



Institutional Investor Events & compliance reporter present...

3rd ANNUAL

Chief Compliance Officer Forum

MARCH 11-12, 2008 • HARMONIE CLUB • NEW YORK CITY

Peer-Driven Strategies To Protect Your Firm In Volatile Times

Event Overview

This annual forum, produced by *Institutional Investor Events* in association with *Compliance Reporter*, is a must-attend learning opportunity for all CCOs and compliance executives in financial service firms. Developed by CCOs for CCOs, with the support of our new CCO Advisory Board, the program will offer practical, peer-driven insights and workable strategies for tackling the key regulatory and compliance challenges facing today's CCO. The interactive format will provide ample opportunity for audience participation, troubleshooting and networking. The all-new program for 2008 will cover topics such responding to the SEC's new exam letter, valuation, insider trading, forensic testing, due diligence for relationships with counterparties, BD/IA arrangements, the annual review, and more.

PLUS – Don't miss *Compliance Reporter's* **6th Annual Achievement in Regulatory Compliance (ARC) Awards Luncheon on Day One, March 11th!**

Who Should Attend

Chief Compliance Officers and Directors of Compliance from Registered Investment Advisers, Hedge Funds, Mutual Funds, Broker-Dealers and Funds of Funds: Also Compliance Officers, General Counsel, CEOs and Founders, Risk Officers, Regulators, Outside Counsel, Consultants, Fund Administrators, Clearing Firms and Compliance Technology Providers.

About II Events

Institutional Investor Events produces high quality conferences and seminars that leverage the content of **Institutional Investor News'** 17 financial newsletter titles. Like the Institutional Investor newsletters, the events deliver critical intelligence across the entire field of financial services, providing leading edge information on tomorrow's trends. The faculty, composed of industry thought-leaders, attracts delegates who are C-level executives, decision-makers, and movers and shakers in their respective fields. The lively, interactive format keeps attendees engaged in the material so they get the most out of their learning experiences.

www.iievents.com

Feedback from Our Previous Compliance Events

"Very well put together, the program flowed very smoothly"

"I thought it was a great conference, job well done."

"Good size, able to have dialogue with speakers"

"All of the speakers were good. Spoke to point, stayed within time and topics; responded to questions well."

"The size was nice, allows for more interaction with the panelists"

2008 Advisory Board

- **Kip Allardt**, Chief Compliance Officer, **Discovery Capital Management**
- **Henry Carter**, General Counsel and Chief Compliance Officer, **Global Crown Capital LLC**
- **Lori K. Hoch**, Principal and Chief Operating Officer, **Cortina Asset Management LLC**
- **Brian Kawakami**, Chief Compliance Officer, **Lazard Asset Management LLC**
- **Kirk D. Rule**, Chief Compliance Officer, **Ospraie Management LLC**
- **Martin Schwartz**, Chief Compliance Officer, **Millennium Partners**
- **Steven Yadegari**, General Counsel and Chief Legal Officer, **Cramer Rosenthal McGlynn, LLC**

2008 Speaking Faculty

- **Bernard R. Adams**, Chief Operating Officer, **ARX Investment Management, LP**
- **Alma M. Angotti**, Senior Enforcement Counsel, **Financial Industry Regulatory Authority (FINRA)**
- **Breda Beckerle**, Chief Compliance Officer, **Franklin Templeton Institutional, LLC**
- **Thomas A. Biolsi**, Associate Regional Director for Examinations, Northeast Regional Office, **U.S. Securities and Exchange Commission**
- **Lane S. Bucklan**, General Counsel and Chief Compliance Officer, **Iridian Asset Management LLC**
- **Susan Chamberlain**, Chief Compliance Officer, **Holland Capital Management, LLC**
- **Myles Edwards, Esq.**, General Counsel & Chief Compliance Officer, **Access International**
- **Steven M. Felsenthal**, General Counsel, **Millburn Ridgefield Corporation**
- **Nancy Fox**, Senior Vice President and Chief Compliance Officer, **Halcyon Asset Management LLC**
- **Victor Frye**, Chief Compliance Officer, **ProFunds** and **ProShares**
- **Andrew Geist**, Partner, **O'Melveny & Myers LLP**
- **Bruce Karpati**, Assistant Regional Director, **U.S. Securities and Exchange Commission**

- **David H Lui**, Chief Compliance Officer, **FAF Advisors/First American Funds**
- **Richard D. Marshall**, Partner, **Ropes & Gray LLP**
- **Joseph McGill**, Executive Director and Chief Compliance Officer, **UBS Global Asset Management**
- **Terrance O'Malley**, Partner, **Fried, Frank, Harris, Shriver & Jacobson LLP**
- **Mark A. Polemeni**, Chief Compliance Officer & Chief Legal Officer, **Alexandra Investment Management**
- **Robert Proctor**, VP of Compliance Product Management, **Linedata Services**
- **Mark Schein**, Managing Director and Chief Compliance Officer, **York Capital Management**
- **Fred Springer**, Head of Regulatory Relations and Compliance, **ABN AMRO**
- **Emily R. Steed**, Director, **Daylight Forensic & Advisory LLC**
- **Nicholas Tsoudis**, Managing Director, Legal and Compliance, **Bear Stearns Asset Management, Inc.**
- **Sidney Wigfall, esq.**, Managing Partner, **Barge Consulting-SCA Group**
- **Walter C. Zebrowski, JD, CPA**, Chairman, **Regulatory Compliance Association**; Chairman, **Hedgemony Partners**

2008 Draft Agenda

Day One: Tuesday, March 11, 2008

8:15 Registration & Coffee

8:45 Welcome Address and Chair's Opening Remarks

9:00 SEC KEYNOTE

View from the SEC: Enforcement Issues for Investment Advisors

Hear directly from the SEC on the latest hot button priorities for investment advisor enforcement. What lessons can be learned to mitigate your risk of facing an enforcement case?

(All registrants will also have the option to submit questions in advance. Anonymity guaranteed if requested).

Bruce Karpati, Assistant Regional Director, **U.S. Securities and Exchange Commission**

9:30 NEW YORK INSPECTION LETTER

Responding to the SEC New York Inspection Letter

Since this inspection letter was released, many CCOs are grappling with all the new requirements, which may become implemented on a national basis. Hear from the regulators and your peers on how to respond most effectively.

I: Understanding the Requirements and the Rationale

Get answers from the SEC on:

- Why is the level of granularity so different to previous document request lists?
- Which items on the new list are the biggest potential red flags?
- How do you need to upgrade current record-keeping practices to be prepared for the new requirements?

Thomas A. Biolsi, Associate Regional Director for Examinations, Northeast Regional Office, **U.S. Securities and Exchange Commission**

II: Tools for Responding

With limited resources and time constraints, how should you prioritize your response? How are other firms handling this? What has been the level of pushback? Hear case studies from CCOs who have experienced an audit using the new document request letter.

Moderator:

Steven M. Felsenthal, General Counsel, **Millburn Ridgefield Corporation**

Panelists:

Brian Kawakami, Chief Compliance Officer, **Lazard Asset Management LLC**

David H Lui, Chief Compliance Officer, **FAF Advisors/First American Funds**

Nicholas Tsoudis, Managing Director, Legal and Compliance, **Bear Stearns Asset Management, Inc.**

10:30 Q & A Session

10:45 Mid-Morning Break

11:15 INTERACTIVE CCO PANEL – BRING YOUR QUESTIONS!

Tales from the Trenches and Lessons Learned

This interactive session is your opportunity to troubleshoot your key issues. The content of the discussion will be driven by you – come prepared! The panel participants - CCOs from a variety of different sized firms - will share the current challenges they are facing, and will respond to your questions.

Potential issues for discussion include, but are not limited to:

- The 'quarterback' role of the CCO:
 - Your interactions with other players within the firm: business, operations, risk, senior management, the board, etc.
 - Ensuring visibility and accountability of the compliance program
- Asserting a culture of compliance and monitoring adherence to the firm's code of ethics
- Managing conflicts of interest: CCOs in small shops who wear multiple hats
- Recruitment and staffing issues
- Lessons learned in:
 - Disclosure to investors/potential investors
 - Communicating with regulators and pushback issues
 - Training compliance staff
- Measuring the effectiveness of your compliance program

Moderator:

Walter C. Zebrowski, JD, CPA, Chairman, **Regulatory Compliance Association**; Chairman, **Hedgemony Partners**

Panelists:

Kip Allardt, Chief Compliance Officer, **Discovery Capital Management**

Lane S. Bucklan, General Counsel and Chief Compliance Officer, **Iridian Asset Management LLC**
Susan Chamberlain, Chief Compliance Officer, **Holland Capital Management, LLC**
Nancy Fox, Senior Vice President and Chief Compliance Officer, **Halcyon Asset Management LLC**

12:15 Q & A Session

12:30 Lunch & Compliance Reporter's 6th Annual Achievement in Regulatory Compliance (ARC) Awards



2:00 VALUATION

The CCO's Role in Managing Increasingly Complex Valuation Risks in Volatile and Illiquid Markets

In light of today's liquidity squeeze, CCOs are facing one of the biggest challenges of all: How to apply rational controls in an irrational market? Join this timely debate with valuation experts, risk managers and CCOs:

- The CCO's role in managing pricing and valuation risks
- How can the liquidity in a portfolio be measured and tested?
 - What CCOs need to know about the pricing of complex trading instruments such as derivatives, asset-backed securities and structured products
- Evaluating your current procedures for assessing valuation risks:
 - How effective are the tools you have? What new ones do you need?
- Understanding the new fair value accounting standards and how these impact your compliance program
- How are valuation issues being integrated into compliance testing programs?
- Preparing for new potential regulation of hard-to-value securities

Myles Edwards, Esq., General Counsel & Chief Compliance Officer, **Access International Advisors**

Mark A. Polemeni, Chief Compliance Officer & Chief Legal Officer, **Alexandra Investment Management**

2:45 FORENSIC TESTING

Expanding the Scope and Capabilities of your Compliance Testing Program

Hear from other CCOs on emerging testing practices and get up to speed on new breakthroughs in forensic testing:

- Assessing the strengths and weaknesses of your current testing procedures
- Forensic testing:
 - When and how should it be used?
 - Analyzing examples of forensic tests commonly used by SEC examiners, as defined by OCIE's guidance document

- Integrating forensic investigations and transactional testing into your compliance and auditing practices
- What not to do in a forensic test: potential pitfalls to avoid

Victor Frye, Chief Compliance Officer, **ProFunds** and **ProShares**
Joseph McGill, Executive Director and Chief Compliance Officer, **UBS Global Asset Management**

3:30 Afternoon Break

4:00 ANNUAL REVIEW CASE STUDIES

Surviving the Annual Review: Lessons Learned

The Annual Review continues to present an ongoing challenge for many CCOs. Why do so many fail to meet up to SEC's expectations? Learn some practical do's and don'ts through these real-life case studies

Moderator:

Terrance O'Malley, Partner, **Fried, Frank, Harris, Shriver & Jacobson LLP**

Panelists:

Breda Beckerle, Chief Compliance Officer, **Franklin Templeton Institutional, LLC**

Mark Schein, Managing Director and Chief Compliance Officer, **York Capital Management**

4:45 OUTSOURCING

CCO Insights on Outsourcing Your Compliance Program and Conducting Due Diligence on Third Party Service Providers

With increased investor and regulator demand for independence, there is a growing amount of pressure to outsource certain compliance functions. Learn from other CCOs on:

- What functions you can and should outsource, and what to keep in-house
- Carrying out a meaningful cost-benefit analysis
- Managing company and personal liability risks when using third party compliance providers
- Ensuring effective reporting from third party compliance providers
- Conducting effective due diligence on counterparties, such as fund administrators
- Hiring independent service providers via attorneys

Moderator:

Sidney Wigfall, esq., Managing Partner, **Barge Consulting-SCA Group**

Panelists:

Bernard R. Adams, Chief Operating Officer, **ARX Investment Management, LP**

Henry Carter, General Counsel and Chief Compliance Officer, **Global Crown Capital LLC**

Martin Schwartz, Chief Compliance Officer, **Millennium Partners**

5:30 Chair's Closing Remarks followed by Cocktail Reception

Day Two: Wednesday, March 12, 2008

8:45 Chair's Wrap-up of Day One

9:00 INSIDER TRADING

Tackling Trading Issues for CCOs, Including Insider Trading

In today's uncertain trading climate and under closer regulatory scrutiny of potential improper practices such as insider trading, CCOs face a myriad of challenges. Hear from your peers and industry experts on:

- Meeting the requirements of the new SEC inspection letter relating to insider trading risks
- Creating and implementing effective reporting programs to manage the risks of insider trading
- Setting up control points to detect potential conflicts of interest in:
 - Personal trading
 - Wrap accounts
 - Side by side account management: institutional accounts vs. SMAs
- Examining the insider trading risks relating to credit default swaps and other derivatives products
- Surveillance of traders' interactions and relationships:
 - How much is too much oversight? What are the real red flags?
- Monitoring the trading of material non-public information
- Incorporating sound trading practices within the code of ethics

Lori K. Hoch, Principal and Chief Operating Officer, **Cortina Asset Management LLC**

Steven Yadegari, General Counsel and Chief Legal Officer, **Cramer Rosenthal McGlynn, LLC**

9:45 COMPLIANCE GAP ANALYSES

Using Gap Analyses to Mitigate Regulatory Risk and Enhance Your Compliance Program

Hear from other CCOs and industry professionals about their experiences conducting gap analyses, hear leading industry practices and get practical tools on how to:

- Identify higher risk programs that may be vulnerable to regulatory scrutiny
- Detect gaps between existing practices and regulatory requirements
- Develop risk-based action plans to roll out the necessary enhancements
- Reduce regulatory risk through proactive remediation plans

Moderator:

Emily R. Steed, Director, **Daylight Forensic & Advisory LLC**

Panelists:

Alma M. Angotti, Senior Enforcement Counsel, **Financial Industry Regulatory Authority (FINRA)**

Andrew Geist, Partner, **O'Melveny & Myers LLP**

Fred Springer, Head of Regulatory Relations and Compliance, **ABN AMRO**

10:15 Mid-Morning Break

10:30 BD/IA ARRANGEMENTS

Best Practices for Achieving Compliance in Arrangements Between Broker-Dealers and Investment Advisors

In October 2007, the SEC's Office of Compliance Inspections and Examinations (OCIE) found deficiencies relating to the brokerage arrangements area in 23% of exams of asset managers. Whether you are an investment advisor or a broker-dealer, make sure you have your bases covered.

- Commission-sharing arrangements between broker-dealers and investment advisors:
 - Valuation issues
 - Payment disclosure
- Other joint arrangements, such as:
 - Soft dollars and the unbundling of research
 - 'Hotel' services for IAs
- Handling information aggregators
- Ensuring sufficient documentation on the B/D and IA side to fully cover both sides of the joint arrangement in the event of an audit
- Implementing effective information flow and documentation-sharing practices while complying with the latest customer privacy requirements

11:15 INTERACTIVE ROUNDTABLES

Choose from a selection of concurrent interactive breakout discussion groups, according to your field of interest.

- **Technology Challenges for Derivatives and Other Complex Securities**
Led by: **Robert Proctor**, VP of Compliance Product Management, **Linedata Services**
- **Challenges Specific to CCOs of Small Firms**
 - Juggling multiple roles; maximizing limited resources
- **Marketing and Advertising your Fund**
 - Meeting compliance and performance disclosure requirements
- **Anti-Money Laundering**
 - Integrating AML and counter-terrorist financing into your overall compliance program
- **Soft Dollars and Best Execution**
 - Discuss disclosure, unbundling and commission-sharing arrangements
- **Personal Liability and the CCO**
 - Managing conflicts of interest to protect your firm and yourself

To suggest a roundtable topic, please email sthomson@iievents.com

12:00 Chair's Wrap-up and End of Forum

Post-Forum Practical Workshop

Surviving an SEC Exam in Response to the New Inspection Letter

Wednesday, 12 March, 2008, 1:00-4:30pm

This practical session will lead you through all aspects of what to expect from an exam using the SEC's new inspection letter, preparing you with the tools you need to get through the audit as painlessly as possible. The format will be interactive, with ample opportunity for questions and troubleshooting.

- Introduction & Objectives
- Before an exam:
 - SEC risk assessment ratings for inspections – what are the criteria?
 - Dissecting the new documentation requirements
 - Meeting the requirements of ADV Part 2
 - The merits of conducting a mock audit
 - Preparing your team and other business units
 - Other tools to avoid being caught unawares
- During the exam:
 - Making best use of the records you already have
 - What to do when the data is not available
 - Potential questions to be ready for
- After the exam:
 - How to respond if you receive a deficiency letter
 - Ongoing review and monitoring practices
- Conclusion and Key Take-Aways

Workshop Leader:

Richard D. Marshall, Partner, **Ropes & Gray LLP**

Speakers:

Kip Allardt, Chief Compliance Officer, **Discovery Capital Management**

Nancy Fox, Senior Vice President and Chief Compliance Officer, **Halcyon Asset Management LLC**

Registration for this half-day workshop will begin at 12:30 and the workshop will run from 1:00-4:30pm, with a mid-afternoon refreshment break.