FINRA

Financial Industry Regulatory Authority

2013 FINRA

South Region Compliance Seminar

August 1 – 2, 2013

Fort Lauderdale, FL

Harbor Beach Marriott Resort & Spa

2013 FINRA **South Region Compliance Seminar**

The South Region Compliance Seminar is conducted to help firms and their associated persons better understand current industry and regulatory issues. Throughout the event, staff members from the Atlanta, Boca Raton, Dallas and New Orleans offices, and from Washington, DC, will be available to discuss matters of interest with you.

We look forward to seeing you in August.

AGENDA—DAY 1	THURSDAY, AUGUST 1
1:00 p.m. – 1:20 p.m.	**Welcome Remarks and Keynote** • *Eric Bustillo, Regional Director, SEC Miami Regional Office*
1:20 p.m. – 1:40 p.m.	**NASAA Update** • *Steve Irwin, Pennsylvania Securities Commissioner*
1:40 p.m. – 2:30 p.m.	**Regulatory Priorities** Panelists address current regulatory initiatives, priorities and developments from the viewpoint of their respective organizations. Participants will have an opportunity to ask questions of the various regulators on the panel. Moderator: • *Jeff Pasquerella, Vice President and District Director, FINRA Boca Raton District* Panelists: • *Jeri Dresner, Regulatory Counsel, U. S. Securities and Exchange Commission, Miami Regional Office* • *Daniel Stefek, District Director, FINRA Atlanta District Office* • *Jessica Hopper, Vice President, FINRA Enforcement*
2:30 p.m. – 2:45 p.m.	Refreshment Break
2:45 p.m. – 3:45 p.m.	**Concurrent Workshops:** ▶ **Complex Products** This panel discusses the regulatory issues surrounding retail sales of complex products, private placements and alternative investments. Panelists discuss recent enforcement actions and some common pitfalls to avoid. Discussion centers around supervision, due diligence, disclosure and suitability. Moderator: • *Tony Cognevich, Examination Manager, FINRA New Orleans District Office* Panelists: • *Mark Fernandez, Senior Regional Counsel, FINRA New Orleans District Office* • *Alyssa Meyer, Vice President & Associate Compliance Director, Raymond James Financial Services* ▶ **Cyber Security** FINRA and industry panelists discuss cyber-security issues affecting the financial services industry, including areas of concern regarding the safety and integrity of sensitive customer data. The discussion also covers IT management practices that are necessary to address threats such as brokerage account intrusions, insidious insider behavior, email hack attacks, hoax emails and data loss.

AGENDA—DAY 1	THURSDAY, AUGUST 1 (continued)
	Moderator: • *Clint Johnson, Surveillance Director, FINRA Atlanta District Office* Panelists: • *Lauren Fischer, Director and Counsel, Credit Suisse* • *Dave Kelley, Surveillance Director, FINRA Kansas City District Office* • *Michael Sawyer, Head of Information Risk Governance, Managing Director, BNY Mellon*
	► **Recent Developments in Fixed Income Securities Regulation** This session addresses current regulatory and compliance issues in the fixed income marketplace, including policy areas for 2013, new fixed income products, sales practice considerations for both retail and institutional customers, and other key regulatory updates. Moderator: • *Don DeBlanc, Examination Manager, FINRA New Orleans District Office* Panelists: • *Cindy Friedlander, Director, FINRA Fixed Income Regulation* • *Jim Jones, President, Crews & Associates, Inc.*
3:45 p.m. – 4:00 p.m.	Refreshment Break
4:00 p.m. – 5:30 p.m.	**Ask FINRA Staff** FINRA senior staff update you on key issues facing the industry and address your questions relating to the examination program, the implication of new and pending FINRA rules, and other important issues. Moderator: • *Chip Jones, Senior Vice President, FINRA Member Relations* Panelists: • *Susan Axelrod, Executive Vice President, FINRA Regulatory Operations* • *Richard Ketchum, Chairman and Chief Executive Officer, FINRA* • *Michael Rufino, Senior Vice President, Acting Head of Sales Practice, FINRA*
5:30 p.m. – 6:30 p.m.	Reception

AGENDA—DAY 2	FRIDAY, AUGUST 2
7:30 a.m. – 8:30 a.m.	Continental Breakfast
8:30 a.m. – 9:30 a.m.	**General Workshop: Communications With the Public Rule Update** This session focuses on the changes to FINRA rules regarding communications with the public and recent interpretive guidance. Panelists offer practical advice on seminars, use of titles and designations, and issues regarding social media and electronic communications. Moderator: • *Keith Hinrichs, District Director, FINRA New Orleans District Office* Panelists: • *Patrick Cuillo, Compliance Officer, Raymond James Financial Services* • *Thomas Pappas, Vice President and Director, FINRA Advertising Regulation*
9:30 a.m. – 9:45 a.m.	Refreshment Break
9:45 a.m. – 10:45 a.m.	**Concurrent Workshops:** ▶ **FINRA Examinations – Preparing for Your Firm's Next Exam** This panel addresses leading industry practices for preparing for FINRA examinations. The session highlights changes to the examination process, including FINRA's risk-based approach and upcoming enhancements that firms can expect. Discussions include the views and roles of surveillance directors, examination managers and regulatory coordinators throughout the examination process. Moderator: • *Kamran Fotouhi, Surveillance Director, FINRA Dallas District Office* Panelists: • *Clint Johnson, Surveillance Director, FINRA Atlanta District Office* • *Greg Brown, Examination Manager, FINRA Dallas District Office* • *John Welcom, President and CEO, Welcome Life Securities, Inc.* ▶ **Fraud Detection** This panel focuses on the detection and prevention of various types of fraud by highlighting noteworthy cases. The head of FINRA's Office of Fraud Detection and Market Intelligence presents recent insider trading cases, Ponzi schemes, market manipulations and cyber ploys that targeted investors. Learn about how these frauds are perpetrated so your firm can identify signs that activity may be suspect. Panelist: • *Cameron Funkhouser, Executive Vice President, FINRA Office of Fraud Detection and Market Intelligence*

AGENDA—DAY 2 **FRIDAY, AUGUST 2** (continued)

▶ **Membership Application Process Update**

This panel provides an overview of recent developments to the membership rules as well as guidance for filing new and continuing membership applications. The panelists discuss common issues noted during NMA and CMA applications, as well as leading industry practices and how firms can avoid delays when going through the membership process.

Moderator:

- *Dawn Calonge, Surveillance Director, FINRA Florida District Office*

Panelists:

- *Joseph Sheirer, Director, FINRA Membership Application Program*
- *Lisa Robinson, Associate Director, FINRA Membership Application Program*

10:45 a.m. – 11:00 a.m. Refreshment Break

11:00 a.m. – 12:00 p.m. **Concurrent Workshops:**

▶ **Enforcement Case Studies**

FINRA staff explore enforcement case studies to help firms identify and manage potential compliance issues, with an emphasis on anti-money laundering. The session also covers topics including product due diligence, outside business activities and private securities transactions. Panelists discuss related cases and proactive steps that might have been taken to detect and/or prevent violations.

Moderator:

- *Blake Snyder, Surveillance Director, FINRA Florida District Office*

Panelists:

- *Sarah Green, Senior Director, FINRA Enforcement*
- *David Klafter, Regional Chief Counsel, FINRA Florida District Office*

▶ **FINRA Suitability Rule – One Year Later**

This workshop explores effective practices and common findings examination staff observed during the first year of effectiveness for FINRA Rules 2090 and 2111. FINRA and industry panelists also discuss leading practices for implementing particular aspects of the rules, including investment strategies and hold recommendations.

Moderator:

- *Brooks Brown, Examination Manager, FINRA Atlanta District Office*

Panelists:

- *Ken Bell, Vice President, Audit, Cetera Financial Group*
- *Debra Jastredowski, Associate Director, FINRA Atlanta District Office*
- *Brian Kovack, President, Kovack Securities, Inc.*

AGENDA—DAY 2 **FRIDAY, AUGUST 2** (continued)

▶ **Supervision**

This panel highlights leading practices and common pitfalls in the supervision of branch offices, private securities transactions, outside business activities and the implementation of heightened supervision. In addition to identifying effective practices for monitoring and responding to "red flags," this workshop explores ways to enhance policies and procedures and discusses current trends and industry practices in each of these risk areas.

Moderator:

- *Peter Cleven, Associate Director, FINRA Florida District Office*

Panelists:

- *John Clark, Examination Manager, FINRA Florida District Office*
- *Laura Cognetti, Vice President and Chief Compliance Officer, GWN Securities, Inc.*
- *Michael Gross, Senior Regional Attorney, FINRA Florida District Office*

12:00 p.m. **Seminar Adjourns**

▶ **CRCP CE Credit**

Attendance to this seminar qualifies for six (6) hours of continuing education credit for FINRA Institute at Wharton CRCP™ designees.

Registration and Fees

Registration Type	
FINRA Member Firm	$350
Non-Member (Attorney)	$495
Non-Member (Consultant)	$495

Visit *www.finra.org/conferences/southregion* to register. Please see the chart above for pricing.

Group rates are available for firms that simultaneously register three or more employees to attend the seminar. For more information, please call (202) 728-8131 or email *conreg@finra.org.*

Seminar fees include attendance to all sessions and conference materials, reception on Thursday, continental breakfast on Friday and refreshment breaks.

Conference registration is limited and available on a first-come, first-served basis. Payment is required at the time your registration is submitted. Registrations without payment are considered incomplete.

You will receive an email confirmation of your completed registration form and payment. Please make sure your registration has been confirmed prior to your arrival onsite at the conference.

FINRA suggests that you do not purchase restricted or nonrefundable airline tickets for travel to the conference, especially prior to the receipt of your registration confirmation. FINRA assumes no liability for penalties or fare increases should the conference sell out or in the unlikely event that changes to the conference date and/or location become necessary.

Refunds

Full refunds for registration, less a $25 processing fee, will be granted to written requests (email *conreg@finra.org*) received 14 days or more prior to the start of the conference. We regret that refunds will not be granted after July 18, 2013.

Accommodations

A limited number of sleeping rooms are available at the Harbor Beach Marriott. Hotel reservations, cancellations and charges are the attendee's responsibility. *Book your hotel room online* or call (888) 789-3090 and identify yourself as an attendee of the 2013 FINRA South Region Compliance Seminar.

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More Information

For questions about the conference content, contact Peter Cleven via *email*. For questions about registration, contact Sherri Freeman via *email* or (202) 728-8131.

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