



NSCP Spring Conference in Chicago Monday, April 20, 2020

7:30 am – 8:30 am: **Registration and Breakfast**

8:30 am – 9:30 am: **Session 1 – ALL - Emerging Regulatory Issues (Intermediate)**

As the industry continues to evolve, experienced compliance professionals will discuss and share how they are addressing certain key emerging issues in light of regulatory priorities from FINRA, SEC and DOL.

Learning Objectives:

- Understand the most significant factors driving the adoption of ESG principles or standards as well as the fiduciary, regulatory and risk impact of ESG
- Discuss why cannabis companies pose unacceptable legal risk for most financial institutions; provide an update on legislative efforts at the federal level to address the cannabis and financial services conundrum; and learn what a cannabis compliance program would entail based on the programs of credit unions and state banks who currently service the cannabis industry;
- Review current retirement hot topics including zero fee funds, protecting vulnerable investors from predatory practices, and current retirement account initiatives from FINRA, SEC, DOL and Congress.

Kevin Gleason, Voya

David Kaleda, Groom Law Group

Kerry Zinn, Bressler, Amery & Ross, P.C.

9:30 am – 9:45 am: **Break**

9:45 am – 10:55 am: **Session 2a: IA – Proposed Amendments and Practical Applications to the Advertising Rules (Intermediate)**

The Securities and Exchange Commission’s (“SEC”) recent plan to modernize the Advertising and Cash Solicitation Rules under the Investment Advisers Act of 1940 contains significant implications to the manner in which many Advisers conduct business. Join us for an overview of the proposed principles-based approach to overhauling the decades old rules.

Learning Objectives:

- Define advertising and other terms more clearly, reflecting advances across all forms of communications.
- Explain testimonials, endorsements, third-party ratings, solicitor payments.
- Discuss performance restrictions, enhancements, and supporting disclosure requirements across institutional and retail client bases.
- Analyze the “qualified review persons” position and identify other additional new policies and procedures.

Genna Garver, Troutman Sanders LLP

Mitzie Pierre, IFM Investors

Session 2b. ALL - Legal but Ethically Questionable Situations (Intermediate)

This session will explore how to navigate when activities or decisions are legal but ethically questionable. This panel will discuss case studies and instances of requests that are legal but push the envelope ethically.

Learning Objectives:

- Learn how to raise the issue of ethics even though the action or decision is legal
- Discuss the importance of firm culture when posed with questionable ethics but legally permissive activity
- Determine when and how a matter that is legal but potentially unethical should be escalated
- Learn the best methods to influence ethical decision-making

Maureen Kiefer-Goldenberg, Diamond Hill Capital Management

James Lundy, Drinker Biddle & Reath LLP

10:55 am – 11:10 am: Break

11:10 am – 12:20 pm: Session 3a: ALL - Fundamentals of Compliance Testing

Attendees will learn about the various testing techniques, sampling methodologies, report construction, and remediation and tracking. Additionally, attendees can expect to take away various templates for use in the testing programs within their firm.

Learning Objectives:

- Discuss strengths and weaknesses of various testing methods (observation, interview, reperformance, sampling, and forensic testing)
- Identify policy & procedure design (gaps), implementation, and execution
- Explore the structure and documentation of the testing program, including testing frequency, selection, calendars, and report construction
- Learn how to report, remediate, and track the findings

Jeannette Lewis, William Blair

Robert Tull, Progressive Compliance Advisors

Session 3b. ALL - Working with Stakeholders (Intermediate)

Successfully interweaving Compliance and corporate governance requires inventiveness, knowledge, aptitude, and the effective use of resources, people, policies, processes, and systems. A foundational element to any robust compliance program is determining who your stakeholders are and assuring that Compliance and its internal partners understand each other's roles and work well together.

Learning Objectives:

- Explore barriers to effective management and tactical ideas for overcoming those challenges
- Examine common Enterprise Risk Management constructs, and how they might contribute to a stronger, more cohesive compliance program
- Create collaborative firmwide partnerships by way of common uses of technology and processes

- Establish a more synergistic and cooperative environment within the framework of your specific firm

James Downing, Aon Retirement Solutions

Steve Farmer, Confluence

Joseph McDermott, Alaric Compliance Services LLC

12:20 pm – 1:10 pm: Networking Lunch

1:10 pm – 1:20 pm: Break

1:20 pm – 2:30 pm: Session 4a. BD - Regulation Best Interest for Broker-dealers and Dual Registrants (Intermediate)

The panel will provide an update on the status of Reg BI along with practical guidance on where firms should be in the process to implement policies and procedures to comply with Reg BI. The panel will address a range of broker-dealer business models and best practices for product due diligence, segregation of account types (BD vs RIA), customer profile and transaction recommendations, training and supervision.

Learning Objectives:

- Update on SEC and FINRA interpretive guidance and the status of State fiduciary laws/litigation challenging Reg BI
- Consider the applicability of Reg BI to different business models – dual registrants, independent, proprietary products, wholesale distribution, etc.
- Evaluate specific account types and relationship considerations and product selection including the boundaries related to self-directed accounts and account “monitoring”
- Understand Form CRS, from the BD and RIA perspective including the structure of the Form and filing requirements, as well as training and supervision

Issa Hanna, Eversheds Sutherland

Amy Rush, Waddell & Reed

Session 4b. ALL - Risk Mitigation and the Management of Third-Party Vendors (Intermediate)

In its 2019 exam priorities release, as well as in a May 2019 OCIE Risk Alert, the SEC specifically noted the importance of vendor due diligence with regard to the security risks associated with the storage of electronic customer records and information by broker-dealers and investment advisers in various network storage solutions, including those leveraging cloud-based storage. Additionally, the regulators have expressed concerns regarding the vendor management and cyber-security protection. In this session, panelists will explore best practices for the due diligence, onboarding and continuous monitoring of third-party vendors.

Learning Objectives:

- Learn practical methods of implementing and managing onboarding and ongoing due diligence

- Determine when a vendor relationship is no longer appropriate given the level of risk and oversight required
- Explore existing and emerging digital technologies that help identify, assess and mitigate third-party risk
- Review the appropriate books and records to retain

Jeff Himstreet, PGIM Fixed Income

Lynn McGrade, Borden Ladner Gervais LLP

2:30 pm – 2:45 pm: Break

2:45 pm – 3:45 pm: Session 5a. IA - Understanding the Requirements of ADV Part 3 (Intermediate)

This session will review the obligations for Investments Advisers under Regulation Best Interest, the Commission Interpretation Regarding Standard of Conduct for Investment Advisers and Form CRS.

Learning Objectives:

- Determine what is involved in the duty of Care
- Understand the duty of Loyalty
- Learn what the Form CRS must contain in part 3 of Form ADV
- Receive clarification on policies, procedures and process updates needed

Lance King, Seward & Kissel LLP

Ben Marzouk, Eversheds Sutherland

Session 5b. ALL - Cross Border Regulations (Intermediate)

Conducting business in foreign countries and with foreign clients poses key difficulties that must be incorporated into or in addition to a U.S. compliance program.

Learning Objectives:

- Assess economic sanctions and their magnitude on the firm's investment process and client restrictions
- Discuss the increased intensity and application of GDPR, Privacy and AML requirements
- Understand risks of sanctions/fines by regulatory bodies, market exchanges and governments for non-compliance.
- Review updates on MiFID II, BREXIT, European Securities and Markets Authority, Canadian Securities Administrators, Alternative Investment Fund Managers Directive, Regulation S, and other topical regulations

Deborah Lamb, McKinley Capital Management LLC

Tito Pombra, Core Compliance & Legal Services, Inc.

3:45 pm – 4:00 pm: Break

4:00 pm – 5:00 pm: Session 6a. BD/IA - Conflicts of Interest (Intermediate)

This session will focus on the identification, mitigation, disclosure and management of conflicts of interests for both broker-dealers and investment advisers. The focus will be on offering insights, as applicable, into conflict identification, risk mitigation, disclosure, reporting, and internal controls. The panel will also address how to conduct and prepare a conflicts of interest inventory. Recent SEC and FINRA focus areas and guidance will be covered.

Learning Objectives:

- Determine conflicted relationships with clients, affiliates, employees, and service providers
- Follow the money to identify potential conflicts such as revenue sharing, rebates, mark-ups, etc.
- Learn how to mitigate, remove, or at least adequately disclose, identified conflicts
- Determine the applicable reporting requirements and how to document supervision of such conflicts (policies, procedures and testing)

Louis Dempsey, Renaissance Regulatory Services, Inc.

Patrick Hayes, Calfee Halter & Griswold LLP

Session 6b. ALL – Advanced Risk Management of Data Privacy and Cybersecurity (Advanced)

This is an advanced session addressing risk management specifically related to data privacy and cybersecurity.

Learning Objectives:

- Analyze the pros and cons of adopting a formal risk management framework
- Discuss regulatory requirements, observations and updates in data privacy and cybersecurity
- Hear how to balance robust controls with business considerations
- Examine risk mitigation, monitoring and response related to cybersecurity

Lyman Terni, Artemis Global Security, LLC

Craig Watanabe, DFIG Investments, Inc.