

FIRMA



20<sup>th</sup>

Anniversary  
National Training  
Conference

WASHINGTON D.C. APRIL 9-13 2006



Fiduciary and Investment Risk Management Association Inc.™

WWW.THEFIRMA.ORG



# CONFERENCE SPONSORS



*FIRMA is pleased to recognize the following corporate conference sponsors:*





# ★ CONFERENCE SCHEDULE ★

## Sunday, April 9, 2006

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

## Monday, April 10, 2006

Late Conference Registration .....7:30 am - 8:00 am  
 General Sessions.....8:00 am - 12:30 pm  
 Hosted Luncheon.....12:30 pm - 2:00 pm  
 Concurrent Sessions.....2:00 pm - 5:30 pm  
 Welcome Reception.....7:00 pm - 9:45 pm

## Tuesday, April 11, 2006

General Sessions.....8:00 am - 12:15 pm  
 In-Conference Seminar .....2:00 pm - 4:00 pm

## Wednesday, April 12, 2006

Concurrent Sessions .....8:00 am - 10:45 am  
 FIRMA Annual Membership Meeting.....11:00 am - 12:00 pm  
 Hosted Luncheon.....12:00 pm - 1:15 pm  
 Concurrent Sessions.....1:15 pm - 5:30 pm

## Thursday, April 13, 2006

General Sessions.....8:00 am - 12:15 pm  
 Adjourn.....12:15 pm



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](http://www.nasba.org).



# 20<sup>TH</sup> ANNUAL NATIONAL TRAINING CONFERENCE

FIRMA™ is proud to sponsor its twentieth Annual National Training Conference – celebrating our 20th Anniversary. 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 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 Monday and Wednesday. We will still offer separate educational tracks each day, totaling 29 breakout sessions. These sessions focus on more specialized products and services from which attendees can choose the topics of most importance to their institutions. We are also pleased to offer two specialized Workshops prior to the start of the formal conference as well as a 2-hour in-conference seminar on Tuesday afternoon.

## Workshop Fees

FIRMA is proud to announce that our Pre-Conference Workshops are \$100.00 for FIRMA members. 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. The fee for our in-conference seminar on Tuesday is \$75 for FIRMA members; \$165 for non-members.

## Conference Fees

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, 2006, the conference fees are \$1,095 for FIRMA members and \$1,295 for non-members.

## Special Fee Offer

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. Group registrations must be received as a group and paid through a single invoice.

- ◆ 5% off the above fees for three registrations
- ◆ 10% off the above fees for five registrations
- ◆ 20% off the above fees for 12 or more registrations

## Cancellation/Refund Policy

Cancellations received prior to March 24, 2006, will be refunded in full. Cancellations received March 24 through April 3 will be refunded subject to a \$150 service charge. Cancellations made after April 3, 2006, 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.

## Continuing Education

The 2006 Training Conference provides 25 continuing professional education hours. Each Pre-Conference Workshop provides 3 continuing professional education hours; the In-Conference Seminar provides 2 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.

## Pre-Conference Workshop I

1:00 - 4:00 pm

### *Unique Assets*



Instructor:  
**John Taylor**  
COO - Trust  
BANK OF AMERICA  
Dallas, Texas

*We will look at the aspects of accepting and managing various types of unique assets, including real estate, farm & ranch land, timber, minerals, and privately held business interests. Our workshop will include various real world case studies of potential pitfalls and perils in these areas. Some may have good endings, others not so good endings.*

## Pre-Conference Workshop II

1:00 - 4:00 pm

### *Automation of Audit and Compliance Tools*



Instructors:  
**Marilyn Smith, CFCP, CRP**  
VP, Assoc. Chief Compliance Officer  
US Corporate Compliance Office  
HARRIS BANK  
Chicago, Illinois

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

*With few (or no) audit or compliance departments staffed with unlimited resources, there are constant and competing pressures to be increasingly efficient while at the same time being more thorough, faster moving and having the ability to identify the next problem area before it actually becomes a problem. This session will focus on strategies to increase the use of automated tools by audit and compliance departments, such as retrievals, surveillance reports and other quantitative methods and to improve the risk focus, objectivity and value of these efforts. We will explore ways to increase the quality of the work product and delivery. Examples will be discussed that can visibly improve the ability of audit and compliance departments to meet the above priorities in creative and proactive ways, using tools and capabilities most likely already present in your department.*



## Welcoming Remarks

8:00 - 8:15 am

FIRMA President Eileen E. Markenstein, CTA

## Keynote Address

8:15 - 9:30 am

### *The Increasing Role of Risk Management*



**The Honorable Mark W. Olson**  
Member  
Board of Governors  
FEDERAL RESERVE SYSTEM  
Washington, D.C.

Governor Olson will address the growing role of risk management in strengthening internal controls, corporate governance, ethics, and financial disclosures.

## General Session

9:45 - 11:00 am

### *Searching the Clues for IT Risks*



**Paul Rozek, MPM**  
Director - Technology Risk Management Services  
JEFFERSON WELLS INTERNATIONAL  
Milwaukee, Wisconsin

How are you going to mitigate your IT risks if you don't know where to look in the first place? Tarot cards, Magic 8-Ball, and Ouija boards are options – but probably not sound ones for long-term success within your firm's risk management program. This interactive session will help you clue into the major categories of IT risks and provide an approach to help you detect, manage, and survive IT risks!

## General Session

11:00 am - 12:30 pm

### *Hot Legislative Issues*



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

This session will discuss federal legislation and regulations impacting the wealth management business. Topics include an update on the SEC's "push-out" rules, mutual fund regulation and estate and gift tax repeal. This session will also focus on employee benefit and retirement plan issues before the Congress and the Department of Labor, including employer securities in employee benefit plans and disclosure requirements in connection with union plans.

## Luncheon Speaker

12:30 pm - 2:00 pm

### *Do We Have a Risky Economy?*



**Joel Naroff**  
President and Founder  
NAROFF ECONOMIC ADVISORS  
Holland, Pennsylvania

The economy has taken many turns over the past few years, going through a recession to recovery and expansion. Will we be in for another year of roller coaster activity? In this session, the issues facing the economy will be discussed as they relate to economic growth, interest rates and industry risks.

## CONCURRENT SESSIONS – TRACK I – INVESTMENTS

2:00 – 3:00 pm

### **SEC Exam Preparation for Investment Advisors**

#### **Sean Gray**

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

Please join Sean for his primer on SEC Investment Adviser Exams/Inspections. Sean will cover:

- Overview of the IA Act of '40 - key rules, provisions etc.
- Brief history and description of the types and nature of SEC Exams, Inspections etc.
- Discuss various SEC Exam preparation/ facilitation tips and thoughts
- Discuss "hot" or current issues relative to IA exams and recent SEC developments in this area
- Discuss some of the challenges faced when providing fiduciary/trust activities as an RIA

3:15 - 4:15 pm

### **Separately Managed Accounts**



#### **Todd Smurl**

EVP  
Managing Director of Investment Management  
COMPASS BANK  
Houston, Texas

Learn directly from the investment officer the story of how a mid-size trust company recreated its investment process in order to open the architecture, re-invigorate its sales force, and insure consistency across its entire footprint. Learn about this interesting new business model called overlay portfolio management and the risk management issues unique to this approach. The speaker will outline the differences in compliance and legal issues between building your own platform and partnering with a traditional third party asset management firm.

- Strategic Review Compass WMG 2003
- The Need for Open Architecture
- Overlay Portfolio Management
- SmartPath
- Comparing the Benefits of Different Investment Platforms
- Situation Analysis Compass WMG 2006
- Risk Management Issues

4:30 - 5:30 pm

### **Hot Topics - Investments**

#### **Carsten Otto**

Global IM Director  
MORGAN STANLEY  
New York, New York

Please join Carsten for an insightful view of investment management risks as seen from the executive in charge. Mr. Otto will discuss investment risk from the unique perspectives of investment types, strategies, trends, and newspaper-headline activities.

## CONCURRENT SESSIONS TRACK II COMPLIANCE

2:00 – 3:00 pm

### **Gramm-Leach-Bliley Update**

#### **Sally Miller**

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

Get the latest from Washington, D.C. on the SEC's efforts to implement Title II of the Gramm-Leach-Bliley Act. Learn how these efforts impact the wealth management, employee benefit and custody business lines. Hear the pitfalls associated with employees retaining their securities licenses.

(Continued on next page)



## CONCURRENT SESSIONS – TRACK II – COMPLIANCE (cont.)

3:15 - 4:15 pm

### Compliance Monitoring



**Christine M. Farquhar**  
Managing Director  
Private Client Services Compliance  
JPMORGAN  
Columbus, Ohio

Please join Chris for a discussion of the following issues:

- Expectations of the LOB and the Regulators
- Annual Operating Plans
- Assessments, Monitoring and Testing
- Management Reporting
- Balancing Compliance Monitoring with Other Compliance Functions
- Respecting the Roles of the LOB, Audit, Risk Management, and Legal
- Technology

4:30 - 5:30 pm

### Hot Topics - Insurance



**William C. Ries**  
Partner  
TUCKER ARENSBERG, PC  
Pittsburgh, Pennsylvania

What are the latest issues in trust owned life insurance? Mr. Ries will answer this question and cover the following topics:

- Liability Issues
- Life Settlements
- Prudent Investor Rule

## CONCURRENT SESSIONS – TRACK III – STRATEGIC INITIATIVES

2:00 - 3:00 pm

### Identifying the Risks in Compensation and Incentive Plans



**Susan Marcille**  
Partner  
ERNST & YOUNG, LLP  
McLean, Virginia

Susan will discuss the structuring of compensation and incentive plans and point out areas of risk and abuse. Susan will also provide insights into recommended internal controls and management reporting.

3:15 - 4:15 pm

### Merger and Acquisition Due Diligence



**Paul Nelson**  
WBC FINANCIAL GROUP, LLC  
Washington, D.C.

**Scott Slater**  
Managing Director  
METAVANTE WEALTH MANAGEMENT  
CONSULTING  
Washington, D.C.

What has the marketplace learned from failed mergers and highly touted (and expensive) acquisitions that did not work? What advantages can we take from the great successes in merger history? Mr. Nelson and Mr. Slater will discuss winning strategies and due diligence processes for seeking new partners and making the acquisition work.

4:30 - 5:30 pm

### Hot Topics - Fiduciary: The Good, The Bad, and the Ugly



**Donald F. Moore**  
Chief Executive Officer  
BEARMOOR, LLC  
Charlotte, North Carolina

Please join Don for a discussion of the most current regulatory challenges facing the fiduciary industry. Don will also discuss new and emerging trends and keys to controlling operational risks. Don is a former national bank examiner and is a fiduciary consultant who helps trust managers control their risks and profits.

### FIRMA's Welcome Reception

7:00 –9:45 pm



## General Session

8:00 - 9:15 am

### *Ethics in the Financial Services Industry*

#### **Roger C. Coffin**

Partner  
PRICEWATERHOUSECOOPERS, LLP  
New York, New York

*There is probably no standard of care higher than ethical behavior for trustees and investment managers. Please join Mr. Coffin as he discusses the role of ethics in business and the challenges and changes brought about by unethical corporate behavior in the past few years. Mr. Coffin specializes in Governance, Risk, and Compliance in the financial services industry for PWC.*

## General Session

9:30 - 10:45 am

### *20 Years of Compliance - Now Is Still Then - Only More So*

#### **Brad Markham**

Trust Counsel  
JPMORGAN  
Chicago, Illinois

*For FIRMA's 20th Anniversary conference, Brad looks at Compliance issues that have been with us all through these 20 years, with a special emphasis on where we are today. Brad will offer a general overview of the issues that concern us, including:*

- *Conflicts of Interest*
- *Policies and Procedures*
- *Brokerage vs. Trust*
- *Delegation of Investment Authority*
- *Dual Hatting and the Place of Legal*
- *Compliance and Audit in the Trust and Brokerage Business.*

## General Session

11:00 am - 12:15 pm

### *At the Crossroads - Privacy and Information Security*

#### **Julia Kirby**

Senior Manager  
DELOITTE & TOUCHE, LLP  
Washington, D.C.

*What is your plan for Records Management? How does your institution control customer data? How long do you keep e-mail records? Does your Records Management program consider reputation and litigation risk? Do you have a formal Records Management program? Corporations, particularly financial institutions, have been hurt by news stories of lost customer data or release of embarrassing corporate communications.*

*Knowing the legal requirements for maintaining records is only half the battle. Please join Julia Kirby, Senior Manager with Deloitte & Touche LLP, to learn how to work through the multiple layers of the legal requirements to retain documents. She will walk through how to design and implement an effective records management program. Learn about e-mail issues, warehouse management, technology solutions and more.*

## ★ NEW THIS YEAR ★ In-Conference Seminar

2:00 - 4:00 pm

### *Operations Risk Management*

#### **Dolores Atallo-Hazelgreen**

Firm Director  
DELOITTE & TOUCHE, LLP  
New York, New York

*Regulatory changes in the financial services industry just keep coming – with the next wave just over the horizon. While banking organizations are accustomed to regulatory change, mandates like Sarbanes-Oxley and Basel II will impact systemic bank practices and expectations around the management of operational risk. Please attend and learn from one of the industry's leading experts on Basel II and Sarbanes-Oxley as Dolores identifies assessment, measurement, and management strategies for controlling operational risks within your organization.*



SUNDAY

MONDAY

TUESDAY

CONFERENCE SCHEDULE AT A GLANCE

1:00 - 4:00 pm  
Pre-Conference  
Workshop I

**Unique Assets**

John Taylor

1:00 - 4:00 pm  
Pre-Conference  
Workshop II

**Automation  
of Audit and  
Compliance  
Tools**

James D. Strickland  
Marilyn Smith

8:00 - 8:15 am  
Welcoming Remarks

8:15 - 9:30 am  
Keynote Address

**The Increasing Role of Risk Management**

The Hon. Mark W. Olson

9:45 - 11:00 am  
General Session

**Searching the Clues for IT Risks**

Paul Rozek

11:00 am - 12:30 pm  
General Session

**Hot Legislative Issues**

Sally Miller

12:30 - 2:00 pm  
Luncheon

**Do We Have A Risky Economy?**

Joel Naroff

8:00 - 9:00 am  
General Session

**Ethics in the  
Financial  
Services Industry**

Roger C. Coffin

9:30 - 10:45 am  
General Session

**20 Years of  
Compliance –  
Now Is Still  
Then - Only  
More So**

Brad Markham

11:00 am - 12:15 pm  
General Session

**At the  
Crossroads –  
Privacy and  
Information  
Security**

Julia Kirby

2:00 - 4:00 pm  
In-Conference  
Seminar

**Operations Risk  
Management**

Dolores Atallo-  
Hazelgreen

CONCURRENT SESSIONS

TRACK I INVESTMENTS	TRACK II COMPLIANCE	TRACK III STRATEGIC INITIATIVES
<b>2:00 - 3:00 pm</b>		
<b>SEC Exam Preparation for Investment Advisors</b>  Sean Gray	<b>Gramm-Leach- Bliley Update</b>  Sally Miller	<b>Identifying the Risks in Compensation and Incentive Plans</b>  Susan Marcille
<b>3:15 - 4:15 pm</b>		
<b>Separately Managed Accounts</b>  Todd Smurl	<b>Compliance Monitoring</b>  Christine M. Farquhar	<b>Merger and Acquisition Due Diligence</b>  Paul Nelson Scott Slater
<b>4:30 - 5:30 pm</b>		
<b>Hot Topics – Investments</b>  Carsten Otto	<b>Hot Topics - Insurance</b>  William C. Ries	<b>Hot Topics - Fiduciary: The Good, The Bad and The Ugly</b>  Donald F. Moore

7:00 - 9:45 pm  
FIRMA's Welcome Reception



## CONCURRENT SESSIONS

TRACK I FIDUCIARY	TRACK II INVESTMENTS	TRACK III CORE COMPETENCIES	TRACK IV REGULATORY
<b>8:00 - 9:15 am</b>			
<b><i>EB Emerging Issues</i></b> Roberta J. Ufford	<b><i>Annuity Risks</i></b> Thomas J. Pauloski	<b><i>Reg. 9: How Much Do You Think You Know?</i></b> Duane Lee	<b><i>Regulator Open Session - SEC</i></b> John H. Walsh
<b>9:30 - 10:45 am</b>			
<b><i>Administering IRAs</i></b> Lynn K. Shipman	<b><i>Trends in Fee Disclosure</i></b> Larry H. Goldbrum	<b><i>Personal Trust Administration</i></b> Fran M. DeMaris	<b><i>Regulator Open Session - OCC</i></b> Joel Miller Nanna Goodfellow Charles Burgess
11:00 am - 12:00 noon <b><i>FIRMA Annual Membership Meeting</i></b>			
12:00 noon - 1:15 pm Luncheon Speaker <b>SAS 70</b> Andrew Nolan			
<b>1:15 - 2:30 pm</b>			
<b><i>Personal Trust Tax</i></b> Fran M. DeMaris	<b><i>Hedge Fund Risks</i></b> Anees Din	<b><i>Personal Trust Operations: Do You Know What Your Competitors Are Doing?</i></b> Duane Lee	<b><i>Regulator Open Session - OTS</i></b> Bill Williams
<b>2:45 - 4:00 pm</b>			
<b><i>EB Directed Trust Issues</i></b> J. David Thompson Stanley Koepke	<b><i>Trading Desk Issues</i></b> Daniel Hirce	<b><i>How to Audit Sales Practices</i></b> John A. Sabino	<b><i>Regulator Open Session - FED</i></b> Charles D. Rich
<b>4:15 - 5:30 pm</b>			
<b><i>Fiduciary Roundtable - Small Bank</i></b> Gary E. Pelcak	<b><i>Fiduciary Roundtable - Large Bank</i></b> Warner W. Price	<b><i>Personal Trust Administration</i></b> Fran M. DeMaris (Repeat Session)	<b><i>Regulatory Roundtable</i></b> Julia Kirby

8:00 - 9:00 am  
General Session

***The Role of FinCen in Combatting White Collar Crimes and Terrorist Financial Activity***

William D. Langford, Jr.

9:15 - 10:45 am  
General Session

***BSA/AML***

Peter Fitzgerald

11:00 am - 12:15 pm  
General Session

***The Nature and Psychology of Fraud***

Patrick M. Ardis

12:15 pm  
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.**



## CONCURRENT SESSIONS – TRACK I – FIDUCIARY

8:00 -9:15 am

### ***EB Emerging Issues***



**Roberta J. Ufford**  
GROOM LAW GROUP  
Washington, D.C.

*This session covers important developments for employee benefit plan service providers, including changing disclosure and reporting requirements, auto-enrollment programs and directed trustee issues. DOL priorities, such as guidance on delinquent contributions and LM-10/LM-30 reporting, will be reviewed. A legislative update will address pending or new laws governing ERISA fiduciaries.*

9:30 -10:45 am

### ***Administering IRAs***



**Lynn K. Shipman**  
Senior Counsel  
Law, Compliance and Government Relations  
Department  
BANK ONE  
Columbus, Ohio

*Please join Lynn as she discusses IRA Fundamentals:*

- Roth versus Traditional
- Regulatory requirements
- ERISA issues (in case you didn't think IRAs were subject to ERISA) and Prohibited transactions
- Restrictions on investments and problem investments
- Current issues

1:15 -2:30 pm

### ***Personal Trust Tax***



**Fran M. DeMaris**  
Executive Vice President  
CANNON FINANCIAL INSTITUTE  
Athens, Georgia

*Fran will speak on the known changes to the tax structure as they are currently laid out; and, also, lend some understanding to the potentials on the horizon. Though taxes are always in flux to some extent, there is a great deal of discussion currently at all levels and forms of tax. Whether your concern is Income Taxes, Transfer Taxes, Federal Taxes, or State Taxes, come listen to what should be an important issue for us all, both professionally and personally.*

2:45 - 4:00 pm

### ***EB Directed Trustee Issues***

**J. David Thompson**  
Senior Vice President  
MELLON FINANCIAL  
Pittsburgh, Pennsylvania

**Stanley Koepke**  
Senior Counsel  
MELLON BANK, NA  
Pittsburgh, Pennsylvania

*DOL Field Assistance Bulletin 2004-3 provided landmark guidance for Directed Trustees. In this session, you will learn how one large bank manages risks associated with directed trustee accounts in light of this significant issuance. This presentation will address:*

- *Account Acceptance - How has the bank's pre-acceptance process changed? In general, and for plans that offer company stock? What additional steps are taken when the stock is closely held?*
- *Documentation - Some banks were not obtaining plan documents before the FAB. What is your current position on this and what kind of changes did this entail?*
- *What is your position on doing internal analyses?*
- *The FAB also refers to the limited circumstance where publicly available documents such as 8-K's, bankruptcy filings or similar call into question a company's viability - when would you review these documents?*

4:15 - 5:30 pm

### ***Fiduciary Roundtable – Small Bank***

**Gary E. Pelcak, CTA, CFSA, CFE**  
Chief Audit Executive  
CENTRAL NATIONAL BANK  
Junction City, Kansas

*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. Gary Pelcak, a current member of the FIRMA Board of Directors, will use more than 20 years of experience as an Audit/Compliance/Risk Management professional geared towards smaller bank trust departments, and registered investment advisers to facilitate this roundtable discussion.*

## CONCURRENT SESSIONS – TRACK II – INVESTMENTS

8:00 -9:15 am

### **Annuity Risks**

**Thomas J. Pauloski**  
Partner  
WINSTON & STRAWN, LLP  
Chicago, Illinois

*How are annuity products marketed and sold? What are the risks to the purchaser? How are these products regulated? What are the tax issues? And just what was I thinking when I signed up for this session???* Mr. Pauloski will explore these topics and many more in this lively presentation that will change the way you think about annuities.

9:30 -10:45 am

### **Trends in Fee Disclosure**

**Larry H. Goldbrum**  
General Counsel & Executive Vice President  
THE SPARK INSTITUTE, INC.  
Cornelius, North Carolina

*Fee disclosure continues to be one of the most complex issues that the retirement plan industry struggles with. The multitude of fee structures, revenue sharing arrangements and investment products make it challenging to disclose fees in a concise, consistent, and understandable manner. In this session you'll learn about the latest industry trends and regulatory developments regarding fee disclosure, including efforts to develop uniform industry disclosure standards.*

1:15 - 2:30 pm

### **Hedge Fund Risks**



**Anees Din, CPA**  
Partner  
WEISER, LLP  
New York, New York

*Alternative investments: What are they? Why are they so popular? How can firms prudently offer them to their qualified investors? What are the important controls and procedures necessary to mitigate risks in these vehicles? This breakout session will provide a concise overview of hedge and private equity funds and explore why they have become so popular among affluent investors and their investment strategies.*

2:45 - 4:00 pm

### **Trading Desk Issues**

**Daniel Hirce**  
FIDELITY INVESTMENTS  
New York, New York

*Please join Danny Hirce for a unique view of the risks and control challenges associated with trading desks. Danny will compare and contrast the risk and control challenges of Sell Side vs. Buy Side desks as well as provide insights into the challenges inherent in trading Equities, Fixed Income, Derivatives and Commodities. Danny will provide insights into the special risks created through the trade and execution process and he will offer insightful clues as to how to identify and control those risks.*

4:15 - 5:30 pm

### **Fiduciary Roundtable – Large Bank**

**Warner W. Price**  
Senior Vice President  
Senior Administrative and Chief Compliance Officer  
Wealth Management Group  
TD BANKNORTH  
Portland, Maine

*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. Warner Price, a current member of the FIRMA Board of Directors, will use more than 36 years of experience in compliance and risk management for personal trusts, estates, and corporate trusts to facilitate this roundtable discussion. This session will be closed to regulators but open to other attendees representing the fiduciary and investment industry.*



# WEDNESDAY, APRIL 12, 2006

## CONCURRENT SESSIONS – TRACK III – CORE COMPETENCIES

8:00 -9:15am

### **Reg. 9: How Much Do You Think You Know?**



**Duane Lee**  
Executive Vice President  
CANNON FINANCIAL INSTITUTE  
Athens, Georgia

Anyone (even if you don't have a National Charter) who is involved in the Trust & Fiduciary Business should become thoroughly familiar with Fiduciary Powers of National Banks and Collective Investment Funds referred to as 12 CFR 9 or Reg. 9. This federal regulation is considered the "Gold Standard" or "The Rules of the Road" when evaluating the soundness of a fiduciary process and determining whether a fiduciary has behaved in a prudent manner as other fiduciaries would have behaved, by exercising reasonable care, skill and caution. Test your knowledge and see how much you may have forgotten or never known.

9:30 -10:45 am

### **Personal Trust Administration**

**Fran M. DeMaris**  
Executive Vice President  
CANNON FINANCIAL INSTITUTE  
Athens, Georgia

Fran will speak to administrative issues in today's climate. With her vast experience in the trenches of trust administration, combined with the ability to communicate all of these items in terms which are understandable, she brings the human touch to the world of trust. The business of trust is impacted greatly by changes in the expectations of clients and professionals. Don't miss this opportunity to think through the problems of the day with her.

1:15 - 2:30 pm

### **Personal Trust Operations: Do You Know What Your Competitors Are Doing?**

**Duane Lee**  
Executive Vice President  
CANNON FINANCIAL INSTITUTE  
Athens, Georgia

This breakout session profiles service-level standards of several different organizations' personal trust operations. We will explore personal trust operations in several areas: statement processing, income collection, maturity processing, asset administration, standard cut-off times, capital changes, free receives and free delivers. We will explore the different service standards of the various institutions and compare bank and non-bank service institutions as well. We will also review numbers of employees and costs per account for each institution. How competitive are your institution's standards when compared to these industry leaders?

2:45 - 4:00 pm

### **How to Audit Sales Practices**

**John A. Sabino**  
Executive Director  
MORGAN STANLEY  
Jersey City, New Jersey

What are the critical risk issues for the trust sales executive? Please join John as he discusses:

- Risk management of the new business process
- The roles of the sales force, trust administration and the legal department
- Managing client expectations
- Red flags and warning signs on new business
- Putting the proper incentive system in place for the sales force

4:15 - 5:30 pm

### **Personal Trust Administration**

Fran M. DeMaris  
(Repeat Session)

## General Session

11:00 am - 12:00 pm

# FIRMA Annual Membership Meeting

Eileen E. Markenstein, CTA  
President, FIRMA

## CONCURRENT SESSIONS – TRACK IV – REGULATORY

8:00 -9:15 am

### **Regulator Open Session – SEC**

John H. Walsh  
Associate Director - Chief Counsel  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C.

*Please join the SEC for a discussion of their "hot-button" issues during examinations and the current status of enforcement actions.*

9:30 -10:45 am

### **Regulator Open Session - OCC**

**Joel Miller**  
Senior Advisor  
Asset Management Division  
OFFICE OF THE COMPTROLLER OF THE CURRENCY  
Washington, D.C.

**Nanna Goodfellow**  
Asset Management - Large Bank Supervision  
Northeast District

**Charles Burgess**  
Asset Management Lead Expert  
Southern District

*A panel discussion is planned, focusing on recent OCC exam issues, asset management risks, and Washington policy initiatives led by Joel Miller, Senior Advisor, of the OCC's Asset Management Division. Joel will be joined by Nanna Goodfellow, National Bank Examiner - Asset Management (Large Bank Supervision) and Chuck Burgess, OCC Mid-size and Community Bank Asset Management Expert.*

1:15 - 2:30 pm

### **Regulator Open Session - OTS**

**Bill Williams**  
Trust Examinations Manager  
OFFICE OF THRIFT SUPERVISION  
Washington, D.C.

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

2:45 - 4:00 pm

### **Regulator Open Session - FED**



**Charles D. Rich**  
Supervisory Financial Analyst, Fiduciary  
Activities  
FEDERAL RESERVE BOARD  
Washington, D.C.

*Charles will discuss the FED's approach to the supervision and regulation of fiduciary activities. Matters pertaining to BHCs/FHCs will be covered, including the management of conflicts of interest between fiduciary business lines and other business lines, including other fiduciary business lines. Matters pertaining to the supervision of State Member Banks will also be discussed.*

4:45 - 5:30 pm

### **Regulatory Roundtable**

**Julia Kirby**  
Senior Manager  
DELOITTE & TOUCHE, LLP  
Washington, D.C.

*Calling all examiners! Please join your peers in discussing today's examination issues and industry hot topics from a regulatory perspective. This session will be limited to attendees who are currently working for a state or federal regulator. The session will be facilitated by a former regulator. Plan to participate in this unique opportunity to share experiences and approaches to conducting examinations.*

### **Luncheon Speaker**

12:00 -1:15 pm  
**SAS 70**

**Andrew Nolan**  
Partner  
PRICEWATERHOUSECOOPERS, LLC  
Pittsburgh, Pennsylvania

*Andy Nolan, Partner with PricewaterhouseCoopers, LLP, will bring us up-to-date on SAS 70 compliance and reporting requirements.*



## General Session Keynote Address

8:00 - 9:00 am

### *The Role of FinCen in Combatting White Collar Crimes and Terrorist Financial Activity*

#### **William D. Langford, Jr.**

Associate Director  
Regulatory Policy and Programs Division  
FINCEN  
Washington, D.C.

*FIRMA is delighted to welcome Mr. Langford, who is recognized as a nationally known spokesman for FinCen's policies and procedures in controlling white collar crime. Mr. Langford is an expert in anti-money laundering activities and he will discuss the current initiatives within the Financial Crimes Enforcement Network and FinCen's role in supporting bank regulatory supervision and compliance for bank secrecy and AML activities.*

## General Session

9:15 – 10:45 am

### **BSA / AML**

#### **Peter Fitzgerald**

Principal  
DELOITTE & TOUCHE, LLP  
New York, New York

*Mr. Fitzgerald is a leading expert in bank secrecy and anti-money laundering procedures for Deloitte & Touche best practices. Peter will discuss compliance requirements and recommended internal controls for future protection against financial crimes in your organization.*

## General Session

11:00 am- 12:15 pm

### *The Nature & Psychology of Fraud*



#### **Patrick M. Ardis**

Shareholder  
WOLFF ARDIS, PC  
Memphis, Tennessee

*There is a burgeoning explosion of corporate fraud affecting the international business and financial communities and what you may read about or see on the nightly news is merely the visible tip of the proverbial iceberg.*

*It is not possible to prevent all frauds. In fact, anyone who declares that as an achievable goal is unrealistic. Despite the efforts of regulatory bodies, the police, directors, officers, risk managers, accountants and lawyers, no company can ignore the chance that massive losses through fraud might wait around the corner. The debilitating or catastrophic loss is always a possibility and without foresight and diligence almost a probability.*

*This program will explore the scope and scale of corporate fraud, discuss the motivation for fraud, examine the elements of fraud, provide you with the building blocks for detecting fraud in your company and assist you to develop policies to deter fraud within your organization.*

## Conference Adjourns

12:15 pm



# 20th Annual National Training Conference

## NOTES

### Hotel and Amenities

The conference hotel is the Grand Hyatt Washington, located at 1000 H Street, NW, Washington, D.C. 20001. Located in the heart of the "new" downtown, Grand Hyatt Washington is in the center of everything – just steps from the Washington Convention Center, MCI Center, White House, Capitol, and the myriad of free monuments and museums of the city. The Grand Hyatt Washington is located directly above Metro Center stop for the Blue, Orange and Red Lines on Metro – exit towards 11th Street.

This dramatic 12-story atrium hotel features 888 deluxe guestrooms (including 38 suites, Regency Club and Business Plan rooms), 40,000 square feet of meeting space, and six dining options. Club Fitness, in the adjacent office complex, offers an indoor pool, whirlpool, sauna and steam rooms, circuit training, aerobics classes and on-site trainers, and is complimentary to Regency Club guests.

Ronald Reagan Washington National Airport is 15 minutes away, and Union Station is 5 minutes away. Both are stops on the Metro subway system. With the underground access from the lobby to Metro Center, a stay at the Grand Hyatt Washington puts the city at your fingertips! The hotel website is [www.grandwashington.hyatt.com](http://www.grandwashington.hyatt.com).

### Hotel Reservations

Conference attendees will receive a reduced group rate of \$199.00 single occupancy; \$220.00 double occupancy. FIRMA is also holding 50 rooms at the prevailing government rate of \$187.00 single, \$212.00 double also available for those eligible. Please note that there is a 14.5% room tax per night. Simply call the Hotel's reservations department at 1-888-421-1442 or 202-582-1234 and mention that you are with FIRMA when you make your reservations for the 20th Annual Conference. You may make your hotel reservations online at:

[https://resweb.passkey.com/Resweb.do?mode=welcome\\_ei\\_new&eventID=25608](https://resweb.passkey.com/Resweb.do?mode=welcome_ei_new&eventID=25608)

FIRMA has a block of rooms reserved for the conference attendees; however, this block will be released **March 15th, 2006**. Therefore, **ALL RESERVATIONS MADE AFTER 5PM, MARCH 15, 2006, ARE SUBJECT TO AVAILABILITY**. The FIRMA group rate will be available (3) days prior and (3) days after the meeting dates but is subject to availability. Daily self-parking at the Grand Hyatt is currently \$20.00 but that rate is subject to change; valet parking is \$26.00.

### Dress

Casual dress is recommended for all conference functions. Washington, D.C. enjoys a mild climate; the average temperature in April is a high of 66 degrees with lows around 45 degrees. While attending conference sessions, a sweater or jacket is always recommended.

### Directions from the Airport

**The Grand Hyatt is at the corner of 11th and H Streets NW.**

**Parking Garage:** From H Street: Right onto 10th Street – Parking is 1/2 block on the right.

*To the Grand Hyatt Hotel from Ronald Reagan National Airport: GW Parkway*

George Washington Parkway North – Exit to 395 North toward Washington.

Cross the 14th Street Bridge – merge into the right lane and Exit 12th Street.

Follow 12th Street through the tunnel – 8 blocks  
Right onto H Street – 1 block.

*To the Grand Hyatt Hotel from Dulles Airport: Dulles Access Rd. (Alt Route During Rush Hour) Dulles Access Road to Washington – Exit to 495 North*

Exit 14 – GW Parkway South

Cross the Roosevelt Bridge to Constitution – Left onto 12th Street NW – 8 blocks

Right onto H Street NW – 1 block

*To the Grand Hyatt Hotel from BWI Airport: BW Parkway*

Baltimore Washington Parkway South to Washington  
Exit to Washington on U.S. Rt. 50 (New York Ave.) – 6 miles

Left onto 5th Street NW – 3.5 blocks

Right onto H Street NW – 5 blocks

### Airport Transportation Information to and from The Grand Hyatt Washington

*(Please note that these numbers are approximate.)*

Reagan National Airport (DCA) 15 minutes from the Grand Hyatt.

**Super Shuttle:** \$10.00 one way per person. No advance reservations. Located at ground transportation.

**Metro:** \$1.50 per person one way. Blue Line to Metro Center. Follow 11th Street exit to the lobby of the Grand Hyatt.

**Taxicab:** \$12.00 to \$15.00 one way for the taxi.

**Private luxury car service** available at competitive prices. Just call the Hyatt Concierge and they will be delighted to make your arrangements.

Dulles International Airport (IAD) 40 minutes from the Grand Hyatt.

**Super Shuttle:** \$20.00 one way per person. No advance reservations. Located at ground transportation

**Taxicab:** \$50.00 for the taxi. Located at ground transportation.

**Private luxury car service** available at competitive prices. Just call the Hyatt Concierge and they will be delighted to make your arrangements.



# 20th Annual National Training Conference

## NOTES

Baltimore Washington International Airport (BWI) 50 minutes from the Grand Hyatt.

**Super Shuttle:** \$30.00 one way per person. No advance reservations. Located at ground transportation.

**Taxicab:** \$65.00 for the taxi. Located at ground transportation.

**Private luxury car service** available at competitive prices. Just call the Hyatt Concierge and they will be delighted to make your arrangements.

**For additional information on transportation, visit:**

[www.metwashairports.com](http://www.metwashairports.com)

[www.washfly.com](http://www.washfly.com)

[www.wmata.com](http://www.wmata.com)

[www.supershuttle.com](http://www.supershuttle.com)

### Americans with Disabilities Act

FIRMA is pleased to provide assistance to the Grand Hyatt 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

FIRMA's Board of Directors will host a special welcome reception Potomac cruise on Monday evening, from 7:00 - 9:45 pm. Come join us and enjoy this time to meet old and new friends attending the conference.

On Tuesday, April 11th, FIRMA's program ends at 12:15 pm with an optional in-conference seminar in the afternoon. Attendees may also choose to enjoy Washington, D.C.'s popular tourist attractions. You may preview these attractions online at [www.washington.org](http://www.washington.org). or call the Grand Hyatt concierge to inquire about costs and availability of specific attractions, tours, golf, tennis, and other entertainment packages. FIRMA is also hosting a golf tournament and a Mt. Vernon tour on Tuesday afternoon at special package fees.

### Inside Parking:

#### A) Washington Center

Self-Park Garage	(Valet Parking-limited to Hotel Guests)
Adjacent to Hotel	0-3hrs \$15.00
6'5" Height Maximum	3-8hrs \$20.00
24 Hour Parking	8-24hrs \$26.00

Flat Rate Saturdays and Sundays \$10 (Self Parking)

\*No in & out

\*Does not include overnight

#### 1001 G Street, NW

(Self Parking)  
0-1hr \$6.00  
1-3hrs \$12.00  
3-8hrs \$15.00  
8-24hrs \$20.00  
CASH/CREDIT CARDS (V/MC)  
(202) 393-7611

#### B) Park America

Self Park Garage (300+ parking spaces)  
6'8" Height Maximum  
Monday-Friday 6am-12midnight  
Saturday 9am-12:00pm  
No Outside Parking During High Security Alerts

#### 1100 New York Avenue, NW

0-1hr \$5.00  
1-2hrs \$8.00  
2hrs & Up \$12.00  
CASH ONLY  
(202) 789-1750

#### C) Marriott Metro Center

Valet (200 parking spaces)  
7' Height Maximum  
24 Hour Parking

#### 775 12th Street, NW

0-2hrs \$11.00  
2-3hrs \$16.00  
3hrs & Up \$21.00  
Overnight \$25.00  
(Over Size Vehicles \$25.00)  
CASH ONLY  
(202) 824-6118

#### D) Colonial Parking

Self-Park Garage  
6'8" Height Maximum  
Monday-Friday 7am-8pm Parking after 5pm - \$10.00  
Saturday 9am-5pm 0-1hrs \$6.00 2hrs & up \$10.00

#### 700 11th Street, NW

0-1hr \$7.00  
1-2hrs \$14.00  
2hrs & Up \$14.00  
CASH ONLY  
(202) 298-7053

# REGISTRATION FORM

## 20th Annual National Training Conference April 9 - 13, 2006

Choose Program(s):                      Check one:     Member             Nonmember

<input type="checkbox"/> Conference	\$1,195.00 *	\$1,395.00 *
<input type="checkbox"/> Pre-Conference Workshop	\$100.00	\$250.00
<input type="checkbox"/> In-Conference Seminar	\$75.00	\$165.00

\* Take a \$100 discount if paid prior to March 1, 2006

Mr./Mrs./Ms. \_\_\_\_\_  
 Full Name \_\_\_\_\_  
 Name for Badge \_\_\_\_\_  
 Title \_\_\_\_\_  
 Organization \_\_\_\_\_  
 Address \_\_\_\_\_  
 City, State, Zip \_\_\_\_\_  
 Phone \_\_\_\_\_ Fax \_\_\_\_\_  
 E-mail Address \_\_\_\_\_

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

I am part of a group registration

Please Invoice  
 Check enclosed (payable to FIRMA)  
 Charge it:     VISA     MasterCard     Discover     American Express  
 Credit Card No. \_\_\_\_\_ Expiration Date \_\_\_\_\_  
 Authorized Signature \_\_\_\_\_

**Conference Handouts**

All 2006 Conference attendees will receive a CD that contains the conference materials, speaker outlines, and handouts. 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 FIRMA 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.

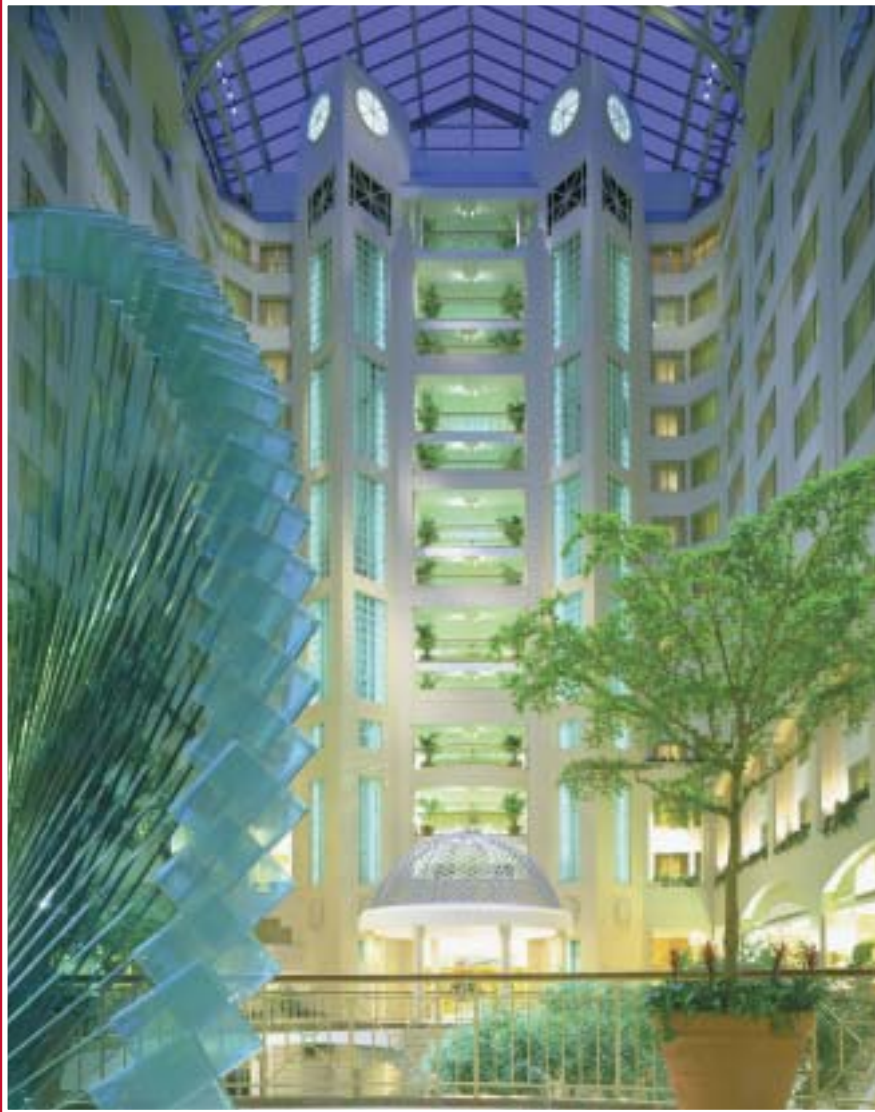
**BY MAIL**  
 Copy and mail this complete form to:  
 FIRMA, PO Box 507, Stockbridge, GA 30281.

**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.



The Grand Hyatt  
Washington Hotel  
1000 H Street, NW  
Washington, D.C. 20001



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