



Financial Research Associates Proudly Presents



The ONLY conference  
exclusively focused  
on due diligence! !

The 4th Annual

# Mastering Due Diligence for Alternative Investments

*\*Manager selection*

*\*Ongoing monitoring*

*\*Allocators' perspectives: What they're really  
scrutinizing today*

April 3-4, 2012

The Princeton Club  
New York City

For Institutional Investors,  
Mutual Funds, Insurance Companies,  
Consultants & Advisors



## Out-of-the-box Perspectives on Due Diligence and Risk Management for Alternatives:

- Heavy-hitter investors' perspectives: Processes and expectations in manager due diligence & monitoring
- New views on the transparency debate: What's non-negotiable these days? How can you find the right balance?
- Digging deeper: Going beyond background checks
- Best practices in on-going monitoring: Detecting style-shifts, over-exposure, and avoiding surprises
- How has MF Global changed the world of counterparty risk? How can you protect your assets?
- Are liquidity concerns cramping your investment style? What's enough caution...and what may be too much
- What you really need to know about valuation of alternatives
- Hands-on strategies for integrating investment, operational, and compliance due diligence
- Emerging managers: higher risk or not?
- And much more!

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**Financial Research Associates** provides the financial community with access to business information and networking opportunities. Offering highly targeted conferences, FRA is a preferred resource for executives and managers seeking cutting-edge information on the next wave of business opportunities. Please visit [www.frallc.com](http://www.frallc.com) for more information on upcoming events.

## Dear investor:

How are you protecting yourself from the next Madoff scandal? What has MF Global taught us about counterparty risk & due diligence? How can you effectively detect style-shifts and over-exposure? What about managing fiduciary risks?

Discover the answers to these questions and more at Financial Research Associates' **4th Annual Mastering Due Diligence for Alternative Investments**, slated for April 3-4, 2012 in New York City. You'll walk away with tangible solutions, real-world examples and recommendations on how to advance your due diligence processes. And, you'll hear directly from industry leaders and savvy investors who have already implemented their own. Conference highlights include:

- Specific examples from institutional investors about what they expect from their fund managers
- How to effectively handle the complex valuation process
- Innovative transparency, liquidity, and control (TLC) initiatives
- Mitigating counterparty risk & protecting assets – especially after MF Global
- Thorough background checks that go beyond just your investment managers
- Operational due diligence from all angles
- Regulations: from Dodd Frank to AIFM Directives and everything in between
- Effectively integrating wide-ranging investment, operational, and compliance due diligence
- Digging deeper for emerging managers
- And so much more!

This is a unique meeting of the minds where investors and managers are encouraged to attend to learn precisely how their due diligence processes need to change to keep up with the new standards of excellence. Register today for this must-attend event. Call 800-280-8440 or visit [www.frallc.com](http://www.frallc.com) to register online.

I look forward to seeing you in New York!

Sincerely,

*Laura Garza*

Laura Garza, *Senior Vice President*  
**FINANCIAL RESEARCH ASSOCIATES, LLC**

*P.S. Don't miss the luncheon keynote address on **Chasing Madoff, A Whistle-Blower's View on the Failure of Due Diligence***

## Rave Reviews from Our Past Due Diligence Conferences:

*"Great insight and discussion into due diligence process, providing perspective from different involved parties"*

*"Excellent topics"*

*"Topic areas covered were relevant & up-to-date"*

*"Great insight & discussion into due diligence process, providing perspectives from different involved parties and service providers"*

*"Solid speakers & flow of information"*

## Our Renowned 2012 Speaking Faculty

Aditya Kumtarkar CFA, FRM, CA, *Financial Officer, Pension-Middle and Back Office*, **TREASURY THE WORLD BANK**

Alper Ince, *Managing Director*, **PACIFIC ALTERNATIVE ASSET MANAGEMENT COMPANY, LLC**  
Andrea Rafael, *Director of Investment Analytics & Risk Management*, **YESHIVA UNIVERSITY INVESTMENT OFFICE**

Christopher J. Addy, CA, CFA, *President & CEO*, **CASTLE HALL ALTERNATIVES**

Daniel Federmann, CPA, CFA, *Senior Managing Director, Chief Operating Officer & Co-Head of Operational Due Diligence*, **PROTÉGÉ PARTNERS, LLC**

David T. Rondeau, *Managing Principal*, **SOUTHPORT HARBOR ASSOCIATES LLC**

Deborah S. Prutzman, *Chief Executive Officer*, **THE REGULATORY FUNDAMENTALS GROUP LLC**

Donald H. Ratner, *Executive VP & CFO*, **TERRA FOUNDATION FOR AMERICAN ART**

Eric S. Lazear, *Head of Operational Due Diligence*, **FQS CAPITAL PARTNERS (U.S.) L.P.**

Frank R. Casey, *Partner*, **SKYVIEW INVESTMENT ADVISORS, LLC**

Freeman Wood, *Principal*, **MERCER | MERCER SENTINEL@GROUP**

Hugh Lamle, *President*, **MD SASS**

Ian Haas, CFA, *Senior Vice President*, **NEUBERGER BERMAN**

Joel S. Telpner, *Partner*, **JONES DAY**

Karl J. Jordan, CPA, *Domestic & International Principal*, **JOSEPH DECOSIMO AND COMPANY, PLLC**

Kenneth McDonald, *Managing Director, Business & Operational Due Diligence*, **SKYBRIDGE CAPITAL**

Kristine A. O'Connor, CPA, *CFO/Managing Director*, **FRANKLIN PARK**

Laurene MacElwee, *Vice President of Fund Compliance*, **PACIFIC LIFE INSURANCE**

Louis Rodriguez, *Managing Director*, **ARDEN ASSET MANAGEMENT LLC**

Mark Murphy, *Principal, Portfolio Specialist*, **ABS INVESTMENT MANAGEMENT**

Matthew L. DeAngelo, CFA, FRM, *Senior Investment Analyst*, **DREXEL UNIVERSITY**

Michael J. Moy, *Managing Director*, **PENSION CONSULTING ALLIANCE**

Michael P. Hennessy, *Managing Director*, **MORGAN CREEK CAPITAL MANAGEMENT, LLC**

Michael Rauenhorst, *Chair*, **OPUS PRIZE FOUNDATION**

Name, Job Title, **SKYBRIDGE CAPITAL**

Ricardo L. Cortez, CIMA, *Senior Portfolio Management Specialist & President, Global Distribution*, **BROADMARK ASSET MANAGEMENT, LLC**

Richard Dahab, *President*, **DAHAB ASSOCIATES, INC.**

Ron Suber, *Senior Partner, Head of Global Sales*, **MERLIN**

Ron Surz, *President*, **PPCA**

Sean Gill, CFA, CAIA, *Partner*, **NEPC, LLC**

Shelly Zoler, *Formerly Director of Alternative Investments*, Formerly with **TIAA-CREF**

Dr. Thomas Goergen, *CEO*, **LUXEMBOURG INVESTMENT SOLUTIONS S.A.**

## Top Reasons to Attend

1. Hear directly from pension plans, endowments, allocators, and family offices: What are investors' new standards for due diligence procedures?
2. Chat with your peers and learn how their expectations for due diligence have changed
3. Better manage the expectations gap for transparency: Finding the "sweet spot" in the middle
4. Learn how investors are bridging the gaps between investment, compliance, and operational due diligence
5. Get the inside scoop on the failure of due diligence from a source close to the Madoff scandal
6. Find out what gets managers noticed and rejected in the selection process
7. Listen as investors discuss the new standard for alternative investment manager background checks
8. Uncover what MF Global has taught us about improving counterparty risk procedures
9. Get the latest on liquidity traps, returns, and lock-ups
10. Gear up to effectively meet the regulatory restrictions of Dodd Frank, AIFM Directives, and so much more

## Why Attend?

This is the only conference which focuses on due diligence specifically for alternative investments. It provides investors with perspectives from their investor peers, and covers all the key issues—from valuation concerns to background checks. This conference goes well beyond the basics, and the time and money you'll save by improving your due diligence knowledge and processes will be well worth the investment.

# DAY ONE: Tuesday, April 3, 2012

8:00-8:30 Registration & Continental Breakfast

8:30

## Chair's Opening Remarks:

Karl J. Jordan, CPA, *Domestic & International Principal*  
**JOSEPH DECOSIMO AND COMPANY, PLLC**

## 8:45 – 9:45 Opening Institutional Investor Panel: Due Diligence for Alternative Investments in a Post-Madoff World

Investors speak-out on their expectations & criteria for investing in alternative investments. This impressive group of investors will disclose their arduous process for screening, hiring, evaluating, and firing alternative investment managers. Find out what gets managers noticed and rejected. Explore obstacles in hiring, as well as expectations for disclosure, communication, reporting, vendor providers, and so much more.

Andrea Rafael, *Director of Investment Analytics & Risk Management*  
**YESHIVA UNIVERSITY INVESTMENT OFFICE**

Matthew L DeAngelo, CFA, FRM, *Senior Investment Analyst*  
**DREXEL UNIVERSITY**

Donald H. Ratner, *Executive VP & CFO*  
**TERRA FOUNDATION FOR AMERICAN ART**

Michael Rauenhorst, *Chair*  
**OPUS PRIZE FOUNDATION**

## 9:45 – 10:30 Transparency Hot Buttons: The Tug-of-War Continues...Managing the Clash Between Managers' Desires to Protect Proprietary Trading vs. Investors' Needs for Transparency

- What type of information is non-negotiable from an investor's perspective?
- What do most managers disclose these days? What's standard practice?
- Do you really want your manager(s) to give away their trade secrets?
- Finding the right balance for all parties involved

*Family Office/Fund of Fund Perspective:*  
Eric S. Lazear, *Head of Operational Due Diligence*  
**FQS CAPITAL PARTNERS (U.S.) L.P.**

*Hedge Fund Manager Perspective:*  
Mark Murphy, *Principal, Portfolio Specialist*  
**ABS INVESTMENT MANAGEMENT**

*Private Equity Manager Perspective:*  
Shelly Zoler, *Formerly Director of Alternative Investments*  
Formerly with **TIAA-CREF**

*Consultant's Perspective:*  
Richard Dahab, *President*  
**DAHAB ASSOCIATES, INC.**

10:30 – 10:45 Morning Networking Break

## 10:45 – 11:30 Research Analyst Case Study: Going Beyond the Essential Background Checks: Accessing Crucial Information about the Management Team, Board of Directors, and the Succession of the Investment Staff

- What is the new standard for alternative investment manager background checks?
- When are private investigators necessary?
- What are the deal-breakers for investors?
- Who is subjected/exempted to detailed background checks?
- Are some investors crossing the line?

Michael J. Moy, *Managing Director*  
**PENSION CONSULTING ALLIANCE**

Additional Speaker TBA

## 11:30 – 12:30 Best Practices for On-Going Monitoring, Detecting Style-Shifts, Over-Exposure, and Avoiding Surprises

Now that you've lined up your dream-team of managers, how do you make sure they stay on task? What should you expect from your financial reports? How often should you receive financial reports and what should they cover exactly? How can style drift affect your fund? Does this lead your fund to over-exposure in some areas? The on-going monitoring of your alternative investment managers is demanding and grueling at times, but necessary. This enlightening session will walk you through various red flags to help you avoid unwelcome surprises.

Andrea Rafael, *Director of Investment Analytics & Risk Management*  
**YESHIVA UNIVERSITY INVESTMENT OFFICE**

Ron Surz, *President*  
**PPCA**

Ian Haas, CFA, *Senior Vice President*  
**NEUBERGER BERMAN**

## 12:30 – 2:00 Luncheon Keynote Speaker; Chasing Madoff, A Whistle-Blower's View on the Failure of Due Diligence



Frank R. Casey, *Partner*  
**SKYVIEW INVESTMENT ADVISORS, LLC**  
*Frank Casey was a partner for nine years with Harry Markopolos, the primary whistle-blower who prompted the discovery of the Madoff scheme. Hear an up-close view of how the Madoff scheme actually unraveled. Frank has been involved in the alternatives business for 37 years and in the hedge fund industry since 2002.*

## 2:00 – 3:00 How Can Investors Protect Their Assets Against Counterparty Risk? What Has MF Global Taught Us?

- What type of questions should you be asking when assessing counterparty risk?
- Strengthening your internal portfolio
- What went wrong with MF Global and what can investors learn from this recent debacle?
- Limiting your counterparty exposure

Freeman Wood, *Principal*  
**MERCER | MERCER SENTINEL@GROUP**

Joel S. Telpner, *Partner*  
**JONES DAY**

Conducting Smart Due Diligence on ALL Service Providers

## Sponsorship and Exhibit Opportunities

Enhance your marketing efforts through sponsoring a special event or exhibiting your product at this event. We can design custom sponsorship packages tailored to your marketing needs, such as a cocktail reception or a custom-designed networking event. To learn more about sponsorship opportunities, please contact Kathie Eberhard at 704-341-2439 or email [keberhard@frallc.com](mailto:keberhard@frallc.com).

To Register: Call 800-280-8440 or visit us at [www.frallc.com](http://www.frallc.com)

**3:00 – 3:45 Liquidity Anxieties:**

## **Sensitive Liquidity Concerns: Investors Want to Know: How Fast Can I Get Out?**

- What are the liquidity expectations/concerns for each of various alternative investment strategies?
- Are your liquidity concerns holding you back from high-yield investments?
- How do you track your lock-ups?
- Are you over-emphasizing liquidity?
- Barbellizing liquidity to optimize returns

Aditya Kumtarkar CFA,FRM,CA, *Financial Officer, Pension-Middle and Back Office*

**TREASURY THE WORLD BANK**

Hugh Lamle, *President*  
**MD SASS**

3:45 – 4:00 *Afternoon Break*

**4:00 – 5:00**

## **Effective Valuation Strategies for Various Alternative Investments**

- Best practices for valuation and underlying value
- Are your valuation policies and committees adequate?
- How can investors test valuation concepts/theories?
- Are your valuation experts objective and unbiased?
- Can you trust your valuation experts?
- Regulatory/legal considerations for valuation and how they will affect investors

*Mutual Fund Perspective:*

Laurene MacElwee, *Vice President of Fund Compliance*  
**PACIFIC LIFE INSURANCE**

*Hedge Fund Perspective:*

Christopher J. Addy, CA, CFA, *President & CEO*  
**CASTLE HALL ALTERNATIVES**

*Consultant Perspective:*

Sean Gill, CFA, CAIA, *Partner*  
**NEPC, LLC**

5:00 - 6:00

*Cocktail Reception Immediately Following*

Contact Kathie Eberhard for sponsorship opportunities  
704-341-2439 or keberhard@frallc.com

## **DAY TWO: Wednesday, April 4, 2012**

8:30 *Continental Breakfast*

**9:00**

## **Chair's Recap of Day One:**

Karl J. Jordan, CPA, *Domestic & International Principal*  
**JOSEPH DECOSIMO AND COMPANY, PLLC**

**9:15 – 10:15**

## **Practical Strategies for Integrating Investment, Operational, and Compliance Due Diligence**

- How can investors improve the integration of all their due diligence responsibilities?
- Improving internal communications
- Does the due diligence process need to be separate?
- The role of the middle and back office in due diligence
- Does the back-office have final say in decisions?

Kenneth McDonald, *Managing Director, Business & Operational Due Diligence*  
**SKYBRIDGE CAPITAL**

David T. Rondeau, *Managing Principal*  
**SOUTHPORT HARBOR ASSOCIATES LLC**

*Private Equity Perspective:*

Kristine A. O'Connor, CPA, *CFO/Managing Director*  
**FRANKLIN PARK**

## **A Two-Part Compliance Discussion:**

**10:15 – 11:15 Part I: Compliance Due Diligence**

### **The Latest on Compliance Due Diligence, Fiduciary Responsibility & Dodd Frank**

- What compliance questions do investors and due diligence teams ask?
- Take away the 5 key questions to ask your manager
- Does it matter whether a manager is registered?
- How does a compliance program impact my investment?
- How do I stay on top of developments in a changing regulatory environment?
- How are managers reacting to compliance?

Deborah S. Prutzman, *Chief Executive Officer*  
**THE REGULATORY FUNDAMENTALS GROUP LLC**

Louis Rodriguez, *Managing Director*  
**ARDEN ASSET MANAGEMENT LLC**

Ron Suber, *Senior Partner, Head of Global Sales*  
**MERLIN**

11:15 – 11:30 *Morning Break*

**11:30 – 12:15 Part II: A Global Outlook**

### **AIFMD – European Asset Management Regulation Going Forward**

- What is the latest in Europe with the AIFM Directive and UCITS IV and how does this affect alternative asset managers?
- Passporting under AIFMD – Opportunities and regulatory requirements for non EU alternative managers or offshore vehicles
- Setting up Feeder Funds in Europe – what does this mean for offshore managers from a regulatory point of view?
- Make or Buy – How to solve the regulatory requirements of the AIFM

Dr. Thomas Goergen, *CEO*  
**LUXEMBOURG INVESTMENT SOLUTIONS S.A.**

### **Media Partners**



**1:45 - 2:45 An Underdog's Life:****Do Emerging Managers Stand a Chance with Today's Apprehensive Investors?**

As investors are searching for spotless and robust track records, emerging managers are at risk of being completely overlooked. In these post-Madoff times, when existing in a high-alert manner seems to be all investors know, how will emerging managers get recognized? Clearly, they will be going against the grain, but all hope is not ruled out. What type of criteria do investors have for emerging managers? Is a clean track record a bad thing in today's economy? What are the advantages and disadvantages of betting on the newbies?

Michael P. Hennessy, *Managing Director*  
**MORGAN CREEK CAPITAL MANAGEMENT, LLC**

Daniel Federmann, CPA, CFA, *Senior Managing Director, Chief Operating Officer & Co-Head of Operational Due Diligence*  
**PROTÉGÉ PARTNERS, LLC**

Alper Ince, *Managing Director*  
**PACIFIC ALTERNATIVE ASSET MANAGEMENT COMPANY, LLC**

**2:45 – 3:30 The Fastest Growing Trend in the Industry:****A Detailed Comparison Between Alternative Mutual Funds & Private Investments**

- Reporting differences between the two
- How do the due diligence procedures vary among each investment?
- What type of risks and returns should you expect from each?
- Liquidity, volatility, and transparency considerations for both
- Pros and cons of 40 Act vs. private
- A growth comparison
- Portfolio uses for each

Ricardo L. Cortez, CIMA, *Senior Portfolio Management Specialist & President, Global Distribution*  
**BROADMARK ASSET MANAGEMENT, LLC**

Additional Speaker TBA

3:30 *End of Summit*  
*Submit Evaluation Forms*

**Gold Sponsor:**

Decosimo Certified Public Accountants (Decosimo) is a leading public accounting and business advisory firm serving clients throughout the world and specializing in services to alternative investment funds, offshore entities, fund of funds, real estate funds, investment advisors, broker/dealers, financial institutions, captive insurance companies and alternative loan and private investment groups. Beyond tax and assurance solutions, Decosimo's Financial Services Group provides advisory services for independent due diligence and transaction services; accounting assistance with fund launches; counsel related to fund structure, fee agreements and complex tax allocation issues; advice on matters of board governance and ethics; and attestation services under the SEC Custody Rule provisions. As an independent firm associated with Moore Stephens International Limited, Decosimo has access to additional resources and professionals in 638 office locations across 97 countries offering clients a global reach while maintaining a local perspective.

**Important Information**

To Register:

Fax: 704-341-2640  
Mail: Financial Research Associates  
18705 NE Cedar Drive  
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Phone: 800-280-8440  
Online: [www.frallc.com](http://www.frallc.com)

**4th Annual Mastering Due Diligence for Alternative Investments**

April 3-4, 2012

**The Princeton Club**

15 West 43rd Street (between 5th and 6th Avenues)  
New York, NY 10036  
212-596-1210

If you require overnight accommodation for this conference, please contact any of the following nearby hotels to check their best available corporate rate over this time frame, or consult your local travel agent. Please note that FRA has not negotiated rates with any of these hotels.

**Area Hotels:**

Mansfield Hotel – (212) 944-6050	Royalton Hotel – (212) 869-4400
Algonquin Hotel – (212) 840-6800	Iroquois Hotel – (212) 840-3080
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**Fees and Payments:**

The fee for attendance at **The 4th Annual Mastering Due Diligence for Alternative Investments** is:

Standard rate:	\$1895
Investors, pension, endowment, and single family rate:	\$795*

\*Subject to FRA approval

Please make checks payable to Financial Research Associates, and write code B808 on your check. You may also pay by Visa, MasterCard, Discover, or American Express. Purchase orders are also accepted. Payments must be received no later than March 27, 2012.

**Team Discounts:**

- Three people will receive 10% off.
- Four people will receive 15% off.
- Five people or more will receive 20% off.

In order to secure a group discount, all delegates must place their registrations at the same time. Group discounts cannot be issued retroactively. For more information, please call Kathie Eberhard at 704-341-2439.

**SOFT DOLLAR YOUR CONFERENCE REGISTRATION!**

This FRA conference may be eligible under section 28(e) of the Securities Exchange Act of 1934 for payment via soft dollars. For further information or a Soft Dollar Application form, please visit our Web site [www.frallc.com/softdollars.aspx](http://www.frallc.com/softdollars.aspx).

**Cancellations:**

If we receive your request to cancel 30 days or more prior to the conference start date, your registration fee will be refunded minus a \$250.00 administrative fee. Cancellations occurring between 29 days and the first day of the conference receive either a 1) \$200 refund; or 2) a credit voucher for the amount of the original registration fee, less a \$250.00 administrative fee. No refunds or credits will be granted for cancellations received after a conference begins or for no-shows. Credit vouchers are valid for 12 months from the date of issue and can be used by either the person named on the voucher or a colleague from the same company.

**Please Note:** For reasons beyond our control it is occasionally necessary to alter the content and timing of the program or to substitute speakers. Thus, the speakers and agenda are subject to change without notice. In the event of a speaker cancellation, every effort to find a replacement speaker will be made.

**To Register: Call 800-280-8440 or visit us at [www.frallc.com](http://www.frallc.com)**

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The ONLY conference  
exclusively focused on  
due diligence !

The 4th Annual

# Mastering Due Diligence for Alternative Investments

\*Manager selection

\*Ongoing monitoring

\*Allocators' perspectives: What they're really scrutinizing today



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Advisors

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