Financial Research Associates, LLC

Proudly Presents The 3rd Annual

ALPHA-BETS™ 2007

Newest Trends in Alpha-Generating Investment Strategies

February 12-13, 2007 The Flatotel, Midtown Manhattan, NYC

Our Distinguished Speaking Faculty

Eric Busay, **CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS)**
Glenn Hosokawa, **CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM (CalSTRS)**
Chris Paolino, **UNITED TECHNOLOGIES**
Casey Jones, **INVESTMENT COMMITTEE MARIN COUNTY RETIREMENT, SACRS**
Bill Morris, **COLORADO FIRE & POLICE PENSION ASSOCIATION**
Donald Pierce, **SAN BERNARDINO COUNTY EMPLOYEES' RETIREMENT SYSTEM**
Joyce L. Miller, **NEW YORK CITY RETIREMENT SYSTEMS**
Denise Nappier, **STATE OF CONNECTICUT (invited)**
Bradley Imamura, **CITY OF SAN JOSE FEDERATED CITY EMPLOYEES' RETIREMENT SYSTEM** *(Former Chair and Board Trustee)*
Michael Peskin, **MORGAN STANLEY INVESTMENT MANAGEMENT**
Nir Yarden, **BRYAN CAVE LLP**
Charles Shorter, **ERNEST & YOUNG**
Ronald G. Layard-Liesching**, PARETO PARTNERS**
Sean McShea, **RYAN LABS, INC**
Daniel Raab, **AIG FINANCIAL PRODUCTS CORP.**
Jim Knowles, **YORK INVESTMENT STRATEGIES**
John Shearman, **ALBOURNE AMERICA LLC**
Dr. Arun Muralidhar, **M-CUBE**
Keith W. Abell, **GSC GROUP & TISHMAN SPEYER GSC**
Marc R. Halle, **PRUDENTIAL REAL ESTATE INVESTORS**
Edgar Peters, **PANAGORA ASSET MANAGEMENT**
Josh Galper, **VODIA GROUP**
Mark Ruloff, **WATSON WYATT INVESTMENT CONSULTING**
Kenneth Buffin, **BUFFIN PARTNERS**
Sharath Sury, **S4 CAPITAL**
Stuart Feffer**, LACROSSE GLOBAL FUND SERVICES**
Anthony Gould, **LEHMAN BROTHERS**
Matthew O'Connor, **LEHMAN BROTHERS**
Christopher Kundro, **LACROSSE GLOBAL FUND SERVICES**
Susan M. Mangiero, **BVA, LLC**
Felicity Gates, **RREEF - NEW YORK**
Adam Kobor, Ph.D, CFA., **THE WORLD BANK**
Jacques Lussier, **DESJARDINS GLOBAL ASSET MANAGEMENT**
Ric Thomas, **STATE STREET GLOBAL ADVISORS**
Barry Goodman, **THE MILBURN CORPORATION**
Ralph Segreti, **BARCLAYS CAPITAL**
Pierre Sequier, **SINOPIA**
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Maximize Your Alpha - Learn The Latest Strategies!

- Emerging **Liability-Driven Investment** and **Portable Alpha strategies**
- Relaxing long-only constraints: **130/30** strategies
- Search for "unfunded alpha" in **currency & commodities**
- **Beta management** - Repackaging Beta risks using portfolio replication; Synthetic fixed income betas; Informed rebalancing strategy
- New opportunities in **global real estate** and **infrastructure**

Get The Plan Sponsors' Perspective!

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CURRENCY

UNITED TECHNOLOGIES
LDI & PORTABLE ALPHA

COLORADO FIRE & POLICE PENSION ASSOCIATION
PORTABLE ALPHA

CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM (CalSTRS)
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SAN BERNARDINO COUNTY EMPLOYEES' RETIREMENT SYSTEM
BETA MANAGEMENT

CITY OF SAN JOSE FEDERATED CITY EMPLOYEES' RETIREMENT SYSTEM
(FORMER BOARD MEMBER)
GLOBAL REAL ESTATE

STATE OF CONNECTICUT *(invited)*
EMERGING MANAGERS

To Register: Call 800-280-8440 or visit us at www.frallc.com

Are you Achieving Superior Returns?

Hear Powerful, New Investment Strategies for Generating Alpha from Leading Plan Sponsors and Investment Experts

Dear Colleague,

In a time of low returns, investors are increasingly pursuing unique alpha-generating investment strategies to address unfunded commitments. Alpha-Bets™2007 showcases the most compelling and promising of these latest investment trends.

This is your chance to hear the **most senior and influential plan sponsors, money managers and expert consultants share their challenges and successes from concept to implementation** with the following high-performance strategies:

- Liability-driven investing
- Portable alpha
- 130/30
- Emerging managers
- Beta management
- Risk management
- Infrastructure investing
- Currency investing
- Commodities investing
- Global real estate investing

Understanding these strategies is critical for generating alpha in your portfolio. **Alpha-Bets 2007 will give you the information you need to make investment decisions crucial to boosting alpha in your portfolio!**

I look forward to seeing you in February!

ALPHA-BETS™ 2007 SUMMIT

Register today! Call 800-280-8440 or register online at www.frallc.com.

Sincerely,

Amy Honjo

Amy Honjo, Conference Director
FINANCIAL RESEARCH ASSOCIATES LLC

PS. This event promises to sell out - register early to save your spot!

Signup for our Pre-Summit Workshop:

Nuts and Bolts Primer on the Latest Investment Strategies

Practical know-how for plan sponsors, investors, consultants and money managers

Learn the terminologies and definitions of the various types of new investment strategies available to pension plans including portable alpha, LDI, 130/30, and beta management. Also learn the basic actuarial, accounting and regulatory rules & guidelines that influence how pension plans invest money.

Quotes from Past Alpha-Bets™ Summits

"Topics were great!"

"Excellent talks! Large amount of useful and relevant information that will allow me to serve my clients better and have a better understanding of client policies and challenges that they face."

"Well organized"

"Met many great people and got to learn what others are thinking"

"Good session topics & very effective presentations"

"The conference was very informative and thought provoking. I though it was well organized and the folks from FRA made sure the schedule was maintained."

"Great mix of topics and excellent speakers"

"Great conference"

"Excellent - the people, the program, the venue"

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alternative investment news

Who Should Attend?

- Pension fund investment executives: CIOs, CFOs, heads of investments, directors of fixed income, directors of equity, heads of alternative investments, risk managers, controllers, portfolio managers
- Pension fund trustees
- Endowment & Foundation Executives
- Domestic and internationals asset management firms: Chief Investment Officers, Heads of Investments, Directors of Fixed Income, Directors of Equity
- Alternative investment management firms
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- Managed futures managers
- Currency managers
- Commodities managers
- Private equity managers
- Real estate managers
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- Accounting firms
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Day 1

Monday, February 12, 2007

8:00 - 9:00
Workshop Registration & Continental Breakfast

Pre-Summit Workshop

9:00 - 11:45

Nuts and Bolts Primer on the Latest Investment Strategies!

Learn the terminologies and definitions of the various types of new investment strategies available to pension plans including

- Portable Alpha - separating alpha and beta returns
- Liability-Driven Investing
- 130/30
- Beta management

Also learn the basic actuarial, accounting and regulatory rules and guidelines that influence how pension plans invest money.

Workshop Leaders:
Matthew O'Connor, *Senior Vice President, Alternative Portfolio Solutions Group*
LEHMAN BROTHERS

Nir Yarden, *Partner*
BRYAN CAVE LLP

Mark Ruloff, *Director, Asset Allocation*
WATSON WYATT INVESTMENT CONSULTING

Kenneth Buffin, *Principal*
BUFFIN PARTNERS

11:45 - 12: 45
Luncheon for workshop attendees

Main Conference

12:45 - 1:00

Chairman's Welcome

Ronald G. Layard-Liesching, *Chief Investment Officer*
PARETO PARTNERS

1:00 - 1:30 Keynote

Defined Benefit Plans and Portable Alpha

A major development impacting defined benefit plans is the move to a corporate/public finance analytic framework, combined with the ability to split alpha and beta.

Keynote Speaker:
Michael Peskin, *Managing Director*
MORGAN STANLEY INVESTMENT MANAGEMENT

1:30 - 2:15

Experts' Roundtable: New Trends in Liability-Driven Investments

New accounting rules and regulations are encouraging a paradigm shift that emphasizes risk analysis and liability-driven investing (LDI). Hear the latest LDI solutions and implementation techniques that plan sponsors are using to mitigate risk, address the new accounting rules, and take-on the under-funding challenge. Specifically, hear United Technologies discuss how they use portable alpha in their LDI strategy.

Panelists:
Plan Sponsor
Chris Paolino, *Senior Analyst*
UNITED TECHNOLOGIES

Susan M. Mangiero, *Managing Member & Founder*
BVA, LLC

Jim Knowles, *Managing Director*
YORK INVESTMENT STRATEGIES

Pierre Sequier, *Global Chief Investment Officer*
SINOPIA

Moderator:
Sean McShea, *President*
RYAN LABS, INC

2:15 - 3:00

Portable Alpha–the Great Debate!

Is Portable Alpha a viable investment strategy?

- Hear the key implementation challenges and risk management issues from two pension funds and investment experts who have successfully implemented portable alpha including:
  - Understanding inflation in the context of an alpha generation portfolio
  - Managing earnings volatility while striving for yield enhancement
- Discuss the emerging intersection between "liability-driven investment strategies" and portable alpha

Panelists:
Plan Sponsor
Casey Jones
Chairman, INVESTMENT COMMITTEE MARIN COUNTY RETIREMENT
& Past President, SACRS

Plan Sponsor
Bill Morris, *Chief Executive Officer*
COLORADO FIRE & POLICE PENSION ASSOCIATION

Ralph Segreti, *Director, Global Inflation-Linked Product Manager*
BARCLAYS CAPITAL

Moderator:
John Shearman, *Senior Consultant*
ALBOURNE AMERICA LLC

Important Information

Alpha-Bets™ Summit 2007

February 12-13, 2007

The Flatotel
Midtown Manhattan, NYC

To Register:

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

The Flatotel
135 West 52nd Street
New York, NY 10019
Telephone: 212.887.9400

3:00 - 3:30
Afternoon Refreshments

3:30- 4:00

Impact of Pension Reform for Managers and Institutional Investors

Managing and Transacting Pension Plan Assets: New Opportunities and Risks

- New opportunities for management/transaction of pension fund assets created by the Pension Protection Act
- Emerging risks for plan sponsor investors, managers and service providers
- Practical steps to capitalize on increased pension fund flow and implement liability immunization policies

Speaker:
Nir Yarden, *Partner*
BRYAN CAVE LLP

4:00 - 5:00

Short Selling Strategies: The Hype & the Realities

The popularity of short strategies - including long-short strategies such as 120/20, 130/30 - is skyrocketing. Learn why and how investors are implementing these strategies.

- Discuss the benefits of short selling strategies in various investment environments; Specifically, examine the return advantage of removing the long-only restraint and increasing your active return
- Gain insights to the unique execution challenges posed by short and long-short strategies
- Hear how these strategies can be done better

Panelists:
Edgar Peters, *Chief Investment Officer*
PANAGORA ASSET MANAGEMENT

Ric Thomas, *Portfolio Manager*
STATE STREET GLOBAL ADVISORS

Rex Holsapple, *Managing Director*
SANDY RIVER INVESTMENT CONSULTING

Josh Galper, *Managing Principal*
VODIA GROUP

Moderator:
Sandy Chotai, *Executive Director*
MORGAN STANLEY

5:00 - 6:00
Gala Reception
Sponsored by Morgan Stanley

Morgan Stanley

Day 2

Tuesday, February 13, 2007

8:15 - 8:45
Registration and Continental Breakfast

8:45 - 9:00

Chairman's Day One Re-Cap and Welcome

Ronald G. Layard-Liesching, *Chief Investment Officer*
PARETO PARTNERS

9:00 - 9:30 Keynote

New Trends in Emerging Managers

Invited Keynote Speaker:
Denise Nappier, *Treasurer*
STATE OF CONNECTICUT

9:30 - 10:15

Risk Management in the Pursuit of Alpha

Including Risk Measurement, Risk Attribution and Risk Budgeting

The Role of the Evaluation of Risks:
Alpha vs. Beta Risk Identification/Separation

- Learn how to identify risks that are "beta" based and therefore useful in the defeasement of market related liabilities (LDI)
- Learn how to identify "alpha" based risk which is uncorrelated
- Examine the direct practical effects on asset allocation and fees paid

The Principles and Practice of Risk Budgeting

- Learn how and where to spend risk optimally
- Understand allocation between alpha and beta risk, as well as across different sources of alpha

Panelists:
Sharath Sury, *Chief Executive Officer*
S4 CAPITAL

Christopher Kundro, *Co- Chief Executive Officer*
LACROSSE GLOBAL FUND SERVICES

Adam Kobor, *Senior Investment Officer*
THE WORLD BANK

Moderator:
Stuart Feffer, *Co- Chief Executive Officer*
LACROSSE GLOBAL FUND SERVICES

10:15 - 10:30
Morning Refreshment Break

Fees and Payments:

The fee for qualified plan sponsors* for attendance for the Workshop and the Summit is: **$990**
The fee for qualified plan sponsor* for attendance for the Summit is: **$795**

The fee for attendance for the Workshop and the Main Conference is: **$1995**
The fee for attendance for the Main Conference is: **$1695**

*Plan sponsors must be approved by Financial Research Associates to receive discount

Please make checks payable to Financial Research Associates, and write code B411 on your check. You may also pay by Visa, MasterCard, American Express, or Discover. Purchase orders are also accepted. Payments must be received no later than February 5, 2007.

Should you require overnight accommodations, please **contact the hotel at least 30 days prior** to the conference and advise them that you are attending Financial Research Associates' 7th Annual Investment Adviser Compliance Forum to receive the negotiated conference discount rate. Within 30 days of the conference, prevailing hotel rates may be quoted, as the conference rate is no longer guaranteed. Book early! The hotel will sell-out!

Group Discounts are available; for more information, please call Tracy McLaughlin at 704-889-1291 or email her at tmclaughlin@frallc.com. Group discounts can only be issued through the group sales department. They are not available via website or through the #800 registration line. In order to secure a group discount, all delegates must place their registrations at the same time. Group discounts cannot be issued retroactively.

10:30 - 11:30

Unique Cost Effective Approaches to Beta Management

Hear the unusual approaches to Beta management that plan sponsors are taking and why these approaches are so successful.

- **Informed rebalancing strategy - the plan sponsor perspective**
  Hear how San Bernardino County Employees' Retirement System selected, implemented and currently manages a very successful beta management strategy: informed rebalancing.
- **Repackaging Beta risks using portfolio replication**
  Over the last few years, academicians and research professionals have been working on new methodologies enabling the investor to replicate the return distribution of complex portfolios using a relatively small number of liquid financial instruments. These methodologies may also allow investors to create their very own risk/return profile at low cost and can be applied traditional long only multi-asset class portfolios as well as to alternative strategy portfolios.
- **Synthetic fixed income betas**
  Increasing numbers of portable alpha strategies have been developed using fixed income betas. These offer exposures either to widely used fixed income indices, including the Lehman Aggregate, but also for Liability-Driven Investing strategies where a custom beta is constructed to mirror pension liabilities.

Panelists:
Plan Sponsor
Donald Pierce, *Investment Officer*
SAN BERNARDINO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Anthony Gould, *Sr. Vice President*
LEHMAN BROTHERS

Jacques Lussier, *Vice President Securities Investments and Financial Engineering*
DESJARDINS GLOBAL ASSET MANAGEMENT

Moderator:
Dr. Arun Muralidhar, *Chairman*
M-CUBE

Searching for Alpha beyond Hedge Funds

11:30 - 12:15

The Appeal of Infrastructure

- Learn how the public sector is opening up for private investments and how plan sponsors, including the New York City Retirement Systems, are incorporating infrastructure into their investment strategies
- Discuss how to establish your portfolio strategy
- Examine the risk and return characteristics for the various types of infrastructure investments

Panelists:
Plan Sponsor
Joyce L. Miller, *Director of Real Estate*
NEW YORK CITY RETIREMENT SYSTEMS

Felicity Gates, *Director, Private Equity*
RREEF - New York

Moderator:
Charles Shorter, *Executive Director. Transaction Advisory Services/Public Private Partnerships*
ERNEST & YOUNG

12:15 - 1:30
Lunch

1:30 - 2:45

The Unfunded Alpha: The Case for Currency and Commodities

Panelists:
Plan Sponsor
Eric Busay, *Portfolio Manager*
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS)

Daniel Raab, *Managing Director*
AIG FINANCIAL PRODUCTS CORP.

Plan Sponsor
Glenn Hosokawa, *Portfolio Manager*
CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM (CalSTRS)

Barry Goodman, *Executive Vice President*
THE MILBURN CORPORATION

Opening Keynote & Moderator:
Ronald G. Layard-Liesching, *Chief Investment Officer*
PARETO PARTNERS

2:45 - 3:00
Break

3:00 - 3:45

The Search for Alpha in High-Performance Global Real Estate Investments

Now more than ever investors are searching for ways to maximize portfolio returns. How can global real estate help improve performance and diversification for your fund? Experts help you navigate your way through this asset class. Select the option that best suits your fund's size, risk tolerance, and investment strategy.

- Global real estate and risk tolerance
- Which real estate sectors have survived the economy?
- How are REITs performing?

Speakers:
Keith W. Abell
Vice Chairman, GSC Group
Co-Chairman, Tishman Speyer GSC.

Marc R. Halle, *Managing Director*
PRUDENTIAL REAL ESTATE INVESTORS

Plan Sponsor Perspective
Bradley Imamura, *Former Chair and Board Trustee*
CITY OF SAN JOSE FEDERATED CITY EMPLOYEES' RETIREMENT SYSTEM

3:45
Conference Adjourns

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 $175 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 $175 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.

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To learn more about sponsorship opportunities, please contact Kevin Weigel at 704-889-1296 or kweigel@frallc.com

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P r o u d l y P r e s e n t s T h e 3rd A n n u a l

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Newest Trends in Alpha-Generating Investment Strategies

Signup for our Pre-Summit Workshop:

Nuts and Bolts Primer on the Latest Investment Strategies

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