

AFP[®] Annual Conference



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INFORMATION



Inside Washington – AFP's Government Relations, Legislative, Regulatory & 2010 Elections Update

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AFP Advocacy – Who We Are

- The Advocate for Treasury and Financial Professionals
- AFP communicates on behalf of our members with policy makers and opinion leaders including:
 - Congress;
 - Administration and Federal Agencies;
 - Rule-Making Bodies such as the SEC, Public Company Accounting Oversight Board & NACHA; and
 - The Media.

AFP Advocacy – What We Do

- AFP identifies issues and advocates on behalf of its members through a series of groups:
 - Government Relations Committee
 - AFP's Political Action Committee (PAC)
 - Committee on Investment of Employee Benefit Assets (CIEBA)
 - Payments Advisory Group (PAG)
 - AFP's Board of Directors
 - Staff and Subject Matter Experts
- These groups are member-driven and rely heavily on member input in determining issues, priorities, and representing the profession.

AFP's Government Relations Committee (GRC)

- AFP's Government Relations Committee (GRC) meets twice a year in Washington, DC to meet with policy makers and discuss AFP's Public Policy Agenda.
- The GRC consists of senior-level corporate practitioners from a diverse range of businesses and backgrounds.
- The GRC is divided into three broad task forces:
 - Financial Markets
 - Payments & Technology
 - Financial Accounting & Investor Relations (FAIR)

AFP's Political Action Committee (AFP PAC)

- AFP's PAC contributes to the campaigns of incumbent federal legislators that are supportive of finance and treasury professionals.
- 100% of donations come from AFP members and AFP Staff.
- AFP PAC's Board of Trustees Consists of Senior AFP Corporate Practitioners and AFP Staff.
 - All donations are approved by the Board of Trustees.
 - AFP PAC balances donations between political parties.
- AFP PAC serves a valuable purpose in raising our members' profile on Capitol Hill.

AFP Advocacy – Our Successes

- Some Major Accomplishments in 2009 & 2010:
 - AFP Vice Chairman Michael Connolly Testified before the first joint hearing of the SEC & CFTC.
 - AFP GRC members met with CFTC Chairman Gary Gensler.
 - AFP President & CEO Jim Kaitz testified before the SEC on Credit Rating Agency Reform.
 - AFP GRC Members met with White House National Economic Council Staff.
 - AFP GRC & Payments Advisory Group (PAG) took part in a conference call with the Government Accountability Office (GAO) on Interchange Fees and took part in a follow up meeting.
 - AFP GRC members met with the Department of Justice on Interchange Fees.
 - AFP and our members have played a key role in formulating derivatives policy in the current legislative effort.
 - AFP GRC members met with SEC senior staff to discuss derivatives reform, credit rating agency reform and money market 2a7 rules. Our position and suggestions were included in several final proposed and interim rules.

The New Regulatory Regime – Dodd-Frank

- The main aspects of regulatory reform include:
 - Systemic Risk Regulation/Mitigation
 - Hedge Fund Regulation
 - Consumer Financial Protection
 - National Insurance Regulation
 - Derivatives Regulation
 - “The Volker Rule”

Dodd-Frank: Major Details

- AFP is focusing on a few key aspects of regulatory reform:
 - Derivatives Regulation
 - Credit Rating Agency Reform
 - Financial Accounting & Reporting
 - Payments Regulation

Reforming the OTC Derivatives Markets

- Dodd-Frank makes changes to exchange trading, clearing, and market & capital requirements to mitigate systemic risk.
- AFP played a key role in educating legislators and regulators of the critical needs of end-users and the potential effects of stringent derivatives legislation.
- We are forging relationships with future regulators on sensible rules to achieve the goals of the legislation.

Credit Rating Agency Reforms

- AFP has been sounding warnings about the role of rating agencies for years.
- Congress and regulators view rating agencies as a key problem but the law does little in the way of fundamental and systematic change.
- AFP has worked with legislators to try to determine the best methods to ensure ratings are timely and reliable.
 - Continue to be a leader in reforming credit rating agencies to ensure transparent and efficient markets;
 - Advocate for systemic reforms that promote accountability, competitiveness and transparency;
 - Continue to educate policy makers on these issues and encourage additional action.

Other Issues

- **Payments**
 - Interchange
 - Data Security
 - Wire Transfer
- **Accounting**
 - Rules
 - Convergence
- **Retirement**
 - DB Funding Relief
 - 401 (k) Fee Disclosure

2010 Midterm Elections

- Results and what the shift means to AFP members.

Questions/Concerns?

- What are your priorities?
- What do you think should be done to increase access to credit?
- What are your concerns about regulatory reform?
- How can AFP better represent your interests in DC?

Get Involved

- Feel free to contact AFP's Staff with your input
- We are *YOUR* advocate in Washington, DC
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