



**SIFMA Anti-Money Laundering & Financial Crimes Conference**  
**New York, NY**  
**February 5, 2020**

**Welcome and Opening Remarks as prepared for delivery**  
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**Executive Vice President and General Counsel, SIFMA**

Good morning, and welcome to SIFMA's 20<sup>th</sup> Annual Anti-Money Laundering & Financial Crimes Conference.

We've been gathering this group together for 20 years now, and I wanted to spend a moment reflecting on the origins of this important conference on the SIFMA calendar. To put the timeframe of the year 2000 into context, remember this:

- The Summer Olympics were held in Australia, and Michael Phelps, at the young age of 15, made his Olympic debut.
- *Harry Potter and the Goblet of Fire* by J.K. Rowling was published and became the fastest-selling book ever.
- Bush defeated Gore to be elected the 43rd President of the United States. The contest led to a recount in Florida – hanging chads anyone? – and forced the Supreme Court to declare a winner more than a month after Election Day, with Bush securing 537 more votes than Gore.
- Tiger Woods broke the record for the lowest score under par, -19, at St Andrews, and became the youngest person to win The Grand Slam in a 365-day period.
- *Gladiator* was released and would go on to win the year's Academy Award for Best Picture.
- Just before the dot-com bubble burst, the Dow Jones peaked at 11,722, a level it would not return to for more than six years, and the Nasdaq peaked at 5,048, a level it would not reach again until fifteen years later, in March 2015.



*Invested in America*

- Finally, the New York Yankees defeated the New York Mets in five games in the year 2000 World Series, marking the first “subway series” since 1956.

With that quick trip down memory lane, I’d like to touch on another development in the year 2000, and that was the planning of the inaugural SIFMA AML & Financial Crimes Conference. Now I’m aware of two people in our audience today who not only participated in our first conference, but also were part of a small group of industry leaders who pushed for and planned that event. I’m referring, of course, to Betty Santangelo and Steve Shine, who at a small lunch in D.C. in 2000 recognized the need for a first-of-its-kind, broker-dealer-centric AML conference.

Since the mid-1990s, industry leaders such as Betty and Steve had been working on AML programs at their respective firms; collaborating with each other to share information and best practices in an attempt to stay ahead of the bad guys; and educating and training regulators at the SEC, NASD and NYSE, who at that time did not have a developed appreciation or understanding of how bad actors could use broker-dealers to further their criminal conduct. Please join me in a round of applause to recognize Betty and Steve and thank them for their many years of dedicated service to our industry. [APPLAUSE]

Up until 2000, AML regulation was very focused on the banking industry, and the conferences and training were designed for a banking environment. Nothing was being offered by way of industry education for the securities industry. So, our pioneers took it upon themselves, working with SIFMA’s predecessor the SIA, to meet a need that wasn’t being met. As Ray Kinsella says in *Field of Dreams*, “If you build it, [they] will come.” And so they did, with many more than expected attending the very first AML Conference in the winter of 2001.

This quality of taking the initiative to share information and best practices among the industry, while also working closely and cooperatively with Treasury, the SEC, various SROs and law enforcement authorities was never tested as much as in the moments following 9/11. Just a few months after our inaugural AML conference, our industry leaders showed their grit and determination under intense pressure when they were confronted with the chaos of the 9/11 attacks, yet were able to bring together disparate law enforcement and regulatory communities to more effectively and efficiently monitor suspicious activity. In fact, it was our AML Committee leaders who helped organize the



Government into establishing just one centralized list, which became the 314(a) list, of suspected bad actors for different law enforcement agencies.

This is a history for all of us to be very proud of and, more importantly, one that speaks to the successful future I know we'll continue to have in combatting the criminals who seek to use our capital markets and financial system for improper and illegal purposes. To each one of you here today and on the front lines of this constant struggle, I want to say thank you for the time, hard work, and tremendous economic resources you and your firms devote to protecting the U.S. financial system. We can all work together – Government and industry – in trying to stay one step ahead of those who seek to exploit our financial system. That is why we are gathered here today – for our 20<sup>th</sup> Annual – and why this conference remains so important to all of you and to us at SIFMA.

Now I'd like to thank my colleagues, Aseel Rabie and Bernard Canepa, and the Conference Planning Task Force of SIFMA's AML & Financial Crimes Committee, for their help in, once again, creating a truly wonderful program. I'd also like to thank Sarah Green and Justin Mendelsohn, who are this year's co-chairs of the Committee, and I ask that you join me in a round of applause to thank Cathy LaFalce, the Committee's outgoing co-chair, for all her work on behalf of the Committee.

Many thanks as well to our returning sponsors and our new sponsors {show slide} for helping us put on this event. I encourage each of you to take some time over the next two days to stop by and visit with our sponsors, because this event would not be possible without their support.

Finally, a quick note before we kick off with our first speaker: only the morning keynote speakers today and tomorrow are open to the press. The other speakers and all our panels today and tomorrow will be closed to the press, so we can encourage candid dialogue on the topics we'll be discussing.

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And now it's my pleasure to introduce Marc Berger, Director of the SEC's New York Regional Office, and Sarah Green, Global Head of Financial Crimes at Vanguard.



Marc was named Director in December 2017, and before serving at the Commission, he was Global Co-Head of Ropes & Gray's Securities and Futures Enforcement Practice, which focused on white-collar criminal defense, regulatory enforcement, and internal investigations.

From 2002 to 2014, Marc served as an Assistant U.S. Attorney in the Southern District of New York, including serving as Chief of that office's Securities and Commodities Fraud Task Force. In that role, he supervised the investigation and prosecution of some of the nation's highest profile financial and investment fraud cases, including the largest crackdown on hedge fund insider trading in U.S. history.

Sarah is the Global Head of Financial Crimes Officer at Vanguard Group, having joined in 2017, and she leads the compliance teams responsible for AML, trade surveillance, and sanctions programs. Previously, she was the Senior Director for AML Compliance at FINRA, where she supervised FINRA's dedicated AML examination unit, coordinated FINRA's AML enforcement cases, and represented FINRA on the Bank Secrecy Act Advisory Group. Prior to that, she was the Bank Secrecy Act Specialist in the Division of Enforcement's Office of Market Intelligence at the SEC.

Please join me in a warm welcome for Director Berger and Sarah Green.