



Hedge Funds 101 & 102

A two-day primer examining the strategies and processes of the complex world of hedge funds

June 22-23, 2006

The Harvard Club

New York City

First Day

**"A" Period: Pre-Conference Workshop:
Hedge Fund Basics and Essentials**

1st Period:

Introduction to Hedge Fund Strategies I

- Long/short equity
- Global macro
- Market neutral equity
- Managed Futures

2nd Period:

Introduction to Hedge Fund Strategies II

- Merger arbitrage
- Capital structure/Convert arb
- Event driven strategies
- Distressed debt investing

3rd Period:

Examining Hedge Fund of Funds

4th Period:

Key Hedge Fund Tax Issues

Second Day

1st Period:

Risk and Return Characteristics of Hedge Funds

2nd Period:

Understanding Back and Middle Office Operations

3rd Period:

What Does SEC Registration Mean for Hedge Funds?

4th Period:

Investigating the Due Diligence Process

5th Period:

Understanding Valuation Techniques for Complex Securities and Portfolios

6th Period:

The ABC's of Portable Alpha

7th Period:

Hedge Funds: A Catalyst Reshaping Global Investment

Register Now! Call 800-280-8440 or visit us at www.frallc.com

About the Conference Sponsor



Financial Research Associates

provides the financial community with access to vital 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. Point your browser to frallc.com for more information on upcoming events.

Dear Colleague,

"I worked at a hedge fund for two years before I knew what one was," the Financial Times quotes one New Yorker to his London associate. Today, with over 8000 hedge funds now controlling in excess of \$1 trillion in total assets, and "conservative" estimates forecasting growth to double by 2009 and sextuple to \$6 trillion by 2015, hedge fund knowledge is essential. This two-day conference will provide you with a solid understanding of an industry which is exploding as investors look for better risk-adjusted returns than traditional, long-only investments. In an academic setting, our accomplished speaking faculty will work from the ground up to build a solid foundation for you with discussions including:

- **An explanation of complex hedge fund styles and strategies**
- **A multi-manager introduction to the fund of funds world**
- **The identification of risk in hedge funds**
- **Defining the players in the back, middle, and front offices**
- **What the hedge fund industry look like with new SEC regulation**
- **A qualitative and quantitative approach to valuation techniques**
- **How to perform due diligence on single funds and fund of funds**
- **A look at the concept of portable alpha**

To initiate yourself into the world of hedge funds, attend our pre-conference workshop "Hedge Fund Basics and Essentials" which will provide a complete background and overview of the hedge fund industry, its elements, and its participants.

This premier educational event will take place June 22-23, 2006 at The Harvard Club in New York City. Register today by calling us at 800-280-8440 or visit our website www.frallc.com. Alternatively, you may register by completing the back panel of this brochure and faxing it to 704-889-1292.

I look forward to meeting you in New York!

Sincerely,

Denise Allison

Denise Allison, Conference Director
FINANCIAL RESEARCH ASSOCIATES, LLC

Who Will Attend?

- Wealth management professionals
- Private equity team members
- Investment officers
- Fund & investment managers
- Fund administrators
- Prime brokers
- Lawyers and legal support teams
- Hedge fund marketing teams
- Software providers and systems professionals
- Auditors
- Securities regulators

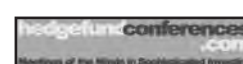
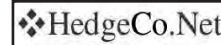
Top 10 Reasons to Attend

- Learn hedge fund basics from experienced industry leaders!
- Understand the latest strategies and styles currently employed by hedge funds
- Address the exploding fund of funds sector with a multi-manager panel
- Listen to industry leader Jon Lukomnik
- Hear about tax issues for hedge funds
- Find out what back and middle offices really do and what they are worth
- February 2006 SEC deadline: Examine the effects on the hedge fund industry
- Discover the key elements of due diligence for hedge funds and fund of funds
- Become familiar with valuation techniques for complex securities
- Understand what a portable alpha program is and how to implement it
- Hear from one of the authors of the most comprehensive study of the industry to date

Thank You to Our Internet Partner:

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Agenda & Conference Faculty

DAY ONE

THURSDAY, JUNE 22, 2006

Pre-Conference Workshop

8:00

Pre-conference workshop registration and continental breakfast

8:30

Pre-Conference Workshop

Hedge Fund Basics and Essentials

- Definition, history, and theory
- The Jones Model
- The differences between hedge funds and mutual funds
- Investor profiles: who and why?
- The players - managers, prime brokers, middle office, custodians, administrators, marketers, capital-raisers, incubators, and seeders
- Onshore vs. offshore
- Strategy overview
- Q&A session
- Fiduciary implications of selecting a hedge fund versus fund of fund
- Questions for institutional investors to ask hedge funds (and fund of funds) about their risk management policies and procedures
- Unique hedge fund issues for endowments, foundations and pension plans

Workshop Leaders:

Thao Ngo, *Of Counsel*
REED SMITH LLP

Meredith Jones, *Director of Marketing*
PERTRAC

Steven Weddle, *Director Alternative Investments*
ING INVESTMENT MANAGEMENT AMERICAS

Session will include a 15 minute break

11:15

Luncheon for workshop attendees; Registration for main conference

12:15

Chair's Welcome

Jerry M. Harris, *CAIA, Senior Vice President, Principal*
WELTON INVESTMENT CORPORATION

Jerry M. Harris is the Director of Business Development and a Principal of Welton Investment Corporation. Since 1982 he has been involved in developing and employing diversified alternative investment portfolios and product structures to satisfy the risk adjusted return expectations of financial institutions and private investors. Mr. Harris is CAIA certified and is a current member of the CAIA Association.

Mr. Harris graduated from the University of Virginia with a Bachelor of Science Degree in Aeronautical Engineering and received a Masters Degree in Information Systems from the University of Southern California. Jerry has held senior positions at a number of global alternative investment firms. He is a shareholder and has been associated with Welton Investment Corporation since 1993. Mr. Harris has been a member of the Alternative Investment Management Association, the Family Office Exchange and the Managed Funds Association; a director of the Center of International Securities and Derivatives Management; and is a former member of the Institutional Money Management Advisory Committee of the New York Mercantile Exchange. He frequently is a featured speaker to institutional and private investor groups through the world on the topic of integrating skill-based alternative investment strategies to diversify investment portfolios.

12:30

Introduction to Hedge Fund Strategies I

In pursuit of absolute returns, hedge fund managers actively engage in a wide variety of investment tools. The first two sessions will look at strategies currently employed:

- Long/short equity
- Global macro
- Market neutral equity
- Managed Futures

Speakers:

Brent M. Hankins, *Senior Portfolio Manager, Principal*
WELTON INVESTMENT CORPORATION

Brooke Allen, *President*
MANE FUND MANAGEMENT INC

Steven Glass, *Portfolio Manager*
STG CAPITAL MANAGEMENT, LP

Igor I. Grasic, *Managing Director*
LYRA CAPITAL

1:30

Introduction to Hedge Fund Strategies II

- Merger arbitrage
- Capital structure/Convert arb
- Event driven strategies
- Distressed debt investing

Speakers:

George A. Kellner, *Chief Executive Officer*
KELLNER DILEO COHEN & CO.

Katalin E. Kutasi, *Director of Distressed & High Income Investing*
KELLNER DILEO COHEN & CO.

Juan M. Bayuelo, *Director of Emerging Markets Investing*
KELLNER DILEO COHEN & CO.

3:00

Refreshment and networking break

3:15

Examining Hedge Fund of Funds

An introduction to the characteristics and structure of "funds of funds." We will examine emerging trends, risks management, and business operations in this sector whose investments now approximate more than 40% of industry assets.

Speakers:

Lance D. Larsen, *Chief Operating Officer*
ING ASSET MANAGEMENT

Anne Marie Gagnon, *Alternative Products Manager*
MORGAN STANLEY

Meredith Jones, *Director of Marketing*
PERTRAC

Jack Casey, *Vice President*
CREDIT SUISSE

4:15

Key Hedge Fund Tax Issues

- Fund structure
- The investors
- The investments
- Compensating the manager

Speakers:

Leonard Schneidman, *Senior Tax Partner*
FOLEY HOAG LP

Richard Schaul-Yoder, *Tax Partner*
FOLEY HOAG LP

5:00

Day one concludes

DAY TWO

FRIDAY, JUNE 23, 2006

8:15

Continental breakfast

8:45

Chair's Day One Recap

Jerry M. Harris, CAIA, Senior Vice President, Principal
WELTON INVESTMENT CORPORATION

9:00

The Risk and Return Characteristics of Hedge Funds

- The importance of effective fund administration
- Portfolio Risk
- Operational Risk
- Risk measurement and controls
- Performance comparison

Speakers:

Jon Lukomnik, Managing Partner
SINCLAIR CAPITAL

10:00

Understanding Back Office & Middle Office Operations

- Operations processes
- Prime broker arrangements
- Choosing service providers
- Compensation

Speakers:

John J. Wolfe, Founder, Managing Member
WOLFEHAUS

11:00 Morning refreshment and networking break

11:15

What Does SEC Registration Mean for Hedge Funds?

This session will examine the practical aspects of registration relating to managers and investors and the potential consequences for the industry.

- Understand initial and ongoing compliance costs
- Examine the limitations of registered managers
- Effects on performance fees
- Advertising rules
- What to expect from an SEC examination

Speakers:

Victor R. Siclari, Partner
REED SMITH LLP

James E. Grand, General Counsel
THE SECURITIES LAW GROUP, LLP

12:15

Luncheon for speakers and delegates

1:15

Investigating the Due Diligence Process

- Understanding a manager's investment philosophy, strategy and process
- Performance and attribution analysis—is the process repeatable and what are the limits/constraints?
- How are portfolios constructed and what types of analytic tools are used?
- What is your risk control and risk measurement process?
- Who handles regulatory compliances, does background checks and reviews documents?

Speakers:

Mark Garber, President
AETNA CAPITAL MANAGEMENT

David Wiederecht, Vice President, Managing Director Alternative Investments
GE ASSET MANAGEMENT

2:15

Understanding Valuation Techniques for Complex Securities and Portfolios

- Sound valuation practices
- Top-down and bottom-up analysis
- Fundamental models for determining longs and shorts
- Methods for forecasting earnings
- "Black box" approaches to screening and valuation
- Valuing hard-to-value investments
- Accounting principles
- Model risk
- Model selection and asset class
- Fiduciary implications for institutional investors
- New regulatory environment and current regulatory proposals
- Valuation alternatives, including use of side-pockets
- Conflicts of Interests inherent to the valuation process

Speakers:

Donald Murphy, Senior Manager
BEARING POINT

Tim Selby, Partner
ALSTON & BIRD LLP

Susan M. Mangiero, Ph.D., AVA, CFA, FRM, Managing Member
BVA, LLC and Founder, Pension Governance, LLC

3:15 Afternoon refreshment and networking break

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 Menna Lloyd White at 704-889-1298 or at mlloydwhite@frallc.com

3:30

The ABC's of Portable Alpha

- Understanding the portable alpha investment process
- Which hedge strategies fit into a portable alpha program
- Successful alpha implementation

Speakers:

Daniel Celegin, Associate Director
CASEY QUIRK & ASSOCIATES

Catherine Sheridan, Partner
ULYSSES PARTNERS

4:15

Hedge Funds: A Catalyst Reshaping Global Investment

Sean McKee will present a summary of KPMG's recent study on the hedge fund industry, considered to be the most comprehensive study of the industry to date. The presentation will include powerful benchmarking information for any hedge fund industry participant. Issue to be addressed include:

- The expansion of the hedge funds universe
- How hedge funds are diversifying
- How pension funds will approach hedge funds
- How the holy grail of absolute returns produces winners and losers
- The Darwinian consolidation of hedge funds
- Caveat emptor: regulation will not prevent blow ups

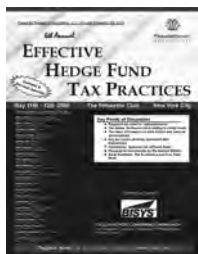
Speaker:

Sean McKee, Partner - Investment Management & Funds Practice
KPMG

5:00

Conference concludes

Financial Research Associates also offers these other upcoming hedge fund courses



The 6th Annual Effective Hedge Fund Tax Practices
May 11th - 12th, 2006



The 7th Annual Hedge Fund Regulation & Compliance Forum
May 22th - 23th, 2006



Hedge Funds Accounting & Administration Forum
June 24th-25th, 2006



The 5th Annual Hedge Funds Analytics Conference
June 26th-27th, 2006

Visit www.frallc.com for more information

Important Information

Four Ways to Register:

- Fax:** 704-889-1292
- Mail:** Financial Research Associates
18705 NE Cedar Drive
Battle Ground, WA 98604
- Phone:** 800-280-8440
- Online:** www.frallc.com

Date & Venue:

Hedge Funds 101&102
June 22-23, 2006

The Harvard Club of New York City

27 West 44th St.
New York, NY 10036
Phone: (212) 840-6600
Fax: (212) 827-1270

If you require overnight accommodations 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
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City Club Hotel	(212) 921-5500
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Fees and Payments:

The fee for attendance at the Hedge Funds 101&102 is:
Forum and Pre-Conference Workshop:\$1995
Forum only.....\$1695

Please make checks payable to **Financial Research Associates**, and write code **B351 and attendees name** on your check. You may also pay by Visa, MasterCard, American Express, or Discovery. Purchase orders are also accepted. Payments must be received no later than June 15, 2006.

Group discounts are available; for more information, please call Mary Applegate at 704-889-1290 or email mapplegate@frallc.com.

Cancellations:

If you cancel four weeks or more in advance of the conference, you can expect a full refund or voucher. Cancellations occurring two to four weeks prior to the conference date receive a \$200 refund or a full voucher to another FRA event. If you cancel any time after June 7, 2006, you will receive a voucher, which can be used at any FRA event within the calendar year.

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.

Earn CPE Credits



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Hedge Funds 101 & 102

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June 22-23, 2006
The Harvard Club of New York

Hedge Funds 101 & 102



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