

Conference on Regulatory Change in the Global Financial System

April 22-23, 2010

The global financial system and the world economy are now recovering from the global credit crisis which began in the spring of 2007 and continues to this day. The sources of the crisis are many: poor mortgage lending standards, opaqueness of securitized financial products (CMOs), credit rating agencies failures, poorly capitalized banks, poorly managed OTC derivative contracts, compensation which created the wrong incentives, inadequate risk management, decline in asset prices, to name a few. It is not that we could not do better, but rather that perverse incentives riddled the financial system.

We must decide how governments should change the financial system to reduce the chance of future crises. The conference will focus on regulatory change proposals for the banking system, for derivatives, for credit rating agencies, for corporate governance and compensation. What are the costs and benefits of regulatory change? To what extent must regulatory change be coordinated across nations, given the global links in the financial system?

The conference is the 23rd spring conference sponsored by the Financial Markets Research Center at Vanderbilt University. It will be held all day Thursday, April 22 and half day Friday, April 23 at Vanderbilt University in Nashville. Participants in the conference include academics, regulators and industry leaders. As usual, the Dewey Daane Invitational Tennis Tournament will take place Friday afternoon.

Attendance at the conference is by invitation. Academic papers may be submitted for possible inclusion in the program. Send inquiries and papers to pat.scott@owen.vanderbilt.edu or hans.stoll@owen.vanderbilt.edu.

Main hotels: Loews Vanderbilt Hotel, 2100 West End Avenue, 1-800-336-3335
 Hampton Inn Vanderbilt, 1919 West End Avenue, 1-888-880-5394
 Courtyard by Marriott, 1901 West End Avenue, 1-800-321-2211

Room blocks under “Financial Markets Research Center - Vanderbilt University” will be held until March 22 at the main hotels.

Alternative hotels: Embassy Suites, 1811 Broadway, 615-320-8899
 Hampton Inn & Suites, 2330 Elliston Place, 615-320-6060
 Marriott at Vanderbilt, 2555 West End Avenue, 614-321-1300

Conference location

Owen Graduate School of Management, Averbuch Auditorium. Located at the corner of 21st Avenue and Grand Avenue. Within an easy walk of the main hotels.

More information

Contact Pat Scott at 615-322-3671, pat.scott@owen.vanderbilt.edu. For more information on the Financial Markets Research Center, check the web site, <http://mba.vanderbilt.edu/fmrc/>.

PROGRAM

Thursday, April 22, 2010: Owen School Averbuch Auditorium (8:00 AM – 5:00 PM)

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| 8:00 AM – 8:45 AM | Continental Breakfast |
| 8:45 AM – 9:00 AM | Welcome Hans Stoll , Director, FMRC
Jim Bradford , Dean, Owen School |
| 9:00 AM – 9:30 AM | Outlook for Regulatory Change. Mark Olson , Co-Chairman, Corporate Risk Advisors |
| 9:30 AM – 10:45 AM | Behavior of Banks in the Crisis. Chair: Ron Masulis , Owen School
Rene Stolz , Professor, Ohio State. Why Did Some Banks Perform Better during the Credit Crisis? A Cross-Country Study of the Impact of Governance and Regulation.
Luc Laevan , Deputy Chief of Research Division, IMF, Accounting Discretion of Banks during the Financial Crisis.
Discussion |
| 10:45 AM – 11:15 AM | Break |
| 11:15 AM – 12:15 PM | Regulation of Risk Taking in the Financial System. Chair: Duke Chapman , Chairman, Prime Insurance Holdings
Bob Davis , Executive Vice President, American Bankers Association
Erik Heitfield , Federal Reserve Board. The Shadow Banking System: Regulatory Issues. |
| 12:15 PM – 1:15 PM | Luncheon |
| 1:30 PM – 1:45 PM | Finance at Owen: The MSF Program. Nick Bollen , Professor of Finance |
| 1:45 PM – 3:00 PM | Risk Management in Practice. Chair: Bill Christie , Owen School
Tom Ho , President, THC Financial Engineering
Chuck Lucas , Former Head, Market Risk Management, AIG |

Oliver Jakob, Managing Director, Risk Control, UBS

3:00 PM – 3:30 PM

Break

3:30 PM – 4:30 PM

Estimating and Controlling Risks. Chair: **Craig Lewis**, Owen School and SEC

Simon Babbs, Head of Quantitative Risk Management, Options Clearing Corporation. The OCC Risk Management System.

Roy Henriksson, Chief Investment Officer, Advanced Portfolio Management. Some Risk Management Lessons from the Financial Crisis.

Discussion

4:30 PM – 5:00 PM

Wrap up discussion. Chair: **Hans Stoll**

Thursday evening, April 22, 2010: Loews Vanderbilt Hotel

6:00 PM

Cocktails

7:15 PM

Dinner

Friday, April 23, 2010: Owen School Averbuch Auditorium (8:00 AM – 1:00 PM)

8:00 AM – 9:00 AM

Continental Breakfast

9:00 AM – 10:15 AM

Developments at Derivatives Exchanges. Chair: **Eric Noll**, EVP NASDAQ OMX Group

Chuck Vice, President, Intercontinental Exchange

Mike Cahill, President, Options Clearing Corporation

John Damgard, President, Futures Industry Association

10:15 AM – 10:45 AM

Break

10:45 AM – 11:45 AM

Regulating the markets. Chair: **Jim Cochrane**, former Senior VP, NYSE

Jeff Harris, Professor at the University of Delaware, former Chief Economist, CFTC. Who is Trading in the Energy Market and How Should They be Regulated?

Jim Overdahl, NERA, former Chief Economist, SEC. Regulation of Short Sales and Other Market Activities.

11:45 AM – 1:00 PM Luncheon

Friday, April 23, 2010: Post Conference Activities

2:00 PM – 5:00 PM Dewey Daane Invitational Tennis Tournament - Belle Meade Club

2:00 PM – 4:00 PM Hike around Radnor Lake led by Christian Schlag

6:00 PM – 9:00 PM Dinner at the Stolls' for participants and invited guests