



***Presents***

**Fiduciary Essentials<sup>™</sup>  
Certificate Program**

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***In association with***



**July 7, 2014**

**Koror, Republic of Palau**

*Trustees and other stewards responsible for public and private benefit funds will learn the higher standards of the prudent investment process being adopted globally.*

## ***"The role of an investment fiduciary is to manage process"***

The recent developments in the capital markets around the world reflect the underlying groundswell of concern over current investment industry practices and the difficulty institutional investors and others in fiduciary roles have in forming trust appropriately.

It is worth considering some observations about this changing market place that will help put this into context. These comments apply to stewards of public and private benefit funds, as well as all service providers.

Over the last few years fi360 has gained many insights from working with these groups and listening to FE™ course attendee concerns, some of these are summarised as follows:

1. Trustees and other fiduciaries now have a heightened awareness when it comes to the due diligence requirements in selecting suppliers of investment services. This trend has accelerated for obvious market related reasons. Globally, the concept of fiduciary obligations and the assessment of service providers against a standard is taking on a heightened significance.
2. Fiduciary obligations are all about trust. Determining who to trust is a daunting prospect yet is a fundamental obligation of those with fiduciary status. Documenting the process used for selection and on-going supervision is costly in terms of time and also demands a level of competency. It is no longer acceptable for those in fiduciary roles to assess service provider or network support competency and integrity in a cursory manner.
3. Overall there has been poor definition of what being an investment fiduciary actually means. The requirement to put client's interests first is the fiduciary standard of care, which is by definition a process standard. Investors too often select providers based on brand and personal relationships in the absence of a sound method to assess a service provider's trustworthiness in terms of processes and procedures.
4. In such an environment, service providers struggle to differentiate themselves. The detail surrounding provision of services is frequently indistinguishable to most investors due to complexity and jargon. The usual explanations of investment offerings also fail to describe how fiduciary obligations are met. Changing the language and delivery of an explanation provides an enormous opportunity for service providers that have tuned their service to a recognised fiduciary standard.
5. In the heightened regulatory environment, more advisers are going to claim they meet fiduciary obligations, but only independent verification of this claim against a documented standard will enable investors and referral sources to form trust quickly, without the need for their own detailed review process.
6. Increasingly, regulators are scrutinizing provider procedures, to ensure clients receive appropriate advice and to assess whether selected service providers are satisfactorily undertaking essential tasks when outsourcing has occurred. They are beginning to look beyond the "claimed" governance controls and service agreements by looking into the outcomes and records at the client or service provider level to see evidence of actual implementation matching the standards claimed.

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### ***Who should participate?***

- Trustees
- Fund Sponsors
- Fund Administrators & Directors
- Investment Committee Members for:
  - Retirement Plans
  - Foundations & Endowments
- Legislators
- Accountants
- Lawyers
- Investment Advisors& Consultants

### ***Curriculum/Certificate***

The FIDUCIARY ESSENTIALS™ Program is a one day classroom-based course, which covers all of the components of a comprehensive investment process and related standards of care. Successful completion of the programme is recognized by the awarding of a Certificate of Completion and allows interested participants to apply for membership in the Fiduciary Academy™.

## ***Program Agenda***

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**Registration & Breakfast from 7:30 a.m. – 8:30 a.m.**

**Course starts promptly at 8:30 a.m.**

<b>8:30 – 9:00</b>	<b>Introduction to the History and Significance of the Fiduciary Standard</b>
<b>9:00 – 9:30</b>	<b>Laws and Governing Documents for Fiduciaries</b>
<b>9:30 – 10:30</b>	<b>The Fiduciary Duty to Diversify</b>
<b>10:30 – 10:45</b>	<b>Break with Refreshments</b>
<b>10:45 – 11:15</b>	<b>Crafting an Effective Investment Policy Statement</b>
<b>11:15 – 12:00</b>	<b>Performing Effective Due Diligence</b>
<b>12:00 – 12:45</b>	<b>Controlling and Accounting for Investment Costs</b>
<b>12:45 – 1:30</b>	<b>Lunch Served</b>
<b>1:30 – 2:30</b>	<b>The Fiduciary Duty to Monitor</b>
<b>2:30 – 3:15</b>	<b>Dealing with Conflicts of Interest</b>
<b>3:15 – 3:30</b>	<b>Break with Refreshments</b>
<b>3:30 – 5:30</b>	<b>Practical Scenarios and Wrap Up</b>



# Fiduciary Essentials™ for Stewards:

## *Seven Principles Every Fiduciary Must Know*

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### **Overview**

A fiduciary manages the assets of another person and is required by law to always act in the best interests of the client, beneficiary, or retirement plan participant. Yet many fiduciaries are not fully aware of their duties and responsibilities, let alone educated on how to fulfil those duties to the standard of care required by law.

Fiduciary Essentials™ for Investment Stewards instructs trustees, investment committee members, advisors, attorneys and accountants on how they can improve their fiduciary services and minimize their personal liability.

### **Training**

#### *fi360's Seven Global Fiduciary Precepts*

The core legislative and regulatory acts that govern the conduct of all investment fiduciaries (ERISA, UPIA, UPMIFA, MPERS) have seven essential principles common to all of them. The Fiduciary Essentials™ course teaches Investment Stewards these seven global fiduciary precepts, and how they can use them to better understand and manage their fiduciary role.

The Fiduciary Essentials course also provides a unique overview of the following area:

- Fiduciary standard of care
- Investment Policy Statements (IPS)
- Key documentation for fiduciary purposes
- Self-Assessment of Fiduciary Excellence
- Monitoring investments on an on-going basis

Learning Objectives:

1. Identify when an organization or individual may be deemed to have fiduciary status;
2. Define fiduciary excellence;
3. Assess the extent an organization conforms to a fiduciary standard of excellence; and,
4. Identify actions to confirm to fiduciary excellence.

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## **Benefits**

**MAXIMIZE** your effectiveness in meeting the needs of those who depend on you.

**MINIMIZE** risk of liability by adhering to a defined fiduciary standard of care substantiated by legislative acts, case law and regulatory opinion letters.

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## **Did you know that:**

1. Ignorance is not a viable defence.
2. Over 90% of the variation in returns among portfolios is due to asset allocation.
3. Preparation and proper execution of the IPS is the most important responsibility an investment fiduciary performs.
4. You must either be the prudent expert or delegate to prudent experts who are prudently selected.
5. "It is imprudent to waste money." (Quoted from Commentary to the UPIA)
6. Monitoring is the most time consuming activity of an investment fiduciary, and the one where most fiduciary breaches are found.
7. The most egregious scandals are those where fiduciaries have parlayed their positions of trust for personal profit

*"The Fiduciary Essentials seminar was exceptionally helpful, both for the information presented at the time and for the follow up assistance generously provided by fi360. I left the seminar with an armful of resources and ideas, which I've been putting into practice ever since. This is one of those rare learning experiences that has really had a lasting impact."*

*Rayna Aylward*

*Executive Director, Mitsubishi Electric Foundation*

## *Fiduciary Essentials™ Program*

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### **Registration**

Registration Fee: USD 800.00.

This represents an APAFS negotiated discount from the normal course cost.

#### INCLUDES:

- Delegate course satchel, notebook and all course materials
- Continental breakfast, served lunch and refreshments
- Fiduciary Essentials™ Completion Certificate
- Option to apply for Fiduciary Academy™ membership

Contact: Ashley K. Roland, AIF®, APAFS Administrator, with questions regarding this course:

Office Telephone: + 1 (671) 477-0808

Office Facsimile: + 1 (671) 477-0818

Cellular Telephone: + 1 (671) 688-2507

Email: [admin@apafs.org](mailto:admin@apafs.org)

### **Cancellation Policy**

1. Cancellations received more than 4 weeks prior to course date, will receive a full refund.
2. Cancellations received between 4 weeks to 2 week prior will receive a 50% refund, or 100% if replacement is found
3. Cancellations received within 2 week of the course will forfeit the registration fee unless a replacement is found.

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### **Dress Code**

Smart casual dress is suitable for the program.

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# Registration Form

## Fiduciary Essentials™ Program July 7, 2014 Koror, Republic of Palau

### Delegate Information:

Surname:	Title: Dr/Mr/Mrs/Ms/Prof
First Name:	Organization:
Postal Address:	
City:	Country:
Telephone: [    ]	Facsimile: [    ]
Email:	Mobile: [    ]
How Did You Hear About This Course?	

### Registration Payment

A receipt for your registration payment will be sent to you along with confirmation of your registration.

**Check** - Please make check for USD 800 payable to: *Asia Pacific Association for Fiduciary Studies* and mail to:

Asia Pacific Association for Fiduciary Studies  
Capitol Plaza Building, Suite 102  
Hagatna, Guam 96910

**Bank Wire Transfer** – Please wire transfer Registration Fee payment of USD 800 to:

ABA Routing Number: 321480406  
Account Name: Asia Pacific Association for Fiduciary Studies  
Bank Name: Community First Guam Federal Credit Union  
Bank Acct. No.: 140066-002

**PLEASE COMPLETE THIS FORM IN ITS ENTIRETY**

**SCAN AND SEND BY EMAIL TO: [admin@apafs.org](mailto:admin@apafs.org)**

**OR**

**SEND BY FACSIMILE TO: + 1 (671) 477-0818**

**fi360 Pacific™**

**APAFS**  
ASIA PACIFIC ASSOCIATION  
FOR FIDUCIARY STUDIES





Graduates of the Accredited Investment Fiduciary™ Training Program held in Manila, Philippines pose for a group photo. The AIF™ Training Program, led by fi360, was brought again by the Asia Pacific Association for Fiduciary Studies. The 2-day AIF™ Training Program allows each participant to earn the AIF™ designation, one of the most sought-after designations in the field of investments.

**The 4<sup>th</sup> Accredited Investment Fiduciary™ Training  
Program to be held in the Asia Pacific Region  
&**

**The 14th Annual Pacific Region Investment Conference  
are coming to Manila, Philippines on  
November 11 - 12 and 13 - 14, 2014 respectively!**

Register now by logging on to  
[www.apafs.events.brandspeakasia.com](http://www.apafs.events.brandspeakasia.com) or to  
[www.apafs.org](http://www.apafs.org) for more details!

Don't miss out!

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