

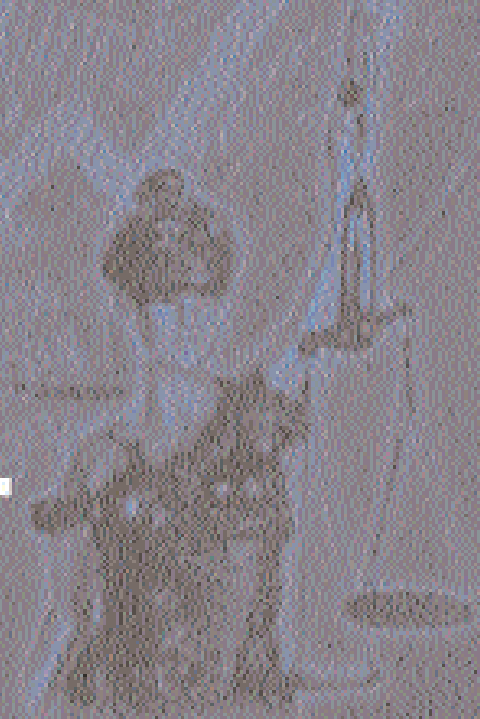
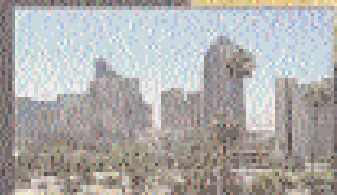
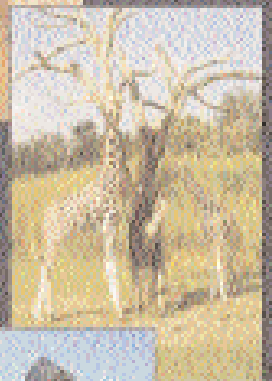
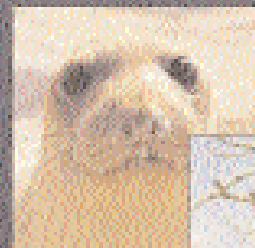
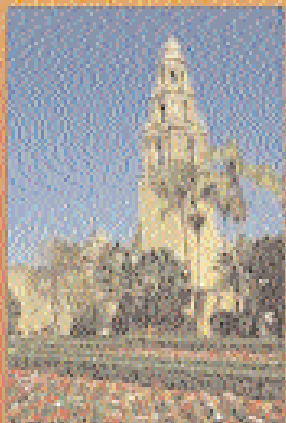


FIRMA
Fiduciary & Investment Risk Management Association

www.thefirma.org

19th ANNUAL NATIONAL TRAINING CONFERENCE

**SAN DIEGO
CALIFORNIA
APRIL 10-14
2005**



WHAT THEY ARE SAYING...

The best confirmation of the value of FIRMA training comes from our attendees...

Highly educational. First rate professional environment.

Daniel Hearn, Richmond, Virginia

Topics were timely and content was encompassing. Solid manual documentation and reference materials. Talented speakers who made complicated topics sound simple and reasonable. Congratulations for a terrific conference well worth the cost.

Al Rodriguez, Stamford, Connecticut

This is an excellent opportunity to network with some of the brightest and best compliance, audit, and regulatory professionals in the trust and investment world.

John Clark, Pennington, New Jersey

I don't think it gets any better than this.

Carla Reynolds, Cordova, Tennessee



FIRMA is registered with the National Association of State Boards of Accountancy (NASBA), as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding sponsors may be addressed to National Registry of CPE Sponsors, 1540 Fourth Avenue North, Suite 700, Nashville, TN 37219-2417. NASBA phone number (615) 880-4200. Website: www.nasba.org.

FIRMA

CONFERENCE SCHEDULE

Sunday, April 10, 2005

Workshop Registration.....11:30 am - 1:00 pm
Workshops I & II.....1:00 pm - 4:00 pm
Conference Registration.....4:30 pm - 6:00 pm

Monday, April 11, 2005

Late Conference Registration7:30 am -8:00 am
General Sessions.....8:00 am - 5:15 pm
Hosted Luncheon.....12:30 pm - 1:30 pm
Welcome Reception.....6:30 pm - 8:30 pm

Tuesday, April 12, 2005

Concurrent Sessions.....8:00 am - 12:15 pm

Wednesday, April 13, 2005

Concurrent Sessions8:00 am - 10:45 am
FIRMA Annual Membership Meeting11:00 am - 12:00 pm
Hosted Luncheon.....12:00 pm - 1:00 pm
Concurrent Sessions.....1:00 pm - 5:15 pm

Thursday, April 14, 2005

General Sessions7:30 am - 11:15 am
Adjourn.....11:15 am

19TH ANNUAL NATIONAL TRAINING CONFERENCE

FIRMA is proud to sponsor its Nineteenth Annual National Training Conference. The responsibilities of Risk Management Professionals have expanded beyond traditional fiduciary and investment activities. Other areas of responsibilities include asset management, broker/dealer activities, and insurance products. In recognition of this, FIRMA provides training resources to reach the broader range of risk management professionals associated with these activities.

Our national speakers will discuss the current transitional trends in the industry, new products and specialized lines of business, and will provide insights as to the management and control of associated risks. Our program is designed to provide valuable benefits to:

- ◆ Fiduciary Auditors and Compliance Officers
- ◆ Asset and Investment Management Professionals
- ◆ Fiduciary Executives
- ◆ Risk Management Professionals
- ◆ State and National Regulators
- ◆ Legal Counsel
- ◆ Certified Public Accountants

The program will offer a unique combination of general sessions and individualized group sessions. Our general sessions will primarily address issues of significant importance to the risk and investment management industry. This year, we are pleased to continue our offerings of expanded breakout sessions, held both on Tuesday and Wednesday. We will still offer **four** separate educational tracks each day, totaling 32 breakout sessions. These sessions focus on more specialized products and services from which attendees can choose the topics of most importance to their institutions and we are offering a number of repeat sessions. We are also pleased to offer two specialized Workshops prior to the start of the formal conference.

Workshop Fee

FIRMA is proud to announce that our Pre-Conference Workshops are **specially priced** for FIRMA members, at \$100. FIRMA wants to thank its loyal members who have supported our conference(s) by making this special offering. The fee for either workshop is \$250 for non-members.

Conference Fees

FIRMA has not raised its conference fees in four years. Again, conference fees are \$1,195 for FIRMA members and \$1,395 for non-members. This fee includes all conference materials, daily continental breakfasts, morning and afternoon refreshment breaks, two luncheons and a Monday evening welcome reception.

For conference payments received prior to March 1, 2005, the conference fees are \$1,095 for FIRMA members and \$1,295 for non-members.

Special Fee Offer

FIRMA offers a special “register and join” conference fee for individuals wishing to attend the 2005 conference and join FIRMA. FIRMA will apply \$125 of our conference fee to your first year’s dues. **The “register and join” fees are \$1,220 prior to March 1, 2005, and \$1,320 thereafter.** FIRMA also offers special fees for attendees from national and state regulatory agencies. Please call our FIRMA Office at 706-354-0083 to inquire about these special conference fees.

Group Discounts

Group discounts to the above prices are available as follows:

- ◆ 5% off the above fees if 3 registrations are received as a group
- ◆ 10% off the above fees if 5 registrations are received as a group
- ◆ 20% off the above fees if 12 or more registrations are received as a group

Cancellation/Refund Policy

Cancellations received prior to March 25, 2005, will be refunded in full. Cancellations received between March 25th and April 1 will be refunded subject to a \$150 service charge. Cancellations made after April 1, 2005, are non-refundable. No refunds will be processed unless the cancellation is made in writing. *Note: You may transfer your registration to another person at any time.*

FIRMA reserves the right to change speakers or reschedule or cancel sessions when necessary. FIRMA is not responsible for airfare penalties that may be incurred should this program be canceled. For more information regarding seminar administrative policies such as complaint or refund, please contact our offices at 706-354-0083. Thank you.

Continuing Education

The 2005 Training Conference provides 25 hours continuing professional education hours. Each Pre-Conference Workshop provides 3 hours continuing professional education hours. All of these hours will be recognized as FIRMA-specific for FIRMA certified members.

Conference Education Prerequisites

There are no educational or advance prerequisites for this seminar. The program skill level for this seminar is rated intermediate.

Tax Deductibility

The cost of continuing education (when taken to maintain or enhance professional development) may be tax deductible. Please consult with your tax accountant for more information.

SUNDAY, APRIL 10, 2005

Pre-Conference Workshop

1:00 - 4:00 pm

Hot Investment Litigation Issues



Instructor:

Dominic Campisi

Partner

EVANS, LATHAM, HARRIS, & CAMPISI
San Francisco, California

Dom will address four key topics:

1. *Procedural prudence as a basis for liability, centering on the Dumont case in NY, \$20 million surcharge against Chase, based on failure to diversify, but looking to breaches in the standard of care: failure to staff adequately, failure to review the trust instrument and ask for legal advice or instructions about the duty to retain (merely precatory); failure to spend more than 3 minutes annually on Reg. reviews, failure to determine the risk tolerance of the beneficiary and the resulting imprudent investment plan. We will also talk about the Berkshire case recently affirmed by the Fourth Circuit (failure to supervise agent, to evaluate the risk tolerance of beneficiaries, and to set up appropriate portfolio with higher risk, with damages measured by internal projections of returns for that risk level) and prior cases, including Green in Michigan (lack of procedural prudence in testing the market and the value in sale of trust real estate).*
2. *Liability under directed trustee cases evolving in ERISA and in state courts.*
3. *Liability for proprietary mutual funds (LaSalle class action), open architecture, etc., under the UPIA.*
4. *Major developments in prudent investor research, stemming from fractal analysis and behavioral finance which gut most of the tenants of modern portfolio theory (section 2 of the UPIA and the law in most states – except Penn. and Mass.).*

Pre-Conference Workshop

1:00 - 4:00 pm

Tools For The Small Internal Audit Shop

Instructors:

Deborah Austin

Vice President & Senior Audit Manager
PFPC

Wilmington, Delaware



Marilyn Smith

Compliance

STRONG FINANCIAL CORPORATION
Menomonee Falls, Wisconsin

Attend this workshop where we will discuss best practices, changing character & perception, sample risk assessments, sample indicator checklists, steps to a continuous monitoring process, techniques for handling open audit issues, audit issue ratings, overall audit and risk management rating, and audit reports. All geared towards smaller internal audit departments, automated and non-automated. Don't miss this workshop! The presenters will provide examples of audit tools and best practices.

MONDAY, APRIL 11, 2005

Welcoming Remarks

8:00 - 8:15 am

FIRMA President Eileen E. Markenstein, CTA

Keynote Address

8:15 - 9:30 am

Ethics and Investments



Professor Frank K. Reilly, Ph.D.

Bernard J. Hank Professor of Finance
UNIVERSITY OF NOTRE DAME
South Bend, Indiana

Professor Reilly states, "The investment business is built on trust among participants which means that ethics is essential for those who participate. Because some individuals broke this trust, the investment world has and will experience significant changes that I will discuss, including the role of audit committees and the relationships between audit committees and both internal and external auditors. While these changes will affect all of us, I will consider why I envision that the greatest changes will be felt by internal auditors in terms of responsibilities and personnel."

FIRMA
is pleased
to acknowledge
the following
Conference sponsors:

Deloitte.

PRICEWATERHOUSECOOPERS 

Trust Imaging
SYSTEMS

General Session

9:30 - 11:00 am

Audit Committee Panel

PANEL MODERATOR AND PARTICIPANTS:

Frank K. Reilly, Ph.D.

Bernard J. Hank Professor of Finance
UNIVERSITY OF NOTRE DAME
South Bend, Indiana

AUDIT COMMITTEE PANELISTS:



Dennis R. Casale

Attorney
Pepper Hamilton LLP
Audit Committee Member
MERRILL LYNCH TRUST
COMPANY, FSB
Princeton, New Jersey

C. Thomas Howard, Ph.D.

Professor of Finance
University of Denver
Board of Directors
AMG GUARANTY TRUST N.A.
Englewood, Colorado

Recent OCC regulatory changes with respect to independent trust banks have made it more challenging to oversee the audit function. As an independent member of the AMG audit committee, Professor Howard will discuss these challenges and how his audit committee has modified procedures in light of the new requirements. He will also discuss the audit committee's altered relationship with the OCC.

Miles D. Harper, III

Audit Committee Chair
BRIDGEWAY FUNDS
Partner in the CPA firm of Gainer, Donnelly, and Desroches
Houston, Texas

MONDAY, APRIL 11, 2005

General Session

11:15 am - 12:30 pm

PCAOB – The Financial Industry Impact

Richard Mayfield

National Assurance and Advisory Services
ERNST & YOUNG, LLP
Boston, Massachusetts

The Sarbanes-Oxley Act of 2002 ("Act") established the Public Company Accounting Oversight Board ("PCAOB") and charged it with the responsibility of overseeing the audits of public companies that are subject to the U.S. Federal securities laws. Under the Act, the PCAOB's duties include the establishment of auditing, quality control, ethics, independence, rule-making, and other standards relating to public company audits. Please join Rick as he discusses the real-world issues and impact of Section 404 implementation and "how to balance the compliance/cost/value equation". Representatives of PCAOB have also been invited to join Rick on the dais and to share insights and the current initiatives of PCAOB.

General Session

2:00 –4:00 pm

Securities Regulator Panel

This is a "not-to-miss" session with senior members of the nation's top regulators...

MODERATOR:

Stephen C. Strombelline

Managing Director
Head of Ethics and Compliance
BNP PARIBAS, NORTH AMERICA
New York, New York

PANELISTS:

Rosalind Tyson

Associate Regional Director for Regulation
SECURITIES AND EXCHANGE COMMISSION
Pacific Regional Office
Los Angeles, California

The SEC has been active in every aspect of the financial services industry. Roz will offer an insider's view of the current hot topics in SEC examinations and enforcement actions as they apply to the investment management community.

Elaine Michitsch

NEW YORK STOCK EXCHANGE
New York, New York

The NYSE is becoming much more active in its oversight and enforcement. Elaine will offer insights to the current initiatives of this exchange.

Carla Romano

NASD REGULATION, INC.
Chicago, Illinois

Carla Romano will talk about regulatory "hot" topics and current examination priorities at the NASD.

Ronald A. Carletta

Supervisory Auditor
CFTC - EASTERN REGIONAL OFFICE
New York, New York

Ron will talk about regulatory "hot" topics and current examination priorities at the CFTC.

General Session

4:15 pm –5:15 pm

The Best Way to Profit From Today's Investment Opportunities

Jordan E. Goodman

America's Money Answer Man
Personal Finance Journalist
Author of *Everyone's Money Book*
Scarsdale, New York

While you may spend most of your time and effort working for your employer, your money may not be working as hard for you as it could be. Jordan Goodman will help you make the most of your personal assets by discussing:

- ◆ *The current investment landscape and how to profit from it*
- ◆ *How to maximize your retirement plans (IRAs, 401ks, 403bs, pensions)\How to find a great money manager*
- ◆ *The best real estate moves to make (second homes, reverse mortgages, rental property)*
- ◆ *How to fund your children's college educations*
- ◆ *How to make sure you are adequately insured (life, disability and long-term care)*
- ◆ *How to help your aging parents manage their money*
- ◆ *How to minimize your tax bill.*

This will be a lively session with plenty of time for questions and answers with Mr. Goodman, one of America's most highly respected personal finance experts.

FIRMA's Welcome Reception aboard the USS Midway

6:30 - 8:30 pm

TUESDAY, APRIL 12, 2005

CONCURRENT SESSIONS – TRACK I – COMPLIANCE

8:00 -9:15 am

Regulatory Reporting

William T. Walsh
Chief Fiduciary Officer
Wealth and Asset Management
PNC FINANCIAL SERVICES
Pittsburgh, Pennsylvania

Mr. Walsh will provide a current issues update to the reporting requirements for FFIEC-001 Annual Report of Trust Assets, SEC reports for 13F / 13G and Section 16, FDIC reporting and ERISA reporting. He will also cover the risks and responsibilities for beneficial ownership reporting of specific assets within industry types for such non-trust agencies as the FAA, FCC, and OTS.

9:30 - 10:45 am



Reg W

John Graetz
Senior Manager
DELOITTE & TOUCHE LLP
Washington, DC

April 2005 marks the second anniversary of the Federal Reserve's Regulation W, which implements Sections 23A and B of the Federal Reserve Act and unifies in one document all of the previous interpretations by the Federal Reserve Board and staff. This

anniversary provides an opportune time to re-visit Reg W and evaluate how the banking industry is implementing its provisions.

Areas to be addressed by this session include:

- ◆ Overview of Reg W
- ◆ Regulatory Objectives
- ◆ Key areas addressed by Reg W
- ◆ Compliance challenges
- ◆ Key internal controls
- ◆ Outstanding issues

11:00am - 12:15 pm



Risk Management in Dealing with the Outsourced World

Mark Salamasick, CIA, CISA, CSP, MBA
Director of EIAP
University of Texas at Dallas
Dallas, Texas

Mark will provide an overview of the new handbook available from IIA International, "Auditing Vendor Relationships". Mark will discuss highlights of the handbook; including risk analysis, best practices, management checklists and how to have a successful working relationship with vendors. A number of business models will be discussed that will help you manage the business relationship of the outsourced components and provide a "win-win" solution for both parties.

CONCURRENT SESSIONS – TRACK II – INVESTMENTS

8:00 -9:15 am



Analyzing Portfolio Style Drift

Peter M. Jankovskis, Ph.D, CFA
Director of Research and Member
OAKBROOK INVESTMENTS, LLC
Lisle, Illinois

Recent sharp swings in the relative performance of growth and value managers illustrate the importance of maintaining a well diversified portfolio. However, monitoring a portfolio's exposures alone is not enough to achieve good diversification.

- ◆ This session introduces style indices that combine the traditional growth versus value classification with a powerful new one based on past return stability.
- ◆ Using these indices, several distinct styles of management are identified within the large cap growth and value categories, indicating potential imbalances and avenues for additional portfolio diversification.
- ◆ These indices are used to demonstrate how leading

benchmark indices have drifted in style, growing more variable through the years

- ◆ In addition to their use as analytical tools, stable and variable style indices can be used to construct incredibly efficient completeness funds.

9:30 - 10:45 am

Insurance Products and Annuities

William D. Wilcox
Chief Compliance Officer & Counsel
Law and Regulatory Affairs
TRAVELERS LIFE AND ANNUITY
Hartford, Connecticut

This session will provide an overview of the products offered by insurers as well as the sales and marketing process associated with life insurance and annuity products. Bill's discussion will focus on a review of risks associated with life insurance products including an analysis of current market and regulatory developments. An overview of federal securities and state insurance laws impacting risk analysis will also be presented.

TUESDAY, APRIL 12, 2005

CONCURRENT SESSIONS – TRACK II – INVESTMENTS (cont)

11:00am - 12:15 pm



Mutual Fund Issues

Martin E. Lybecker

Partner
WILMER, CUTLER & PICKERING, LLP
Washington, DC

This session will focus on the ongoing mutual fund scandal, and will feature a discussion of the market-timing and revenue-sharing cases and the related SEC rules and proposals. The discussion will include an explanation of:

- ◆ *the difference between disgorgement and civil money penalties*
- ◆ *the "Fair Fund" provisions of the Sarbanes-Oxley Act*
- ◆ *likely targets for future enforcement activities*

CONCURRENT SESSIONS – TRACK III – EMPLOYEE BENEFITS

8:00 -9:15 am



DOL and ERISA Litigation Issues

Sherwin S. Kaplan

Of Counsel
THELEN REID & PRIEST LLP
Washington, DC

The stock market decline, adverse publicity generated by Enron type cases and the mutual fund scandals and the rise of ERISA class action lawyers have led to a flurry of ERISA litigation unlike any we have seen previously in the 30 year history of ERISA. This session will discuss--in non-legalese--why financial institutions have become targets of these ERISA lawsuits, what warning signs to look for and what steps you can take to protect yourself.

9:30 - 10:45 am

EB Recordkeeping Issues

Roberta J. Ufford

Partner
GROOM LAW GROUP
Washington, DC

This session will address current issues for institutions providing plan recordkeeping services, including recent trends in litigation against recordkeepers and other plan service providers. Roberta will also discuss issues raised in administering redemption fees and other market timing restrictions, recent Department of Labor guidance on missing participants, automatic rollovers, and allocating fees and costs among plan participants.

11:00am - 12:15 pm



Future of Retirement Plans

Brian Augustian, FSA

Principal
DELOITTE CONSULTING LLP
Chicago, Illinois

Brian Augustian, FSA, and national leader of Deloitte Consulting's retirement practice will share his thoughts on the current and future status of retirement programs in the United States. The demise of the defined benefit plan has been predicted for many years. Could the current economic scenario be the final straw for these plans, or will the aging of the baby boomers and concerns 401(k) plan investments help review defined benefit plans?

SUNDAY MONDAY

TUESDAY

1:00 - 4:00 pm
Pre-Conference
Workshop I
**Hot Investment
Litigation Issues**
Dominic Campisi

1:00 - 4:00 pm
Pre-Conference
Workshop II
**Tools for the
Small Internal
Audit Shop**
Deborah Austin
Marilyn Smith

8:00 - 8:15 am
Welcoming Remarks

8:15 - 9:30 am
Keynote Address
**Ethics and
Investments**
Frank K. Reilly

9:30 - 11:00 am
General Session
**Audit Committee
Panel**
Frank K. Reilly
Dennis R. Casale
C. Thomas Howard
Miles Harper

11:15 am - 12:30 pm
General Session
**PCAOB – the
Financial
Industry Impact**
Richard Mayfield

2:00 - 4:00 pm
General Session
**Securities
Regulator Panel**
Stephen C. Strombelline
Rosalind Tyson
Elaine Michitsch
Carla Romano
Ronald A. Carletta

4:15 - 5:15 pm
General Session
**The Best Way To
Profit From
Today's
Investment
Opportunities**
Jordan E. Goodman

6:30 - 8:30 pm
FIRMA's Welcome
Reception

CONCURRENT SESSIONS

TRACK I COMPLIANCE	TRACK II INVESTMENTS	TRACK III EMPLOYEE BENEFITS	TRACK IV TECHNOLOGY
8:00 - 9:15 am			
Regulatory Reporting William T. Walsh	Analyzing Portfolio Style Drift Peter M. Jankovskis	DOL and ERISA Litigation Issues Sherwin S. Kaplan	IT Examinations & Supervision in the Future Clifford Wilke
9:30 - 10:45 am			
Reg W John Graetz	Insurance Products and Annuities William T. Wilcox	EB Recordkeeping Issues Robert J. Ufford	Internet Banking and Brokerage Compliance John A. Buchman
11:00 am - 12:15 pm			
Risk Management in Dealing with the Outsourced World Mark Salamasick	Mutual Fund Issues Martin L. Lybecker	Future of Retirement Plans Brian Augustian	Conversions, Transitions and Business Transformation Brian B. Davis

WEDNESDAY

THURSDAY

CONCURRENT SESSIONS

TRACK I COMPLIANCE	TRACK II INVESTMENTS	TRACK III FIDUCIARY ISSUES	TRACK IV AUDIT/HOW TO
8:00 - 9:15 am			
Hot Topics Richard Marshall	A New Look at Investment Reviews Kim Evans	Key Issues for International Trusts Manual J. Castilla	Trust Administration Audits Eileen E. Markenstein
9:30 - 10:45 am			
GLBA - Push-Out Rules Linda S. Sundberg	Fee Revenue Sharing Kenneth S. Gerstein	Proxy Voting Regina Stover Judith A. Dorian	Integrating IT Standards for the Fiduciary Auditor James D. Strickland
11:00 am - 12:00 noon FIRMA Annual Membership Meeting			
1:00 - 2:15 pm			
Regulatory Roundtable Julia Kirby	Fee Revenue Sharing (Repeat Session)	Fiduciary and Investment Industry Roundtable Marilyn Smith	How to Prepare for Basel II Dolores Atallo-Hazelgreen
2:30 - 3:45 pm			
Dual Employee Issues Jacqlyn D. Stein	Mutual Funds Regulatory Update Stuart R. Strachan	Legislative Update Sally Miller	Forensic Auditing Craig Greene
4:00 - 5:15 pm			
Fiduciary Firewalls Sean Gray	Roles and Responsibilities of CCOs Lee Augsburger	Legislative Update (Repeat Session)	How to Prepare for Basel II (Repeat Session)

7:00 - 9:00 am
General Session
Beyond the Mutual Fund Scandal... The Future of the Fund Industry
Elizabeth Krentzman

9:15 - 11:15 am
General Session
Banking Regulator Panel
Sally Miller
Karen Swingler
Judi McCormick
Elizabeth Tedrow
Anthony DiMilo

11:15 am
Conference Adjourns

CONFERENCE SCHEDULE AT A GLANCE

FIRMA expresses our sincere thanks to Deloitte & Touche, LLP, for their sponsorship of the conference CDs, which are available to all conference attendees

TUESDAY, APRIL 12, 2005

CONCURRENT SESSIONS – TRACK IV – TECHNOLOGY

8:00 -9:15 am

Supervision in the Future

Clifford Wilke

Senior Advisor Technology
OFFICE OF THE COMPTROLLER OF THE
CURRENCY
Washington, DC

This interactive session will discuss supervision 10 years from now – What will be different? How will the landscape change? Please come to this session with ideas of how we can supervise effectively in the next decade. You will learn the regulator's perspective but, more importantly, we will share your thoughts on what the future will be.

9:30 - 10:45 am

Internet Banking and Brokerage Compliance

John A. Buchman

General Counsel
E*TRADE BANK
Arlington, Virginia

The new age of online financial services is upon us. But what are the compliance issues and challenges that this technology brings to us. You will not want to miss John's discussion of the unique compliance issues faced by the delivery of brokerage and banking products and services over the Internet and the challenges to integrate this suite of services.

11:00 am - 12:15 pm

Conversions, Transitions, and Business Transformation



Brian B. Davis

Corporate and Institutional Trust Services
LASALLE BANK N.A.
Chicago, Illinois

Today's conversions are not your father's conversions. Conversions and transitions have changed significantly. They are more complex because we are dealing with many interconnected components. At times, conversions and transitions are just one component of a business transformation. At other times, conversions and transitions create a business transformation because they change how you conduct your business.

Have you found yourself in a business transformation? What should you be concerned about? What should you consider as you begin the transformation journey?

Adjourn for Afternoon Activities

WEDNESDAY, APRIL 13, 2005

CONCURRENT SESSIONS – TRACK I – COMPLIANCE

8:00 - 9:15 am

Hot Topics

Richard Marshall
Partner
KIRKPATRICK & LOCKHART
New York, New York

Almost everyone has been reading the newspaper headlines regarding scandals and troubles involving securities and investment management firms. Please join Rick as he discusses the latest issues impacting our industry – topics such as 12b-1 fees, revenue sharing, market timing, and after-hour trading.

9:30 - 10:45 am

GLBA – Push-Out Rules

Linda S. Sundberg
Division of Market Regulation
SECURITIES AND EXCHANGE COMMISSION
Washington, DC

This is one of our industry's most compelling issues. Please join Linda Sundberg of the SEC as she discusses the various rules proposed to-date under Regulation B. This fluid topic has, and continues to have, strategic impact on the financial services industry. Linda will provide clarity to the SEC rules and the impact to fiduciary organizations.

1:00 - 2:15 pm

Regulatory Roundtable

Julia Kirby
Senior Manager
DELOITTE & TOUCHE, LLP
Washington, DC

For the first time, all state and federal regulators attending our conference will have a unique opportunity to meet with their peers in a roundtable setting. Discussions will be led by a current member of the FIRMA Board of Directors and former state and federal trust examiner, Julia Kirby. The session will be closed to non-regulator conference attendees. Join us for the chance to discuss the differences and similarities between the various states and regulatory agency approaches to trust examination, the joint examination process, training and resource issues, as well as the other unique issues faced by today's trust regulators.

2:30 - 3:45 pm

Dual Employee Issues

Jacqlyn D. Stein
VP and Manager of Supervisory Procedures
MELLON BANK
Pittsburgh, PA

The Gramm-Leach-Bliley Act "Push-Out" provisions have been pushed out...again. This time they are set to "go live" on January 1, 2006, and all indications are that this will be the real deal. Jackie will discuss many of the possible explosions that can occur when dealing with associates having dual employee status. Some of the more volatile questions that will be discussed will include:

- ◆ *Prior to January 1, 2006, if an employee starts to sell products that do not fall under the banking exemption, does that affect his/her status when selling the exempt products?*
- ◆ *How do you convince the sales staff that studying for and taking exams is as important as making sales calls?*
- ◆ *Once the employee's brokerage registration is activated, does his/her ongoing employment with the bank or investment advisor constitute an outside business activity and if so, what does that mean?*
- ◆ *If an employee is calling on a client to offer multiple products, which may include brokerage products, does that solicitation fall under the brokerage rules and regulations?*
- ◆ *Business cards/letterhead for dual employees – separate or joint?*
- ◆ *What are the gift/entertainment rules when dealing with clients that are not currently invested in brokerage products?*
- ◆ *How do we bring the HR department into the fold? What are the issue with tracking new hires, current staff and terminations?*

4:00 - 5:15 pm

Fiduciary Firewalls

Sean Gray
Chief Compliance Officer
MERRILL LYNCH TRUST COMPANY, FSB
Plainsboro, New Jersey

This session will address the Compliance and Risk Challenges we face when delivering fiduciary services within a large and diverse financial services organization. Sean will discuss:

- ◆ *Managing Conflicts.*
- ◆ *Leveraging Affiliate Strengths.*
- ◆ *Managing Compliance for Multiple Regulators (e.g., Bank/Thrift Regulators, SEC, etc).*
- ◆ *Various other Challenges and Opportunities to be aware of in this environment.*

WEDNESDAY, APRIL 13, 2005

CONCURRENT SESSIONS – TRACK II – INVESTMENTS

8:00 -9:15 am

A New Look at Investment Reviews

Kim Evans

Senior Vice President
Fiduciary Compliance Risk Management Division
BANK OF AMERICA
Atlanta, Georgia

Kim will lead a discussion of how to automate Reg. 9 risk management and exception tracking. She will discuss how this process can be applied to all institutions to enhance your Reg.9 review process. The discussion will focus on the investment aspects but will also touch on certain administrative activities. During the session, Kim will be demonstrating the actual functionality of the Reg. 9 system and related processes.

9:30 -10:45 am

Fee Revenue Sharing

Kenneth S. Gerstein

Partner
SCHULTE ROTH & ZABEL, LLP
New York, New York

For most of the past two years, both the SEC and Congress have been focused on the fees charged to shareholders of mutual funds and the compensation paid to broker-dealers who sell mutual funds. Topics to be covered in this session include:

- ◆ Concerns about the size of investment advisory fees
- ◆ Disclosure of mutual fund expenses
- ◆ Disclosure of "revenue sharing" payments
- ◆ Rebate of Rule 12b-1 Plan fees
- ◆ Front-end sales load breakpoints
- ◆ Use of brokerage commissions to reward sales
- ◆ Disclosure of portfolio manager compensation and holdings
- ◆ Role of the mutual fund board of directors in overseeing sales loads, Rule 12b-1 Plan payments, and brokerage commissions

1:00 -2:15 pm

Fee Revenue Sharing

(Repeat Session)

2:30 - 3:45 pm

"Mutual Funds Regulatory Update"

Stuart R. Strachan

Vice President & Senior Counsel
CAPITAL RESEARCH &
MANAGEMENT COMPANY
Los Angeles, California



Mutual funds have become an investment staple for most American families. In the wake of the market timing/late trading scandals that first broke in September 2003, what is the future of the industry? What has been the impact of Congressional oversight hearings and SEC rulemaking on the industry and investor confidence? Will investors turn to other investment vehicles? Will increased costs and regulation lead to industry consolidation?

Mr. Strachan will discuss the most important recent regulatory changes and provide his perspective on the impact on the American Funds and other fund groups and investors generally.

4:00 - 5:15 pm

Roles and Responsibilities of CCOs

Lee Augsburger

Vice President & Chief Compliance Officer
PRUDENTIAL INVESTMENT MANAGEMENT
Newark, New Jersey

This presentation will explore the function of "compliance" in the context of financial services organizations. The speaker, a Chief Compliance Officer of a leading asset manager, will consider compliance from the perspective of regulatory obligations such as those imposed by the Securities and Exchange Commission and the National Association of Securities Dealers. In addition, the presentation will explore the interplay of the compliance function with other functions within the corporate setting including law, audit and risk management. Practical observations and pointers will be offered to assist organizations in thinking about the structure of their respective compliance functions.

FIRMA Annual Membership Meeting

11:00 am -12:00 noon

Eileen E. Markenstein, CTA
President, FIRMA

CONCURRENT SESSIONS – TRACK III – FIDUCIARY ISSUES

8:00 -9:15 am

Key Issues for International Trusts

Manual J. Castilla

SVP & Private Bank Market Executive
BANK OF AMERICA
Los Angeles, California

This session will concentrate on the expanding, demanding, and intriguing international trust business. The global marketplace brings tremendous opportunities for establishing overseas offices and managing foreign wealth. But these opportunities also carry specific and unusual risks. Mr. Castilla will share his knowledge of these challenges, risks and opportunities.

9:30 -10:45 am

Proxy Voting

Regina Stover

Senior Vice President
MELLON BANK, N.A.
Pittsburgh, Pennsylvania



Judith A. Dorian

Chief Risk Management Officer
CITISTREET, LLP
Quincy, Massachusetts

The risk management of Proxy Voting continues to be a challenge for investment managers and employee benefit plan trustees. As a Risk Manager or Auditor, you are responsible for ensuring that your organization has strong proxy voting policies and procedures. This session will help you to understand the risk management value of a strong Proxy Voting Policy including the importance of stock ownership rights, avoiding conflicts of interest, having a long-term investment perspective and understanding the limited role shareholders play in corporate governance. You will also learn how to vote proxies for shares held in affiliated mutual funds and how to structure voting procedures for employee benefit plan accounts. Case studies of proxy issues will be presented to help you understand the hot topics in corporate governance and the impact on proxy voting.

1:00 - 2:15 pm

Fiduciary & Investment Industry Roundtable

Marilyn Smith

Compliance
STRONG FINANCIAL CORPORATION
Menomonee Falls, Wisconsin

What helps us sleep at night? Join your peers in an opportunity to participate in a discussion of best practices, current issues, present challenges and possible approaches to address them. Marilyn Smith, a current member of the FIRMA Board of Directors, will use more than 25 years of experience as an Audit/Compliance/Risk Management professional for large bank trust departments and registered investment advisers to facilitate this roundtable discussion. This session will be closed to regulators but open to other attendees representing the fiduciary and investment industry.

2:30 -3:45 pm

Legislative Update

Sally Miller

Director – Center for Securities, Trusts, and Investments
AMERICAN BANKERS ASSOCIATION
Washington, D.C.

This session will focus on issues facing the trust and securities industry, including Reg. B and the broker push-out rules of the Gramm-Leach-Bliley Act, now scheduled to become fully operational in March, 2005. This could have a significant impact on the trust, custody and private banking operations of banks and thrifts. Sally will also discuss the trust and fiduciary exemption under the “chiefly compensated” rules. In addition, this session will cover other “hot” Washington issues and the impact recent corporate governance and mutual fund issues could have on the trust industry.

4:00 - 5:15 pm

Legislative Update

(Repeat Session)

WEDNESDAY, APRIL 13, 2005

CONCURRENT SESSIONS – TRACK IV – AUDIT / HOW TO

8:00 -9:15 am

Trust Administration Audits

Eileen E. Markenstein, CTA, CFSA
Vice President and MST Audit Director
MORGAN STANLEY INVESTMENT MANAGEMENT
Jersey City, New Jersey

Don't miss this "how-to" presentation that will help you plan your Personal Trust audit universe, and will provide an in-depth hands-on approach to auditing Personal Trust Administration that will meet and exceed the requirements and expectations of your clients and regulators!

9:30 -10:45 am

Integrating IT Standards for the Fiduciary Auditor

James D. Strickland, CIA, CRP
Director, Global Liaison
Investor Services Division
CITIGROUP AUDIT AND RISK REVIEW
New York, New York

One of the biggest challenges facing any team planning a fiduciary (or any) audit is how to address technology and information security risks. Is your approach to scope it out completely and audit around the "black-box"? Have it handled by a separate (i.e. technology-specific) audit? Or integrate the review of IT into the business unit audit? This session will provide you with the risks and challenges to each of these approaches, and will focus on the tangible steps you can take, and tools you can use, to ensure a successful integrated audit, whether you are a large or small department.

1:00 - 2:15 pm

How to Prepare for Basel II

Dolores Atallo-Hazelgreen
Firm Director
DELOITTE & TOUCHE, LLP
New York, New York

This past year has been crowded with Sarbanes-Oxley, financial scandals, and significant fines and losses resulting in the need to reengineer risk management oversight and reassess capital allocation. As we prepare for the implementation of Basel II in 2007, Delores will help you by providing valuable insights on strategies and approaches. This presentation will also focus on effectively measuring and managing operational risk within financial services institutions and the impact on the institution's capital requirements.

2:30 - 3:45 pm

Forensic Auditing

Craig Greene
Partner
MCGOVERN & GREENE, LLP
Chicago, Illinois

Craig Greene is an internationally known speaker, fraud examiner, and expert in the areas of fraud detection and prevention. From his experiences through his forensic accounting firm, Craig will inform and even entertain you with examples of fraud from his many investigations and provide valuable insights into the internal control weaknesses and opportunities that contribute to fraud activity. Craig will also share a few forensic secrets, such as the importance of folded paper. You will not want to miss this valuable session.

4:00 - 5:15 pm

How to Prepare for Basel II (Repeat Session)

THURSDAY, APRIL 14, 2005

General Session

7:30 - 9:00 am

Beyond the Mutual Fund Scandal... The Future of the Fund Industry



Elizabeth Krentzman
General Counsel
INVESTMENT COMPANY INSTITUTE
Washington DC

The fund industry has been under intense scrutiny. This scrutiny has come from Federal and State authorities, the Congress, the media, industry critics, and, most significantly, fund investors. The market timing scandal and other conflict of interest concerns challenged the fund industry to raise the bar and be more diligent, more rigorous, and more uncompromising than ever before.

The market timing scandal that shook the foundations of the mutual fund industry has passed and the mutual fund industry is focused on the future. What steps is the industry taking to return to a culture of compliance and ethics? What lessons were learned and how is the industry achieving a return to fiduciary principles?

Elizabeth R. Krentzman is General Counsel of the Investment Company Institute. The Institute's mutual fund members represent 86.6 million individual shareholders and manage approximately \$7.4 trillion in investor assets. She will review lessons learned from the market timing scandal, the current state of the industry, and share her perspective about what the future holds for the mutual fund industry.

General Session

9:15 - 11:15 am

Banking Regulator Panel

This is a "not-to-miss" session with senior members of the nation's top regulators...

MODERATOR:

Sally Miller

Director - Center for Securities, Trusts, and Investments
AMERICAN BANKERS ASSOCIATION
Washington, D.C.

PANELISTS:

Karen Swingler

Director, Fiduciary Activities
Asset Management Division
OFFICE OF THE COMPTROLLER OF THE
CURRENCY
Washington, DC

Karen will discuss the current initiatives underway at the OCC.

Judi McCormick

OFFICE OF THRIFT SUPERVISION
Washington, DC

In this session, the latest legislative, regulatory and supervisory issues affecting OTS regulated entities will be discussed.

Elizabeth Tedrow

Senior Examiner
FEDERAL RESERVE BANK OF KANSAS CITY
Kansas City, Missouri

Ms. Tedrow will discuss FR System Trust, Fiduciary and Asset Management Business Line Supervision Priorities for 2005, FR fiduciary risk management guidance and examination "hot" topics.

Anthony DiMilo

Examination Specialist - Trust
Special Activities Section
FEDERAL DEPOSIT INSURANCE CORPORATION
Washington, DC

In this session, FDIC will cover its latest developments in regulations, legal opinions, and other policy matters.

Conference Adjourns

11:15 am

19th Annual National Training Conference

NOTES

Hotel and Amenities

The conference hotel is the Omni San Diego Hotel, located at 675 L Street, San Diego, CA 92101. Nestled in the heart of the historic Gaslamp Quarter across from the Convention Center, the city's top sites and attractions are just moments away. Explore Balboa Park, take a harbor cruise or catch a baseball game at the new San Diego ballpark, connected to the hotel via pedestrian skywalk. And while the best of the city is right at our doorstep, this elegant new retreat offers you contemporary guest rooms featuring spectacular ocean, bay or city views, a state-of-the-art complimentary fitness center and impeccable service that only Omni Hotels can provide. All guest rooms are equipped with a fully stocked refreshment center, iron and full-size ironing board, hair dryer, coffee maker, terry bathrobes, in-room safe, large work desk, dual-line speaker phone with modem, complimentary high-speed wireless Internet access, voice mail and on-demand hit movies. The hotel also offers a 24-hour Business Center, 24-hour Room Service and outdoor heated swimming pool and spa. McCormick and Schmick's is the Omni San Diego's fine dining fresh seafood restaurant serving breakfast lunch or dinner served in a casually elegant atmosphere. The hotel website is www.omnihotels.com.

Hotel Reservations

Conference attendees will receive a reduced group rate of \$197.00 single or double occupancy. There is a government rate of \$129.00 single, \$149.00 double also available for those eligible. Please note that there is a consolidated 10.5% room tax per night. Simply call our central reservations at 1-800- THE-OMNI (800-843-6664) and mention that you are with FIRMA when you make your reservations for the Nineteenth Annual Conference. You may make your hotel reservations online at: https://resweb.passkey.com/Resweb.do?mode=welcome_ei_new&eventID=16809

FIRMA has a block of rooms reserved for the conference attendees; however, this block will be released March 18th, 2005. Therefore, **ALL RESERVATIONS MADE AFTER 5 PM, MARCH 18, 2005, ARE SUBJECT TO AVAILABILITY.** The FIRMA group rate will be available three days prior and three days after the meeting dates but are subject to availability. Daily self-parking at the Omni is currently \$13.00 but that rate is subject to change; valet parking is \$22.00.

Dress

Casual dress is recommended for all conference functions. San Diego enjoys a mild year-round climate; the average temperature in April is a high of 68 degrees with lows around 55 degrees. While attending conference sessions, a sweater or jacket is always recommended.

Directions from the Airport

The Omni San Diego Hotel is approximately 8 minutes/ 4 miles from the San Diego International Airport. From the airport follow airport exit signs toward downtown; turn south onto North Harbor Drive; turn left onto 5th Avenue; bear right onto L Street; hotel is located on the right. Cloud Nine Shuttle does provide service from the airport to the hotel. Please see www.cloudnine.com for the current rates and schedules.

Americans with Disabilities Act

FIRMA has agreed to assist the Omni San Diego Hotel in complying with ADA. If you are an attendee with a disability, please contact Hale Mast, FIRMA Executive Director, (704) 365-3344, to discuss any auxiliary aids needed to assist you from a communications, transportation, or architectural aspect. FIRMA will then inform the hotel of your special needs.

Special Events

The FIRMA Conference Committee will host a special welcome reception on Monday evening, from 6:30 pm - 8:30 pm. Come join us aboard the *USS Midway* and enjoy this time to meet old and new friends attending the conference. Spouses and children of FIRMA Conference attendees are welcome at this reception. For more information about this special venue, visit www.midway.org.

On Tuesday, April 12th, FIRMA's program ends at 12:15pm and attendees are free to enjoy your choice of San Diego's popular tourist attractions. You may preview these attractions online at www.sandiego.com or call the Omni Hotel concierge to inquire about costs and availability of specific attractions, tours, golf, tennis, and other entertainment packages.

REGISTRATION FORM

19th Annual National Training Conference April 10 - 14, 2005

Check One: Member Non-Member Register & Join

Check One: Conference & Workshop* Conference Only Workshop Only*

*Please make a Workshop Choice: Litigation Issues Tools for the Small Internal Audit Shop

Mr./Mrs./Ms.

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Name for Badge _____

Title _____

Organization _____

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City, State, Zip _____

Phone _____ Fax _____

E-mail Address _____

I am part of a group registration

**NOTE: REGISTRATIONS FOR GROUP DISCOUNTS MUST BE SUBMITTED
IN A SINGLE REGISTRATION FOR ALL INDIVIDUALS IN THE GROUP FOR DISCOUNT TO APPLY.**

Please Invoice

Check enclosed (payable to FIRMA)

Charge it: VISA MasterCard Discover American Express

Credit Card No. _____ Expiration Date _____

Authorized Signature _____

Conference Handouts

All 2005 Conference attendees will receive a CD that contains the conference materials, speaker outlines, and handouts. However, as this is the first year that we have offered the CD, FIRMA will give each attendee the choice of also receiving the two regular notebooks, with paper copies of conference materials. Please make your choice below:

_____ Provide me with only the CD, which will come inside a logo padfolio

_____ Provide me with the paper copies of conference materials in the two notebooks. Please note that attendees choosing the notebooks will not receive the padfolio but they will receive the CD.

BY MAIL

Copy and mail this complete form to:
FIRMA, PO Box 507, Stockbridge, GA 30281

BY TELEPHONE

Call us at 706.354.0083, Monday-Friday, 8 am to 5 pm EST

BY FAX

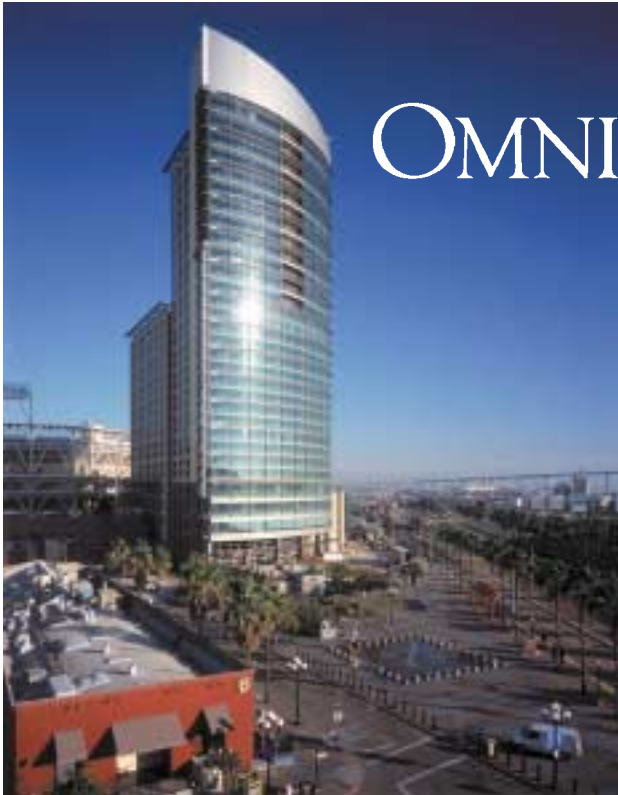
Send this completed form to 678.565.8788

BY E-MAIL

Our e-mail address is thefirma@negia.net
or visit our website at www.thefirma.org

TRAVEL

Call Action Travel at 800.854.0601, ext. 3012 for travel arrangements



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