA BrokerCheck, and IRS Statistics of Income, this research explored the impact of advertising on market participation and considered how these effects interact with disparate levels of income, access to financial advice, and trust.

While this research found evidence that increased advertising does lead to higher levels of market participation, the impact was more significant in areas where the advertising investment advisory firm had a physical presence, as well as among higher income households ($100,000 and higher). A key takeaway of this is that the nature of local access and trust-building is complementary, *i.e.*, the combination of advertising and local advisors is more significant than either of these factors alone.

The findings of this research suggest that underserved neighborhoods lacking access to investment advisors may not be able to reap the benefits of promotional campaigns that help encourage broader participation in the stock market.

Automation and Inequality in Wealth Management

Reher, M. & Sokolinski, S. (2021). Automation and inequality in wealth management http://dx.doi.org/10.2139/ssrn.3515707

Stanislav Sokolinski presented research on whether automated asset managers (*i.e.*, robo advisors) encourage participation among less wealthy populations and what benefits are realized from access to automated wealth management. Automated wealth managers promote the idea of democratizing wealth management through low account minimums and management costs.

Using data provided by Wealthfront, a U.S. robo advisor that relies solely on automation with no option for human advisor, and account-level data that included demographics and investment activity from the Survey of Consumer Finances, this quasi-experimental study examined the effect of reducing the required account minimum from $5,000 to $500. The findings revealed that participation with robo advisors increased by 110 percent after the reduction and had an especially strong effect on lower middle-class households. This suggests that the higher account minimums may have imposed a constraint on middle-class households separate from the availability of robo advisors. Participation among upper- and lower-class households was unaffected. Data also showed that the reduction increased the expected return on liquid wealth for the middle-class households relative to upper-class households, reflecting a sustained increase in compensated risk.

Researchers concluded that robo advice does democratize asset management, with large benefits to investors as a result of improved diversification. Robo portfolios were found to have higher expected returns and lower volatility. While the results of this research revealed benefits to robo advisors, participation levels are still low. The robo advice market is still relatively new, and it continues to expand. Lack of financial education and information may also be a factor impacting participation levels.

Plenary Session: Addressing Market Access (Part 2 – Industry)

In this discussion, representatives from industry firms explored innovative approaches to increasing market access for underserved communities, including scouting programs, the use of nontraditional platforms, and the democratization of wealth-building opportunities.

Issues of Access

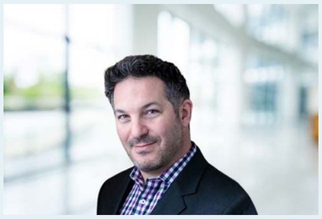
- Companies may need to think about access in terms of whether they are reaching the customers (*i.e.*, whether those customers can get access to banking services, brokerage accounts, etc.) and/or whether they need to bring diverse options onto their platforms (*e.g.*, women- and Hispanic/Latino-owned funds).
- In both rural and urban areas, a reduction in the number of brick-and-mortar locations impacts access on the demand side for those communities.
- Access on the supply side can mean screening products to ensure diverse populations are well-represented.
- In terms of workplace benefits, only about 50 percent of eligible employers are offering programs—such as retirement plans and health savings accounts—that provide employees with access to capital markets. Many states are responding by creating programs of their own for residents.

Roles of Industry and Government

- Government can be a great partner, with good public policy supporting efforts to reduce barriers to entry for investors, although it cannot accomplish the task of increasing access and inclusion in capital markets without help from industry.
- Companies can bring resources and solutions to the table themselves to move forward with change.
- Companies must ask tough questions about what needs to be done, in each sector of the economy, to solve issues of diversity and racial equity.
- A challenge for the industry is recognizing how to imbed changes into the business model rather than seeing them as special initiatives.
- Government policies and regulations can provide support to industry by offering incentives to make programs available to employees and applying pressure on companies to make progress.
- With advances in technology, touchpoints for capital access are more frequently through some type of internet interface, which makes expansion of internet capability critical.

Plenary Session: Addressing Market Access (Part 2 – Industry)

MODERATOR



Mark Lush
NORC at the University of Chicago

INDUSTRY PERSPECTIVES

Adam Minehardt
Director, Federal Government Affairs, Citigroup Inc.

David Richardson
Managing Director of Research, TIAA Institute

Kai Walker
Head of Inclusion Transformation, Retirement & Personal Wealth Solutions, Bank of America

Pandemic Impacts

- The pandemic has encouraged a shift to a more digital model, which may increase the product offerings available to underbanked populations. However, unbanked households are also those that tend to not have access to the internet, making expanding internet access an even greater imperative.
- As the number of those who interface with financial services online continues to increase, there is a greater need to constantly upgrade cybersecurity measures and more pressure to ensure that these conduits to the capital markets are secure.
- Employers are increasingly focusing on overall employee wellness, balancing financial, physical, and mental well-being.
- Employers should look at data around their employees' needs to identify what resources will be most helpful to them.
- Employers are recognizing that they need to go beyond just offering retirement savings opportunities and also provide tools for financial planning.

Reaching Diverse Populations

- More technology is being delivered through mobile applications, which offer greater access.
- Unlike passive technology of the past, technology today—such as artificial intelligence and virtual assistance—engages with the customer.
- New programs are providing companies with the ability to target outreach to specific communities in a way that was not done before.
- Many financial institutions are now making large investments in minority depository institutions, which tend to be located within the communities they serve. This is helping financial institutions have greater reach into those diverse communities.

Investor Protection and Risk

- Incentivizing employees to participate in financial wellness programming and check-ups can be a way for employers to help improve household financial wellness and financial stability.
- Employees rank access to a financial advisor and to professional financial websites as a highly valuable resource.
- The features that make gamification the most fun attract customers, but these same features can also lead to abuses such as greater risk-taking and overtrading.

Reducing Barriers to Entry to Finance Industry Careers

- Increasing diversity on teams allows employers to better address their customers' needs and, at the same time, provides more opportunities for those diverse team members.
- Mentorship, and connectivity overall, is critical when reaching out to communities that previously did not consider Wall Street careers as options.
- Employer recruitment programs should engage college students earlier, not just in their senior year, by developing pathways that include internships, mentoring, and relationship-building with employee groups.
- More companies are setting diversity goals for themselves—and for their executives—related to recruiting and retaining increasing numbers of women and people of color.

Conclusion

In her closing remarks, Angela Fontes, director of the Behavioral and Economic Analysis and Decision-making (BEAD) program at NORC at the University of Chicago, reiterated that considerable gaps in access to the capital markets based on race, ethnicity, and gender still exist in the U.S. and can have a devastating impact on a family's financial situation.

As discussed by conference panelists and speakers, research shows that the reasons for the gaps are myriad and complex, with influencing factors including a lack of socialization and conversations about finances, limited representation among financial professionals, access to financial services in general, marketing, differential credit access among entrepreneurs, and the role of employers.

Removing barriers that stem from a history of systematic discrimination is no simple task, but change is happening. Efforts to move the needle forward on issues related to diversity, access, and financial inclusion require collaboration across academia, policymakers and legislators, government, and industry to create solutions, and diverse voices must be at the forefront of this work.

> ***"We must come together as researchers, policymakers, regulators, and industry to break out of our respective echo chambers and create and sustain a powerful community aimed at increasing financial inclusion."***
>
> ***– Angela Fontes, NORC at the University of Chicago***

Closing Remarks

Angela Fontes
NORC at the University of Chicago

What's Next?

We remain committed to supporting research, breaking down barriers, and developing solutions to engage and protect all investors. Planning is underway for future efforts that will continue to bring together multiple stakeholders focused on broadening access and advancing financial inclusion in the capital markets.

Acknowledgements

Conference Report authors are Ritta McLaughlin and Claire Fleischer. Special thanks to Gerri Walsh, Gary Mottola, Olivia Valdes, Peter Gonzalez, and Laura Rowell. The opinions provided herein are those of the authors and do not reflect the views of FINRA, the FINRA Investor Education Foundation, or any organizations with which the presenters are affiliated. Special thanks to Angelita Williams, Shari Crawford, and Elizabeth Kessler for designing and editing this report.

Appendix: Agenda

2021 Access and Impact Conference: Gauging the Participation of Diverse Communities in the Capital Markets

Co-hosted by the FINRA Investor Education Foundation, FINRA's Office of the Chief Economist, and NORC at the University of Chicago

Event Description

During this event, researchers, policy makers, and industry representatives explore methods and impacts of increasing access or reducing impediments to the provision of financial services to diverse communities. Our goal is to facilitate discussions around important topics related to diversity issues in the capital markets.

Virtual Conference | Friday, October 22, 2021 | 10:00 a.m. – 2:30 p.m. EST

10:00 a.m. – 10:05 a.m.	**Welcome Remarks**
	Speakers: **Robert Cook**, FINRA President and CEO **Gerri Walsh**, President, FINRA Foundation
10:05 a.m. – 10:45 a.m.	**Keynote Conversation: Expanding Capital Markets Access in Diverse Communities**
	Moderator: **Ritta McLaughlin**, FINRA Foundation **Speakers:** **Gerri Walsh**, President, FINRA Foundation **Noel Andrés Poyo**, Deputy Assistant Secretary for Community Economic Development, Office of Domestic Finance, United States Department of the Treasury **Camille Busette**, Director of Race, Prosperity, and Inclusion Initiative and Senior Fellow in Governance Studies, Brookings Institution, and FINRA Board Member and FINRA Foundation Board Member
10:45 a.m. – 11:00 a.m.	**Break**
11:00 a.m. – 12:15 p.m.	**Plenary Session: Gaps and Consequences**
	In this session, researchers discuss some of the most critical gaps and consequences of inclusion, or the lack thereof, in capital markets. Topics include racial and ethnic demographic trends for investors, entrepreneurship, fintech, use of alternative financial services and socialization. **Moderator:** **Gary Mottola**, FINRA Foundation **Panelists:** **Kyung Min Lee**, George Mason University *Black Entrepreneurs, Job Creation, and Financial Constraints* **Kyoung Tae (KT) Kim**, University of Alabama *Decomposition of Racial/Ethnic Differences in the Alternative Financial Services Market Participation* **Chris Brummer**, Georgetown Law, Agnes N. Williams Research Professor *FinTech and the Future of Financial Services* **Olivia Valdes**, FINRA Foundation *Bridging the Divide: A Closer Look at Changes in the Racial and Ethnic Composition of Investor Households* **Kenneth White**, University of Georgia *How Financial Socialization Messages Relate to Financial Management, Optimism and Stress: Variations by Race*

12:15 p.m. – 12:30 p.m.	**Break**
12:30 p.m. – 1:15 p.m.	**Plenary Session: Addressing Market Access (Part 1 - Research)**
	This session presents current research examining the role of financial services in diversity and inclusion in capital markets, including advances in technology, advertising and the availability of financial advice. **Moderator:** **Lori Walsh**, FINRA Office of the Chief Economist **Researchers Perspectives:** **Stanislav Sokolinski**, Rutgers University *Does Automation Democratize Asset Management* **Will Gerken**, University of Kentucky *Where is the Intersection of Madison Avenue and Wall Street? Advertisement, Local Access to Investment Advice, and Stock Market Participation* **Christopher Clifford**, University of Kentucky *Trust and Race: Evidence from the Market for Financial Advice*
1:15 p.m. – 1:30 p.m.	**Break**
1:30 p.m. – 2:20 p.m.	**Plenary Session: Addressing Market Access (Part 2 - Industry)**
	Industry firms explore innovative approaches to increasing market access for underserved communities, including scouting programs, the use of non-traditional platforms and the democratization of wealth building opportunities. **Moderator:** **Mark Lush**, NORC at the University of Chicago **Industry Perspectives:** **David Richardson**, Managing Director of Research, TIAA Institute **Adam Minehardt**, Director, Federal Government Affairs, Citigroup **Kai Walker**, Head of Inclusion Transformation, Retirement & Personal Wealth Solutions, Bank of America
2:20 p.m. – 2:30 p.m.	**Closing Remarks** **Speakers:** **Dr. Angela Fontes**, NORC at the University of Chicago

About the Hosting Organizations

About FINRA

FINRA is a not-for-profit organization dedicated to investor protection and market integrity. It regulates one critical part of the securities industry—brokerage firms doing business with the public in the United States. FINRA, overseen by the SEC, writes rules, examines for, and enforces compliance with FINRA rules and federal securities laws, registers broker-dealer personnel and offers them education and training, and informs the investing public. In addition, FINRA provides surveillance and other regulatory services for equities and options markets, as well as trade reporting and other industry utilities. FINRA also administers a dispute resolution forum for investors and brokerage firms and their registered employees. www.finra.org

About the FINRA Investor Education Foundation

The FINRA Investor Education Foundation supports innovative research and educational projects that give underserved Americans the knowledge, skills, and tools to make sound financial decisions throughout life. www.finrafoundation.org

About NORC at the University of Chicago

NORC at the University of Chicago is an objective, non-partisan research institution that delivers reliable data and rigorous analysis to guide critical programmatic, business, and policy decisions. Since 1941, NORC has conducted groundbreaking studies, created and applied innovative methods and tools, and advanced principles of scientific integrity and collaboration.

Today, government, corporate, and nonprofit clients around the world partner with NORC to transform increasingly complex information into useful knowledge. www.norc.org

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