



Invested in America

| asset management group

Benefits *of* Membership

Victor Siclari, *BNY Mellon Asset Management, Chair*

Bill Thum, *Vanguard, Vice Chair*

Jeffrey Hiller, *Principal Global Investors, Treasurer*

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WHO WE ARE

SIFMA's AMG is the voice for the buy side within the securities industry, broader financial markets, and beyond. Collectively, members of AMG represent approximately \$20 trillion of assets under management. Membership is diverse, ranging from the largest global financial players to independent, small firms across the country. Relying on the experience of its leadership and elite membership, AMG has a demonstrated ability to prescribe solutions for complex issues that regulators and industry participants alike classify as critical. As part of SIFMA, a leading trade association for the financial industry, AMG is able to leverage extensive resources to update, prioritize and achieve goals on a regular basis. Membership in AMG is open to all registered investment advisers, including both traditional asset managers and hedge funds.

Asset Managers Forum (AMF)

AMG members are automatically included in AMF, the leading organization representing the buy-side operations community. AMF brings together subject matter experts to discuss and develop practical solutions to highly topical operational challenges. Its mission is to provide thought leadership and guidance on pertinent industry issues and to create a premier venue for operations professionals to develop and share best practices in order to drive industry change. AMF committees and initiatives are open to all members of AMG.

“AMG’s influence on regulatory reform is demonstrated time and time again through regulator inquiry to AMG members on important trading issues and rule drafting. **AMG is highly effective at marshalling experts to engage in the debate for the protection of investor interests.** Moreover, this energetic group has proven to be excellent venue for information sharing, allowing for an incisive analysis of industry issues and the formulation of a measured view for the benefit of management.” — *Bill Thum, Principal, Vanguard, AMG Vice Chair*

MEMBER BENEFITS

AMG offers a variety of unique opportunities for members to be involved and stay current on critical industry news and developments and most importantly, to achieve policy goals.

- **Advocacy Agenda in Washington** – AMG interacts with key government officials and guides members through the process of advocating their positions on policy initiatives that impact our industry.
- **Relationships and Consensus Building** – AMG provides a forum for senior executives to discuss industry best practices and develop legislative policies.
- **Addressing Your Issues** – AMG staff makes frequent member-visits to ensure our members’ needs are being addressed. Steering Committee members are routinely requested to suggest creative agenda items at each of four AMG Steering Committee meetings that are scheduled each year.
- **Access to the Sell-side** – AMG’s relationship with SIFMA enables member firms to access relevant professionals at broker-dealers to jointly and efficiently resolve common regulatory and market practices concerns. As we continue to navigate through the complexities of Dodd-Frank, this relationship is increasingly important in order to collaborate on issues and avoid disruptions in the marketplace.
- **Reputation Management** – AMG coordinates with SIFMA Communications to publicly represent the interests and positions of asset managers to the media, policymakers, thought leaders and the general public.

“With regulations changing all around us, the operational implications are prevalent. AMF provides a network for the buy-side to discuss operational issues with peers, work on these common challenges and develop best practices. **AMF provides our industry with a voice that has clout.**”

— Mary Stone, Vice President, GE Asset Management

ISSUES WE ARE WORKING ON

Derivatives

- Enact an 18 month delay in implementation from the finalization of Dodd-Frank rules to achieve 100% compliance and avoid a disruption in the financial markets.
- Advocate for substantial reform on critical issues including:
 - Major Swap Participant (MSP)
 - Swap Transparency: Swap Execution Facilities (SEFs) and Real-Time Reporting
 - Position Limits
 - Margin Requirements
 - Business Conduct Standards
 - Rule 4.5/4.13 (proposed Commodity Pool Operator (CPO) exemption amendments)

Fiduciary

- Preserve the current fiduciary standard for institutional asset managers.
- Deter the Department of Labor (DOL) from implementing their own standard until the SEC has finalized the fiduciary issue.

Money Market Reform

- Protect markets from the enactment a floating NAV for money market mutual funds
- Create an objective system of evaluating securities if the reference to credit ratings is removed from 2a-7.

Securitization

- Develop a system where transparency exists for end users to evaluate loan level securities in pools.
- Advocate for an enforcement mechanism to allow recourse for investors, by means of third-party oversight mechanism, in the event of a breach in the offering of reps and warranties.
- Establish a quantifiable “gold standard” for QRM determination.

AMG COMMITTEES

Steering Committee

Accounting Committee

Derivatives Committee

Fiduciary Duty Committee

Market Practices Committee

Money Market Reform Committee

Securitization Committee

Tax Committees (*Federal Tax Committee; Tax Compliance and Administration Committee*)

Volcker Rule Committee

Asset Managers Forum

Systemically Important Financial Institutions (SIFI)

- Ensure clear and objective rules defining SIFIs are established.

Volcker Rule

- Urge regulators to clearly define “private equity fund” and “hedge fund” in a manner that does not improperly sweep in entities into those definitions.
- Make certain rules that support a workable asset management exception under the Volcker Rule.

Operational Issues: Asset Managers Forum (AMF)

- Ensure practical solutions and best practices are developed by industry experts to enhance efficiency in many operations focused initiatives including, OTC derivative processing, including buy-side clearing of derivatives, Fails and TMPG Fails Changes, Tri-party Repo Reform and related operational changes, STP initiatives and to develop new processes spurred on by regulatory change.

OTHER RESOURCES

- **Conferences and Events:** In 2010, more than 18,000 people attended more than 60 events and seminars that focus on the most significant and timely issues facing the financial industry.
- **Member Calls:** AMG hosts conference calls for members-only to provide input on breaking news and issues that affect the industry.



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CONTACT US

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“The Asset Management Group is **an invaluable resource for the buy side**. This group understands the needs of the industry and responds quickly when issues arise. Going forward, **AMG will be increasingly important** as the industry continues to navigate through the changing regulatory environment.”

— James Wallin, Senior Vice President, AllianceBernstein