

November 12 – 17, 2017

CRCP Week II: Capstone

Session Descriptions and Learning Objectives



Certified Regulatory and Compliance Professional™ (CRCP™) Program





2017 Program Agenda

Day 1	Sunday
4:00 p.m. – 6:00 p.m.	Registration and Welcome Reception
Day 2	Monday
7:30 a.m. – 8:00 a.m.	Registration
7:30 a.m. – 8:30 a.m.	Breakfast
8:30 a.m. – 9:00 a.m.	Program Introductions and Logistics
9:00 a.m. – 10:30 a.m.	Session 1: Investment Adviser Regulation
10:30 a.m. – 10:45 a.m.	Break
10:45 a.m. – 12:15 p.m.	Session 2: Foreign Markets & Securities Regulation
12:15 p.m. – 1:30 p.m.	Lunch & Class Photo
1:30 p.m. – 3:00 p.m.	Session 3: Dodd-Frank
3:00 p.m. – 3:15 p.m.	Break
3:15 p.m. – 4:45 p.m.	Session 4: Insider Trading
4:45 p.m. – 5:00 p.m.	Break
5:00 p.m. – 6:00 p.m.	Homework
6:00 p.m. – 8:00 p.m.	Dinner
Day 3	Tuesday
8:00 a.m. – 9:00 a.m.	Breakfast
9:00 a.m. – 10:30 a.m.	Session 5: Communications With the Public: FINRA Rule 2210
10:30 a.m. – 10:45 a.m.	Break
10:45 a.m. – 12:15 p.m.	Session 6: Market Regulation
12:15 p.m. – 1:00 p.m.	Lunch
1:00 p.m. – 2:30 p.m.	Session 7: Dodd Frank
2:30 p.m. – 2:45 p.m.	Break
2:45 p.m. – 4:15 p.m.	Session 8: Broker-Dealer Litigation: Arbitration and Enforcement Proceedings
4:15 p.m. – 4:30 p.m.	Break
4:30 p.m. – 6:00 p.m.	Homework
6:00 p.m. – 8:00 p.m.	Dinner

2017 Program Agenda | continued

Day 4	Wednesday
8:00 a.m. – 9:00 a.m.	Breakfast
9:00 a.m. – 10:30 a.m.	Session 9: Anti-Money Laundering Regulations
10:30 a.m. – 10:45 a.m.	Break
10:45 a.m. – 12:15 p.m.	Session 10: Top Compliance Challenges
12:15 p.m. – 1:30 p.m.	Lunch
1:30 p.m. – 3:00 p.m.	Session 11: Retirement Savings and Broker-Dealer Sales Practices
3:00 p.m. – 3:15 p.m.	Break
3:15 p.m. – 4:45 p.m.	Session 12: Municipal Securities Regulation
4:45 p.m. – 5:00 p.m.	Break
6:00 p.m. – 6:30 p.m.	Cocktail Reception
6:30 p.m. – 8:00 p.m.	Dinner/Speaker: Susan Axelrod, Executive Vice President, FINRA
Day 5	Thursday
8:00 a.m. – 9:00 a.m.	Breakfast
9:00 a.m. – 10:30 a.m.	Session 13: Advanced Suitability: Case Simulation
10:30 a.m. – 10:45 a.m.	Break
10:45 a.m. – 12:15 p.m.	Session 14: Business Ethics in the Financial Industry I
12:15 p.m. – 1:30 p.m.	Lunch
1:30 p.m. – 3:00 p.m.	Session 15: Business Ethics in the Financial Industry II
3:00 p.m. – 3:15 p.m.	Break
3:15 p.m. – 4:45 p.m.	Session 16: International Financial Regulation
4:45 p.m. – 5:00 p.m.	Break
5:00 p.m. – 6:00 p.m.	Homework/Assessment Prep
6:00 p.m. – 8:00 p.m.	Dinner
Day 6	Friday
8:00 a.m. – 9:00 a.m.	Breakfast
9:00 a.m. – 10:30 a.m.	Session 17: Privacy & Data Protection
10:30 a.m. – 10:45 a.m.	Break
10:45 a.m. – 12:15 p.m.	Session 18: Crowdfunding
12:15 p.m. – 1:30 p.m.	Lunch
1:30 p.m. – 3:30 p.m.	Assessment

Note: This schedule is subject to change.



Session Descriptions and Learning Objectives

This intensive week-long program takes place at the Wharton School executive education facility in Philadelphia. Taught by business and law school professors from the University of Pennsylvania and expert faculty drawn from other universities, the securities industry, FINRA, the SEC and other regulators, this advanced program leverages case studies, lectures and interactive discussions to foster a broad understanding of the financial services industry and regulations. Following are detailed descriptions, learning objectives and instructor information for each Week II session.

Session 1

Investment Adviser Regulation

This session focuses on investment adviser regulation, by first exploring the definition of investment adviser, and the types of advisers. The session also explores registration requirements under the Investment Advisers Act of 1940. In addition, the session provides a discussion of the fiduciary standard compared to FINRA's suitability rule, as well as a discussion of other related financial industry regulations.

Learning Objectives

After completing this session, you will be able to:

- ▶ understand the definition of an investment adviser, including hedge funds;
- ▶ understand investment adviser registration requirements;
- ▶ compare the fiduciary standard to FINRA's suitability rule requirements; and
- ▶ discuss related financial industry regulations.

Instructor

Jim Angel Associate Professor, McDonough School of Business,
Georgetown University

Session 2

Foreign Markets & Securities Regulation

This session surveys aspects of foreign securities and banking practices, including interaction of global securities markets, collaborative regulation and operation of stock markets in transition economies. The session also covers Regulation S transactions, U.S. broker-dealers operating in foreign jurisdictions and jurisdictional reach.

Learning Objectives

After completing this session, you will be able to:

- ▶ understand how the U.S. and foreign capital markets are evolving globally;
- ▶ evaluate international aspects of U.S. broker-dealers operating in foreign jurisdictions;
- ▶ examine foreign regulatory regimes, such as the E.U., Japan and China, and their impact on foreign capital market regulation; and
- ▶ analyze extraterritorial jurisdiction post the Morrison case and Dodd-Frank Act.

Instructor

Jim Angel Associate Professor, McDonough School of Business,
Georgetown University

Session 3, 7

Dodd-Frank Act I and II

These sessions provide an overview of one of the most comprehensive pieces of legislation reforming the financial industry, focusing on the Dodd-Frank Act's impact to broker-dealers and investment banks. The sessions outline the Dodd-Frank Act's main provisions, including oversight of systemically important non-banks, regulatory structure for swaps and derivatives and the Volcker Rule.

Learning Objectives

After completing this session, you will be able to:

- ▶ discuss ways regulatory reform is intended to curtail systemic risk;
- ▶ understand rulemaking in the area of over-the-counter (OTC) derivatives and swaps; and
- ▶ analyze the complexities of the Volcker Rule.

Instructor

David Skeel S. Samuel Arsht Professor of Corporate Law, University of Pennsylvania Law School

Session: 4

Insider Trading

This session builds upon concepts introduced during Week I related to SEA Rule 10b-5. Professor Fisch covers the theories of insider trading liability and evidentiary thresholds via the exploration of high-profile cases. The session also briefly addresses the disclosure requirements of Regulation FD (fair disclosure) and SEA Section 16.

Learning Objectives

After completing this session, you will be able to:

- ▶ explain the theories of insider trading liability;
- ▶ understand how the theories work in the context of actual cases;
- ▶ identify situations that present particular risk for broker-dealers; and
- ▶ understand the requirements of Regulation FD and its relationship to insider trading.

Instructor

Jill E. Fisch Perry Golkin Professor of Law and Co-Director, Institute for Law and Economics, University of Pennsylvania Law School

Session: 5

FINRA Communications With the Public: FINRA Rule 2210

This session covers FINRA and SEC standards that govern correspondence and retail and institutional communications and provides guidance with regulatory interpretations. Communications content standards, approval, review and recordkeeping requirements are also discussed.

Learning Objectives

After completing this session, you will be able to:

- ▶ contrast requirements governing correspondence, retail and institutional communications;
- ▶ discuss recordkeeping, suitability and content requirements for communications;
- ▶ describe supervisory obligations; and
- ▶ identify key considerations for marketing new products.

Instructors

James Fanto Professor of Law, Brooklyn Law School

Amy C. Sochard Senior Director, FINRA Advertising Regulation

Session 6

Market Regulation

This session surveys the equity securities markets, its history and participants and the effect regulations have had on the national market system. The session also examines enforcement efforts to combat market abuse and analyzes the public policy issues and regulatory response to contemporary market trends caused, in part, by the shift from manual trading to primarily automated trading. Lastly, the session focuses on the increasing prominence of high-frequency trading, dark pools of liquidity, order types and market access.

Learning Objectives

After completing this session, you will be able to:

- ▶ understand the regulatory structure of the national market system;
- ▶ examine the role regulation plays on the operation of the equities markets;
- ▶ analyze changes in trading technology and practices; and
- ▶ describe the relationship between enforcement and regulation and how this relationship affects market structure.

Instructor

Daniel M. Hawke Partner, Arnold & Porter, LLP

Session: 8

Broker-Dealer Litigation: Arbitration & Enforcement Proceedings

This session provides an overview of the key types of proceedings in which brokers may face allegations of misconduct, including enforcement actions by the SEC and FINRA, private litigations and FINRA arbitration proceedings. The primary focus is the procedures involved in FINRA customer arbitrations.

Learning Objectives

After completing this session, you will be able to:

- ▶ identify the type of proceedings applicable to a specific situation and ways to limit potential liability exposure;
- ▶ highlight critical differences among litigation, arbitration and enforcement proceedings;
- ▶ understand recent investigations and actions; and
- ▶ describe arbitration procedures.

Instructors

Richard Berry Executive Vice President, FINRA Dispute Resolution

Jill E. Fisch Perry Golkin Professor of Law and Co-Director, Institute for Law and Economics, University of Pennsylvania Law School

Session: 9

Anti-Money Laundering Regulation

This session provides an overview of the anti-money laundering (AML) compliance requirements of the Bank Secrecy Act/USA PATRIOT Act of 2001, and related international laws and regulations governing money laundering and other types of financial crime. The session covers noteworthy cases and enforcement actions arising from AML Program deficiencies and the failure to detect and report potential suspicious activity.

Learning Objectives

After completing this session, you will be able to:

- ▶ understand the intersection of U.S. and international laws governing money laundering;
- ▶ apply strategies to identify and assess money laundering and related financial crime compliance risks;
- ▶ evaluate “Know-Your-Customer”, client due diligence and enhanced due diligence practices and standards; and
- ▶ understand the suspicious activity reporting framework, including identifying suspicious activity and reporting requirements.

Instructors

Sarah Green Senior Director, AML Compliance, FINRA Enforcement

Tim O’Neal Lorah Senior Director, Global Investigations and Compliance Practice, Navigant

Session: 10

Top Compliance Challenges

This session explores issues related to understanding compliance and identifying top compliance challenges. The session also explores the increase in the scope and complexity of compliance-related regulation, and discusses the role of the compliance officer and how it differs from the roles of general counsel or chief risk officer. In addition, the session surveys compliance challenges, such as hiring, gathering background and credit information, training, and PCAOB audit requirements. The session closes by examining what firms should do when compliance efforts fail.

Learning Objectives

After completing this session, you will be able to:

- ▶ evaluate and understand the increase in the scope and complexity of compliance-related regulation
- ▶ identify and discuss relevant compliance challenges ; and
- ▶ learn what to do when compliance fails.

Instructor

Geoffrey Parsons Miller Stuyvesant P. Comfort Professor of Law and Director, Center for Financial Institutions, Faculty Co-Director, Program on Corporate Compliance and Enforcement and Center for Civil Justice, New York University School of Law

Session: 11

Retirement Savings & Broker-Dealer Regulations

This session explores pertinent regulatory rules and issues related to providing investment advice and products to seniors and individuals saving for retirement, such as financial exploitation of seniors by family members and trusted individuals, brokers as beneficiaries, issues involving seniors such as sale of variable annuities to seniors and the regulation of advice relating to retirement investing, including IRA rollovers (specifically the Department of Labor's Fiduciary Rule).

Learning Objectives

After completing this session, you will be able to:

- ▶ understand the rules that are designed to protect senior investors from fraud, abuse and improper advice;
- ▶ identify specific sales practices designed to target retirees and individuals investing for retirement; and
- ▶ learn how to address new and developing compliance responsibilities associated with retirement investing.

Instructors

Jill E. Fisch Perry Golkin Professor of Law and Co-Director, Institute for Law and Economics, University of Pennsylvania Law School

Laura Blackston Senior Regional Counsel, FINRA

Session: 12

Municipal Securities Regulation

This session provides an overview of the municipal securities markets, including regulatory structure, the lifecycle of a municipal bond and the obligations of municipal market professionals. The session also covers current topics related to municipal securities, including continuing disclosure and the regulatory regime governing municipal advisors.

Learning Objectives

After completing these sessions, you will be able to:

- ▶ better understand the scope, role, participants, and regulatory structure of this less well-known fixed income security;
- ▶ understand the lifecycle of a municipal bond and how municipalities decide to issue debt; and
- ▶ discuss a variety of current topics related to municipal securities including continuing disclosure and the regulatory regime governing municipal advisors.

Instructors

Cindy Friedlander Director, Fixed Income Regulation, FINRA

Jim Jones President, Crews & Associates, Inc.

Session: 13

Advanced Suitability: Case Simulation

This session covers suitability for modern times. The session begins with an overview of FINRA Rule 2111 (Suitability), including the rule's application to customer-specific suitability, product sales, and customer protection, and the concept of fiduciary duty. The session also uses a case study exercise to illustrate the nuances of the FINRA rule and compliance issues.

Learning Objectives

After completing this session, you will be able to:

- ▶ understand when the suitability rule applies and the main suitability obligations;
- ▶ assess how the obligations apply regarding different types of customers and products; and
- ▶ analyze complex fact patterns for suitability issues.

Instructor

Gavin Meyers Principal Counsel, FINRA

Session: 14, 15

Business Ethics in the Financial Industry I and II

These two sessions explore some of the most challenging issues of business ethics and compliance facing global companies. These issues are raised in some noteworthy cases of high-profile misdeeds and ethical lapses.

Learning Objectives

After completing these sessions, you will be able to:

- ▶ connect models of ethical decision-making with compliance practices; and
- ▶ anticipate the proactive and reactive steps that should be taken on the discovery of ethical lapses in business.

Instructors

William Laufer Julian Aresty Professor, Professor of Legal Studies and Business Ethics, Sociology and Criminology, and Director, the Carol and Lawrence Zicklin Center for Business Ethics Research, Wharton School of the University of Pennsylvania

Djordjija Petkoski Lecturer, Corporate Responsibility and Ethics, Wharton School of the University of Pennsylvania

Sherbir Panag Senior Fellow, The Carol and Lawrence Zicklin Center, Wharton School of the University of Pennsylvania

Session: 16

International Financial Regulation

This session provides an overview of international finance and governance, including bank regulation, with an emphasis on understanding the Basel Accord.

Learning Objectives

- ▶ After completing this session, you will be able to:
- ▶ identify issues related to international finance and governance; and
- ▶ discuss issues related to the Basel Accord.

Instructor

Peter Conti-Brown Assistant Professor, The Wharton School of the University of Pennsylvania

2017 Program Session Descriptions

Session: 17

Privacy & Data Protection

This session addresses privacy and data protection laws with an in-depth focus on cybersecurity threats. The session also covers Regulation S-P (Privacy of Consumer Financial Information). Through real-life scenarios, the class explores data protection management and proper handling of personal information.

Learning Objectives

After completing this session, you will be able to:

- ▶ understand concepts related to privacy and data protection;
- ▶ understand the types of cybersecurity threats; and
- ▶ recognize risk areas and avenues for data breaches.

Instructors

Dennis Dickstein Chief Operating Officer, UBS Americas Legal

John Walsh Partner, Eversheds Sutherland LLP

Session: 18

Crowdfunding

This session provides an overview of the crowdfunding provisions in Title III of the Jumpstart Our Business Startups (JOBS) Act of 2012. The session also offers a summary of the SEC's crowdfunding rules and funding portal regulation and explores both the current securities crowdfunding environment and possible future changes in or additions to the regulation of securities crowdfunding. The session also offers a regulatory update related to the SEC-proposed crowdfunding rules and funding portals provision. The class also explores how the industry has responded to the elimination of the ban on general solicitation.

Learning Objectives

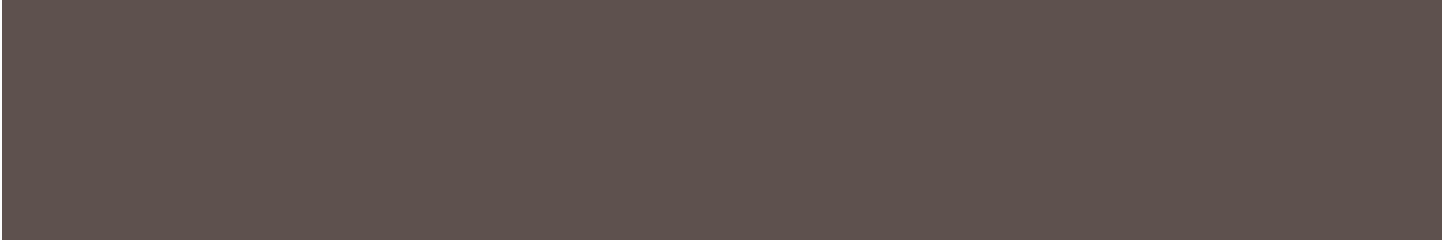
After completing this session, you will be able to:

- ▶ understand provisions of the JOBS Act as they relate to the crowdfunding registration exemption and securities crowdfunding intermediaries; and
- ▶ better identify the place of securities crowdfunding regulation in the spectrum of securities offering regulation

Instructors

Joan Heminway Rick Rose Distinguished Professor of Law, The University of Tennessee College of Law

Alissa Robinson Director, Membership Application Program, Office of Sales Practice, FINRA



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