

# Agenda with Session Descriptions

## WEDNESDAY, MAY 26 DAY 1

9:00 a.m. – 7:00 p.m. Registration

11:00 a.m. – 11:30 a.m. Welcome Address

**V** Rick Ketchum, FINRA Chairman and CEO

11:30 a.m. – 12:15 p.m. **Plenary: Sustaining a BD Compliance Program**

**V** This session focuses on sustaining robust compliance and supervisory programs. Discussion topics include how to effectively communicate compliance and regulatory updates to registered principals, the compliance process as a mechanism to communicate with senior management, and the importance of clarifying the roles and responsibilities of compliance and supervision. Panelists also discuss common examination findings, lessons learned from exams, and how they can be applied to improve compliance and supervisory programs.

- *Bob Errico, FINRA Member Regulation (moderator)*
- *Ken Miller, Johnston Lemon*
- *Hans Reich, FINRA New York Region*
- *Kathy VanNoy-Pineda, LPL Financial*

12:15 p.m. – 1:15 p.m. Lunch

1:15 p.m. – 1:45 p.m. Dessert with Exhibitors

1:45 p.m. – 3:00 p.m. **Concurrent Sessions I**

**V A** ► **Fraud Detection and Prevention**

Senior staff from the SEC, FINRA and the FBI discuss emerging trends and techniques—ranging from insider trading to Ponzi schemes—that they see being used to target investors and the financial industry. The session addresses potential “red flags” of securities fraud and threats to customers, and presents a course of action for promptly reporting potential fraud to regulators.

- *Anthony Cavallaro, FINRA Office of Fraud Detection and Market Intelligence*
- *Cam Funkhouser, FINRA Office of Fraud Detection and Market Intelligence (moderator)*
- *Peter Grupe, FBI*

**A** ► **Custody and Possession for IA and BD Firms**

Panelists provide a detailed explanation and comparison of custody requirements for firms that are dually registered as IA and BD firms. Discussion topics include segregation of assets, client statements and financial examination requirements.

- *Mark Holloway, Goldman Sachs*
- *Michael P. Jamroz, Deloitte & Touche LLP*
- *Bryan Morris, Securities and Exchange Commission*
- *Anand Ramtahal, FINRA Office of Risk Oversight and Operational Regulation (moderator)*

WEDNESDAY, MAY 26 DAY 1 (continued)

► **Product Oversight**

Financial and industry experts discuss product oversight practices related to vetting new products and reassessing the risks for existing products in a changing environment. Panelists focus on the current proliferation of complex financial instruments, as well as their past experience with the changing risk profile of traditional products in reaction to market events. Topics include regulatory and compliance obligations and practices.

- *Kip Carevic, Raymond James*
- *Eric Moss, FINRA Office of Emerging Issues (moderator)*
- *Lisa Roth, Keystone Capital*
- *Claire Santaniello, Pershing*

---

3:00 p.m. – 3:15 p.m. Break

---

3:15 p.m. – 4:30 p.m. **Concurrent Sessions II**

**V A** ► **Supervision**

This session addresses FINRA rules on supervision and supervisory controls. FINRA staff outline key provisions of the rules and discuss the implications for firm supervisory practices and procedures with industry panelists. Compliance professionals discuss their role in maintaining effective supervisory programs and common practices for improving the firm's policies and practices.

- *Joe Castro, Fidelity*
- *Jack Fitzgerald, Leerink Swann LLC*
- *Dan Sibears, FINRA Member Regulation (moderator)*

---

► **Cyberfraud**

Panelists discuss what you need to know about potential security threats and cyberfraud, and the questions you should ask your technology staff, vendors and/or clearing firm to help protect against unauthorized access to firm and customer information.

- *Cam Funkhouser, FINRA Office of Fraud Detection Management (moderator)*
- *Tom Sporkin, Securities and Exchange Commission*
- *John Stark, Stroz Freidberg*
- *Jeffrey Troy, FBI*

---

► **ETPs and Other Non-Conventional Instruments**

This session examines the characteristics of non-conventional instruments, particularly those that are gaining wide popularity among retail investors. Topics include discussions of exchange-traded products (ETPs), principal-protected notes and reverse convertibles. This session is designed to provide compliance staff with a basic overview of the structure, risks and compliance considerations for these products.

- *Scott Burns, Morningstar, Inc.*
- *Rick Ferri, Portfolio Solutions*
- *Bill Hayden, FINRA Office of Emerging Issues (moderator)*
- *Richard Vagnoni, FINRA Office of Economic Analysis*

---

4:30 p.m. – 4:45 p.m. Break

## WEDNESDAY, MAY 26 DAY 1 (continued)

4:45 p.m. – 6:00 p.m. **Concurrent Sessions III**

**V** ▶ **Risk Management at Small BD Firms**

This session covers factors to consider when structuring a risk management program in a smaller firm environment. Panelists discuss industry practices and useful tools to help identify, prioritize, measure and monitor potential risk factors, establish internal controls and perform risk assessments.

- *Mark Cresap, Cresap Inc.*
- *Chip Jones, FINRA Member Relations (moderator)*
- *John Moloney, Moloney Securities Co., Inc.*
- *Lisa Roth, Keystone Capital*

---

▶ **Risk Management at Large BD Firms**

This session addresses lessons learned from the recent credit crisis and what investment banks can do to better position themselves in the future. Panelists highlight market, credit and liquidity risk, and discuss the considerations for maintaining a robust risk management program at large firms.

- *Michael Macchiaroli, Securities and Exchange Commission*
- *Marc Saidenberg, Federal Reserve Bank of New York*
- *Yolanda Trottman, FINRA Member Regulation*
- *Grace Vogel, FINRA Office of Risk Oversight and Operational Regulation (moderator)*

---

▶ **Trading Practices**

Panelists address regulatory implications and restrictions of the current trading environment, such as sponsored/direct market access, dark pools, short-selling, high-speed trading and other trading practices. Panelists discuss trading compliance and market-related issues, including the recent SEC proposal to increase transparency into activities related to dark pools.

- *James Brigagliano, Securities and Exchange Commission*
- *Tom Gira, FINRA Market Regulation (moderator)*
- *Annette Kelton, Goldman Sachs*
- *Howard Kramer, Schiff Harden LLP*

---

6:00 p.m. – 7:00 p.m. Reception

**V** Session broadcast live over the Internet via streaming video.

**A** CLE-eligible audio recording of this session available on demand after the conference.

**E** Session is eligible for Ethics CLE credit.

# Agenda with Session Descriptions

## THURSDAY, MAY 27 DAY 2

7:30 a.m. – 6:00 p.m. Registration

7:30 a.m. – 8:30 a.m. Continental Buffet Breakfast

8:30 a.m. – 9:30 a.m. **Plenary Session: State of the Industry and Current Trends**

**V** FINRA's Chairman and CEO joins a distinguished panel of experts in a discussion of key drivers shaping the industry. Panelists assess the current state of the securities industry, including reform and how the modernization of financial regulation and changes in market dynamics impact industry and firm compliance efforts.

- *Mark Casady, LPL Financial*
- *Alan Cohen, Goldman Sachs*
- *Rick Ketchum, FINRA Chairman and CEO (moderator)*
- *Joseph Polizzotto, Deutsche Bank AG*
- *Brian Shea, Pershing*

9:30 a.m. – 9:45 a.m. Break

9:45 a.m. – 11:00 a.m. **Concurrent Sessions IV**

**V A** ▶ **Risk Identification and Assessment Design**

This session provides an introduction to developing a risk identification and assessment framework. Discussion focuses on how to establish a framework to define the material risks and prioritize risk- measurement efforts, establish a quantitative and qualitative risk-measurement architecture to help identify gaps, prioritize risk-remediation efforts, identify and prioritize the data needed to effectively measure and manage risks, and develop an effective integrated risk reporting and business intelligence architecture. Panelists from FINRA, consulting firms, and small and large firms draw on recent experiences with their risk-assessment frameworks and walk through a sample risk-assessment framework from start to finish.

- *Paul Fagone, KPMG LLP*
- *John Holland, Morgan Stanley*
- *Eric Moss, FINRA Office of Emerging Issues*
- *George Walz, FINRA Member Regulation (moderator)*
- *Craig Watanabe, Penniall & Associates, Inc.*

**A** ▶ **Enforcement Case Trends**

Securities law practitioners and regulators review recent litigation and enforcement cases, and provide an overview of new developments, trends and program areas. Panelists highlight noteworthy decisions and their specific impact on securities regulation and practice.

- *Jim Shorris, FINRA Enforcement (moderator)*
- *Neal Sullivan, Bingham McCutchen LLP*
- *Jim Tricarico, Edward Jones*

# Agenda with Session Descriptions

THURSDAY, MAY 27 DAY 2 (continued)

**E** ▶ **Ethics and Professional Responsibility for Securities Lawyers**

A panel of practicing attorneys uses hypothetical scenarios to explore conflicts of interest, scope of representation, internal investigations, waiver of attorney-client privilege, advice of counsel defense, credit for cooperation and other related issues. This session is designed for in-house lawyers and outside counsel, and is eligible for Ethics CLE credit.

- *Stephanie Brown, LPL Financial*
- *David DeMuro, O'Melveny & Myers, LLP*
- *Sarah Gill, FINRA Office of General Counsel (moderator)*
- *Joy Weber, UBS Wealth Management Americas, Inc.*

---

11:00 a.m. – 11:15 a.m. Break

11:15 a.m. – 12:00 p.m. **Plenary:**

- V** **Keynote Speaker - The Honorable Neal S. Wolin**  
Deputy Secretary of the U.S. Department of the Treasury

---

12:00 p.m. – 1:30 p.m. Lunch

12:00 p.m. – 1:30 p.m. CRCP Luncheon

---

1:30 p.m. – 2:45 p.m. **Concurrent Sessions V**

**V** **A** ▶ **Social Media Compliance Issues**

This session addresses supervision of social media, including third-party networks, firm-sponsored communities and blogs. Industry panelists discuss *FINRA Regulatory Notice 10-06*, what their firms do and do not allow, how they monitor activity and the types of applications they use.

- *Melissa Callison, Charles Schwab & Co., Inc.*
- *Debbi Corej, Prudential*
- *Joe Price, FINRA Corporate Financing (moderator)*
- *Amy Sochard, FINRA Advertising Regulation*

---

**A** ▶ **Ethics and Managing Conflicts in IA Firms**

This session centers on the code of ethics governing employees' conduct and personal securities trading that investment adviser firms must maintain. Panelists highlight key features of their codes of ethics and discuss tests firms can conduct to ensure appropriate review and reporting of employees' activities. Topics include trade allocation, soft dollars, gifts and entertainment, the Foreign Corrupt Practices Act, controls over non-public information and others.

- *Joe Fleming, Dechert LLP (moderator)*
- *Laura Moret, Piper Jaffray*
- *Michael Sherman, Dechert LLP*

## THURSDAY, MAY 27 DAY 2 (continued)

### **A** ▶ Arbitration Case Trends

Panelists discuss recent securities arbitration trends and their implications as leading indicators of future arbitration activity. This session also addresses overall developments in the legislative arena that could affect the future of securities arbitration, proposed and effective rule changes that could affect parties in 2010 and FINRA arbitration programs of interest.

- *Steve Caruso, Maddox, Hargett, and Caruso*
- *Linda Fienberg, FINRA Dispute Resolution (moderator)*
- *George Friedman, FINRA Dispute Resolution*
- *Harry Walters, Morgan Stanley*

---

2:45 p.m. – 3:00 p.m. Break

---

3:00 p.m. – 4:15 p.m. **Concurrent Sessions VI**

### **V A E** ▶ Ethics and Professional Responsibility for Securities Lawyers (REPEAT)

A panel of practicing attorneys uses hypothetical scenarios to explore conflicts of interest, scope of representation, internal investigations, waiver of attorney-client privilege, advice of counsel defense, credit for cooperation and other related issues. This session is designed for in-house lawyers and outside counsel, and is eligible for Ethics CLE credit.

- *Stephanie Brown, LPL Financial*
- *David DeMuro, O'Melveny & Myers, LLP*
- *Sarah Gill, FINRA Office of General Counsel (moderator)*
- *Joy Weber, UBS Wealth Management Americas, Inc.*

---

### **A** ▶ Data Protection and Privacy

This session addresses privacy regulations, including Reg S-P and the FTC's FACT Act, and the application of these regulations for IA and BD firms. Panelists highlight examples of how data can be compromised and discuss actions their firms are taking to safeguard non-public customer information.

- *Laurie Dzien, FINRA Data Office*
- *Tina Maloney, Winslow, Evans, & Crocker, Inc.*
- *Dan McElwee, Citigroup*
- *Christopher Wolf, Hogan & Hartson*

---

### ▶ Qualifications and Continuing Education Update

FINRA staff discuss new initiatives in the qualifications and continuing education arena—including the redesigned industry Regulatory Element Program, revamped Series 7 content outline and new investment banking exam.

- *Tina Freilicher, FINRA Qualifications and Exams*
- *John Kalohn, FINRA Testing and Continuing Education (moderator)*
- *Joe McDonald, FINRA Qualifications and Exams*
- *Roni Meikle, FINRA Testing and Continuing Education*

---

4:15 p.m. – 4:30 p.m. Break

# Agenda with Session Descriptions

## THURSDAY, MAY 27 DAY 2 (continued)

4:30 p.m. – 5:45 p.m. **Plenary: Ask FINRA Senior Staff**

**V** FINRA's senior staff address questions on the examination program, enforcement, rulemaking, dispute resolution and other regulatory and compliance issues. Please note that firm-specific questions can be discussed one-on-one with FINRA staff during the conference's office hours.

- *Linda Fienberg, FINRA Dispute Resolution*
- *Tom Gira, FINRA Market Regulation*
- *Marc Menchel, FINRA Office of General Counsel*
- *Tom Selman, FINRA Regulatory Policy*
- *Jim Shorris, FINRA Enforcement*
- *Dan Sibears, FINRA Member Regulation (moderator)*
- *Bill Wollman, FINRA Office of Risk Oversight and Operational Regulation*

5:45 p.m. – 6:45 p.m. Reception

## New for 2010

### Live Streaming Video Broadcast

Those who can't attend the conference in person may register to participate via live video broadcast streamed over the Internet. Online viewers receive access to all conference materials, and will see FINRA Chairman and CEO Rick Ketchum's welcome address, the four plenary sessions and nine of 27 concurrent sessions. See the At-a-Glance and Agenda for sessions marked **V**.

### On Demand Audio Sessions (CLE-Credit Eligible)

Shortly after the conference, a collection of audio-recorded sessions will be available for download. Registrants will receive audio access to the full collection of CLE credit-eligible sessions and associated conference materials. See the At-a-Glance and Agenda for sessions marked **A**.

# Agenda with Session Descriptions

FRIDAY, MAY 28 DAY 3

7:00 a.m. – 12:00 p.m. Registration

7:00 a.m. – 8:00 a.m. Continental Buffet Breakfast

8:00 a.m. – 9:15 a.m. **Concurrent Sessions VII**

**V A** ▶ **AML Independent Testing**

Industry panelists discuss the role of independent testing in firms' anti-money laundering (AML) compliance programs and provide practical guidance on how to conduct an effective, comprehensive test. The session begins with an overview of the AML independent testing requirement and clarification on who can perform the independent test.

- *Alma Angotti, FINRA Enforcement (moderator)*
- *Alistair Johnson, FINRA Member Regulation*
- *Karen O'Toole, Fidelity*
- *Pam Ziermann, Dougherty and Company LLC*

**A** ▶ **ERISA Compliance**

Panelists address developments affecting firms with ERISA clients. Discussion topics include bonding requirements, prohibited transaction rules under the Pension Protection Act and soft dollar disclosures.

- *Jason C. Roberts, Reish Luftman Reicher & Cohen (moderator)*
- *John Simmers, The Compliance Department, Inc.*
- *Geoffrey Ward, MetLife*

**A** ▶ **Annuity Suitability**

This session addresses regulatory requirements and industry practices for suitability and supervision relating to the sale of fixed and variable annuities. Discussion topics include FINRA rules on deferred variable annuities and suitability, and the NAIC model suitability rule. Panelists also address effective compliance procedures for insurers and distributors, and discuss compliance approaches in various distribution channels, including broker-dealers, financial planners and independent marketing organizations.

- *Larry Kosciulek, FINRA Investment Companies Regulation*
- *Jim Mumford, Iowa Insurance Division*
- *Joe Savage, FINRA Investment Companies Regulation (moderator)*
- *Kathy VanNoy-Pineda, LPL Financial*

9:15 a.m. – 9:30 a.m. Break

FRIDAY, MAY 28 DAY 3 (continued)

9:30 a.m. – 10:45 a.m. **Concurrent Sessions VIII**

**V** ▶ **Advertising Regulation Updates**

This session addresses regulatory requirements and industry practices for communications with the public. Panelists address proposed amendments to the advertising rules, the advertising of exchange-traded funds and other new developments. Panelists also discuss recent disciplinary actions involving communications with the public and identify red flags to help firms avoid them.

- *Clifford Kirsch, Sutherland Asbill & Brennan LLP*
  - *Danielle Nicholson Smith, T. Rowe Price*
  - *Tom Pappas, FINRA Advertising Regulation (moderator)*
  - *Amy Sochard, FINRA Advertising Regulation*
- 

▶ **Life Settlements**

This session focuses on laws governing life settlements, industry practices for disclosure, supervision and suitability, and new developments such as life settlement securitization. Topics include state laws regulating life settlements and Stranger Originated Life Insurance, the National Association of Insurance Commissioners (NAIC) Viatical Settlement Model Act, the National Conference of Insurance Legislators (NCOIL) Life Settlement Model Act and the regulatory considerations related to securitizing these products.

- *Brian Casey, Locke Lord Bissell & Liddell LLP*
  - *Tom Horack, John Hancock*
  - *Larry Kosciulek, FINRA Investment Companies Regulation (moderator)*
- 

▶ **Fixed Income Transparency and Regulatory Reporting**

Following a brief overview of TRACE developments including the expansion of TRACE, this session covers the recent increase in retail focus on fixed income securities. Panelists discuss practical considerations of retail sales and trading practices, including training registered representatives on the use of TRACE data. Panelists also discuss market developments that affect retail investors, such as electronic trading and fixed income products including bond exchange-traded funds.

- *Steve Boff, Stifel, Nicolaus & Co., Inc.*
  - *Steve Joachim, FINRA Transparency Services (moderator)*
  - *Elliot Levine, FINRA Transparency Services*
  - *Ken Townley, UBS Financial Services, Inc.*
  - *Edward Wiese, T. Rowe Price Associates*
- 

10:45 a.m. – 11:00 a.m. Break

# Agenda with Session Descriptions

FRIDAY, MAY 28 DAY 3 (continued)

11:00 a.m. – 12:15 p.m. **Concurrent Sessions IX**

**V** **A** ▶ **Enterprisewide AML**

This session addresses how to develop an effective, enterprisewide AML compliance program that complies with the Bank Secrecy Act, international regulations such as those promulgated by Canadian securities regulators and the UK's Financial Services Authority, and specific regulations for insurance companies and banks. Panelists discuss practical considerations in mitigating potential risks, identifying red flags, and monitoring and reporting suspicious activity.

- *Jeff Halperin, MetLife*
- *Jeff Horowitz, Pershing*
- *Michelle Neufeld, Bank of America*
- *Mike Rufino, FINRA Member Regulation (moderator)*

---

▶ **Advertising and Marketing for Dually Registered IA and BD Firms**

This session provides practical guidance for IA/BD dual registrants on compliance with advertising regulations in the dual-regulatory environment. Topics include performance advertising, global performance reporting (GIPS) compliance and disclosure requirements. Industry and state experts also address current requirements and proposed changes to Form ADV Part II.

- *James C. Creel, Vanguard*
- *Jayne Flood, Transamerica Financial Advisors, Inc.*
- *Tom Pappas, FINRA Advertising Regulation*
- *Larry Stadulis, Stradley Ronan (moderator)*

---

**A** ▶ **Municipal Securities Disclosures**

Industry experts and representatives from FINRA, the SEC and MSRB discuss municipal securities dealers' obligations to disclose information about issuer material events to purchasers of municipal securities. Panelists discuss the importance of this disclosure in light of recent market events and publicity surrounding certain municipal issuers, the use of EMMA for filing, examination initiatives and disclosure compliance results.

- *Jim Jones, Crews Associates*
- *Ernesto Lanza, Municipal Securities Rulemaking Board (MSRB)*
- *Mac Northam, FINRA Member Regulation (moderator)*
- *Mary Simpkins, Securities and Exchange Commission*

---

12:15 p.m. – 12:30 p.m. **Break**

---

12:30 p.m. – 1:30 p.m. **Plenary and Lunch: Rulebook Consolidation**

**V** FINRA counsel outline key provisions of new FINRA rules governing supervision, suitability, membership and more, and discuss the implications for firm compliance programs.

- *Patricia Albrecht, FINRA Office of General Counsel*
- *Afshin Atabaki, FINRA Office of General Counsel*
- *Philip Shaikun, FINRA Office of General Counsel*

---

1:30 p.m. **Conference Adjourns**

---