

INVESTMENT ETHICS: TODAY'S CHALLENGES

Panelist Biographies

John Bogle

Founder, Vanguard Group, Inc.

President, Bogle Financial Markets Research Center

John C. Bogle is Founder of The Vanguard Group, Inc., and President of Vanguard's Bogle Financial Markets Research Center. He created Vanguard in 1974 and served as Chairman and Chief Executive Officer until 1996 and Senior Chairman until 2000. He had been associated with a predecessor company since 1951, immediately following his graduation from Princeton University, *magna cum laude* in Economics. He is a graduate of Blair Academy, class of 1947.

The Vanguard Group is one of the two largest mutual fund organizations in the world. Headquartered in Malvern, Pennsylvania, Vanguard comprises more than 120 mutual funds with current assets totaling \$1 trillion. Vanguard 500 Index Fund, the largest fund in the group, was founded by Mr. Bogle in 1975. It was the first index mutual fund. The story of his life and career is told in *John Bogle and the Vanguard Experiment: One Man's Quest to Transform the Mutual Fund Industry*, by Robert Slater (1996).

In 2004, *TIME* magazine named Mr. Bogle as one of the world's 100 most powerful and influential people, and *Institutional Investor* presented him with its Lifetime Achievement Award. In 1999, *Fortune* designated him as one of the investment industry's four "Giants of the 20th Century." In the same year, he received the Woodrow Wilson Award from Princeton University for "distinguished achievement in the Nation's service." In 1997, he was named one of the "Financial Leaders of the 20th Century" in *Leadership in Financial Services* (Macmillan Press Ltd., 1997). In 1998, Mr. Bogle was presented the Award for Professional Excellence from the Association for Investment Management and Research, and in 1999 he was inducted into the Hall of Fame of the Fixed Income Analysts Society, Inc.

Mr. Bogle is a best-selling author. More than 500,000 copies of his four books have been purchased, beginning with *Bogle on Mutual funds: New Perspectives for the Intelligent Investor* (1993), *Common Sense on Mutual Funds: New Imperatives for the Intelligent Investor* (1999), *John Bogle on Investing: The First 50 Years* (2000), and *Character Counts: The Creation and Building of The Vanguard Group* (2002). His fifth book, *Battle for the Soul of Capitalism*, was published by Yale University Press in September 2005.

Mr. Bogle served as Chairman of the Board of Governors of the Investment Company Institute in 1969-1970, and as a member of the Board in 1969-1974. In 1997, he was appointed by then-U.S. Securities and Exchange Commission Chairman Arthur Levitt to serve on the Independence Standards Board. In 2000, he was named by the Commonwealth's Chamber of Commerce as Pennsylvania's Business Leader of the Year.

He has served as Chairman of the Board of the National Constitution Center since September 1999, and was a Director of Instinet Corporation until December 2005. He is a member of The Conference Board's Commission on Public Trust and Private Enterprise, the American Philosophical Society, and the American Academy of Arts and Sciences. A Trustee of Blair Academy, he served as Chairman in 1986-2001. He also serves on the Investment Committee of the Phi Beta Kappa Society. He has received honorary doctorate degrees from the University of Delaware, University of Rochester, New School University, Susquehanna University, Eastern University, Widener University, Albright College, Pennsylvania State University, Drexel University, Immaculata University and Princeton University.

Bruce Buchanan

Director, Markets, Ethics & Law Program

C.W. Nichols Professor of Business Ethics, NYU Stern School of Business

Bruce Buchanan is the Director of the Markets, Ethics & Law program, the C.W. Nichols Professor of Business Ethics, and Professor of Marketing at the Stern School. He teaches courses in Professional Responsibility, Marketing Concepts, Marketing Research, Corporate Social Responsibility, and Statistics. His research interests include business and professional ethics, business self-regulation, advertising claim substantiation, and market research methodology. Professor Buchanan's articles have appeared in Journal of Advertising Research, Journal of Marketing Research, Marketing Science, Psychometrika, and Harvard Business Review. He has consulted to numerous companies and acted as a pro bono consultant to the National Advertising Division (NAD) of the Council of Better Business Bureaus in matters of ad claim substantiation, and has been a Visiting Professor at Harvard Business School and Yale SOM. Professor Buchanan received his B.S.E.E. from M.I.T. and his Ph.D. in Business Economics from Columbia University.

William H. Donaldson

27th Chairman

Securities and Exchange Commission

William H. Donaldson has spent more than 40 years at the highest levels of business, government and academia. Until June 30, 2005 he served as the 27th Chairman of the Securities and Exchange Commission. As SEC Chairman, Mr. Donaldson was the chief regulator of America's securities markets and chief enforcer of the nation's securities laws. His tenure marked the greatest period of activity of the Agency since its founding in 1934.

Prior to heading the SEC, Mr. Donaldson was Chairman, President and Chief Executive Officer of Aetna, Inc. one of the nation's largest providers of health insurance and related benefits, and before that he served as Chairman and Chief Executive of the New York Stock Exchange. Earlier in his career, he was the Co-Founder, Chairman and Chief Executive Officer of the investment banking firm of Donaldson, Lufkin & Jenrette (DLJ) and helped found its wholly owned subsidiary the Alliance Capital Management Corporation. He was selected as Business Man of the Year by the Associated Press when DLJ became the first NYSE firm to sell its shares to the public.

He left DLJ to accept a Presidential appointment as United States Undersecretary of State under Secretary Henry Kissinger and subsequently served as Counsel to the then Vice President of the United States, Nelson Rockefeller. Following that, he was the Founding Dean and William S. Beinecke Professor of Management at the Yale University School of Management.

He has been a director of fourteen publicly held corporations and a number of privately held businesses. He has served as Chairman of the Carnegie Endowment for International Peace and on the boards of numerous philanthropic, arts and educational institutions, among them The Ford Foundation, Lincoln Center for the Performing Arts and Yale University. He has received a number of honorary degrees and awards.

Earlier in his career, Mr. Donaldson, served as a first lieutenant in the U.S. Marine Corps in the Far Eastern Theatre (Japan - Korea), as a rifle platoon commander and later as aide-de-camp to the Commanding General of the 1st Provisional Marine Air Ground Task Force.

He graduated from Yale University (BA American Studies) and received an MBA (with distinction) from Harvard Graduate School of Business Administration, and is a Chartered Financial Analyst (CFA).

Charles D. Ellis

Founder, Greenwich Associates

Citigroup Distinguished Fellow in Ethics and Leadership

Charles D. Ellis serves as a consultant to large institutional investors, government organizations, and wealthy families, as a director of the Vanguard group of mutual funds and several business ventures, and as Managing Partner of a *pro bono* partnership of nearly 100 Harvard Business School classmates and friends, The Partners of '63, which commits time and treasure in support of entrepreneurial, change-oriented ventures in education, particularly those focused on children born into tough circumstances.

Charley's professional career centered on three decades with Greenwich Associates, the international strategy-consulting firm he founded in 1972 and now serves on as a Director. Recognized worldwide for the proprietary research which informs its consulting, the firm grew in the 30 years he was Managing Partner to serve the leading firms in over 130 professional financial markets around the world.

His services to the investment profession include: Chair and two terms as governor of the profession's CFA Institute and an associate editor of both *The Journal of Portfolio Management* and *The Financial Analysts Journal*. He is one of ten individuals honored for lifetime contributions to the investment profession.

His academic activities include two appointments (in 1970 and 1974) to the faculty of the Harvard Business School and one (in 1986) to the Yale School of Management, both to teach the advanced course on investment management, and 20 years on the faculty of the Investment Workshop at Princeton.

A Successor Trustee of Yale University, Charley chairs the university's investment committee. He also serves as a Chairman of the Whitehead Institute for Biomedical Research (where he chairs the finance and investment committee), as a Trustee of the Robert Wood Johnson Foundation, and as an Overseer of the Stern School at New York University. He has previously served as a trustee of Phillips Exeter Academy and Eagle Hill School. He has also served on the Visiting Committee and as a member of the Board of Directors of the Associates of the Harvard Business School.

The author of 12 books, including *Joe Wilson and the Creation of Xerox*, *CAPITAL* (John Wiley & Sons) and *Winning the Loser's Game* (McGraw-Hill), Charley has written nearly 100 articles for business and professional journals. His article "The Loser's Game" won the investment profession's Graham & Dodd award in 1977. *Joe Wilson* was selected as one of the best business books of 2006.

A graduate of Exeter and Yale College, Charley earned an MBA (with distinction) at Harvard Business School and a Ph.D. at New York University.

Joel Hasbrouck

Kenneth G. Langone Professor of Business Administration and Professor of Finance NYU Stern School of Business

Joel Hasbrouck is the Kenneth G. Langone Professor of Business Administration and a Professor of Finance at the Stern School. His primary area of research is market microstructure (the analysis, design and regulation of trading mechanisms for securities). In addition to teaching at Stern, he has served as a consultant to the New York Stock Exchange and the American Stock Exchange. He is an Editor of the *Review of Financial Studies*, Advisory Editor of the *Journal of Financial Markets*, an Associate Editor of the *Journal of Financial Econometrics*, and the *Journal of Financial Intermediation*. He serves on the scientific advisory board of ITG, Inc., and is a former member of Nasdaq's economic advisory board. He holds a Ph.D. from the University of Pennsylvania and a B.S. in Chemistry from Haverford College.

Robert A. Marchman

Executive Vice President, Market Surveillance, NYSE Regulation, Inc.

Robert A. Marchman is executive vice president, Market Surveillance, of the NYSE Regulation, Inc. Mr. Marchman oversees the Market Surveillance division that monitors trading in NYSE-listed securities for compliance with NYSE Rules and federal securities laws and investigates insider trading, marketing manipulation and various breaches of fiduciary duties. Market Surveillance also has responsibility for floor-member education, market integrity, intermarket communications and rule development. Mr. Marchman joined the NYSE's Enforcement division in 1989 as an enforcement director. He later was promoted to managing director, and then was appointed a vice president in February 1994 and senior vice president of Enforcement in February 2004. He became executive vice president of Market Surveillance on Jan. 6, 2005. Prior to joining the Exchange, Mr. Marchman was a branch chief in the U.S. Securities and Exchange's Division of Enforcement in Washington, D.C.

Mr. Marchman is a magna cum laude graduate of Allegheny College, where he was inducted into Phi Beta Kappa, and received his J.D. from the University of Pennsylvania. In 2000, Mr. Marchman attended Harvard Business School's Program for Management Development. Since 1999 Mr. Marchman has chaired the NYSE's Diversity Council, an advisory group that counsels NYSE management on diversity-management issues.

Ned Regan

Former Controller, State of New York

Ned Regan is a former New York State Comptroller, Baruch College President and Financial Accounting Foundation (FASB and GASB) Trustee. Currently he is working with financial statement preparer and user groups on FASB's complexity, transparency, and principles standard setting goals. He teaches in the CUNY Honors College.

Gerald Rosenfeld

Chief Executive Officer, Rothschild North America

Gerald Rosenthal is Chief Executive Officer of Rothschild North America. Prior to joining Rothschild, he served as President of G Rosenfeld & Co LLC, an investment banking firm, and as Head of Investment Banking and a member of the Management Committee of Lazard Freres & Co LLC.

Mr. Rosenfeld joined Lazard in 1992 after holding significant management positions at Bankers Trust Company, Salomon Inc. and its Salomon Brothers subsidiary and McKinsey & Company. Mr. Rosenfeld joined McKinsey in 1976 and was an active member of that firm's finance practice. He joined Salomon Brothers in 1979 in the mergers and acquisitions department and was a Managing Director there until being named Executive Vice President and Chief Financial Officer of Salomon Inc. and Chief Financial Officer of Salomon Brothers in 1987. Mr. Rosenfeld joined Bankers Trust in 1988 as a Managing Director and head of the Merchant Banking Group.

Mr. Rosenfeld has worked extensively in the industrial and technology sectors, including representation of General Motors, Chrysler, United Technologies, ITT Corporation, Tenneco, TRW, Lucas Varity PLC and Case Corporation. He has worked on many airline transactions including United Airlines, TWA, US Airways and Northwest Airlines. He has advised on several of the largest technology mergers done including IBM's acquisition of Lotus Corp. He has served as both a buy-side and strategic advisor to these and other industrial companies.

Prior to joining McKinsey, Mr. Rosenfeld was a member of the faculty of the City College of New York, New York University and the University of Maryland. Mr. Rosenfeld is a member of the Board of Directors of Resources Connection, ContiGroup Companies, and the Jewish Theological Seminary and also serves on the Board of Overseers of NYU's Stern School of Business.

Mr. Rosenfeld holds a Ph.D. in applied Mathematics from New York University, and is an Adjunct Professor of Finance at the NYU Stern School of Business and is a Fellow of the American Academy of Arts and Sciences.

James E. (Jes) Staley

Director, Asset Management, JP Morgan Chase

Jes Staley is the CEO of JPMorgan Asset Management, one of the largest asset and wealth managers in the world with over \$1.3 trillion of assets under supervision. He is a member of the firm's Executive Committee, the most senior policy making group of the company and the Operating Committee, the decision-making group for day-to-day strategic and operating matters of the firm. Jes led JPMorgan's strategic partnership with Highbridge Capital Management, making JPMorgan the world's second-largest hedge fund manager with \$30 billion under management. The firm's purchase of a majority interest in Highbridge in 2004 was arguably the largest and most significant transaction in the hedge fund industry to date. Jes serves as a member of Highbridge Capital Management's Board of Directors. Additionally, Jes oversees and sits on the board of one of the bank's significant affiliate investments, its forty-five percent ownership of American Century.

Randolph A. Stuzin

Managing Director

Business Selection and Conflicts Clearance, Goldman, Sachs & Co

Randolph A. Stuzin ("Randy") is a Managing Director of Goldman, Sachs and Co. and is Global Head of Business Selection and Conflicts Clearance for the Securities Divisions and the Financing Group in the Investment Banking Division. Randy was previously Legal Director, Capital Markets and was responsible for coordinating global legal coverage of Goldman Sachs's equity capital markets, debt capital markets and bank loan capital markets businesses. Prior to that, he was a Vice President in the Legal Department at Lehman Brothers and was a Corporate associate at Cravath, Swaine and Moore. Randy graduated from Cornell University in 1988 and NYU School of Law in 1991.

Ingo Walter

Director, Stern Global Business Institute

Seymour Milstein Professor of Finance, Corporate Governance and Ethics

NYU Stern School of Business

Professor Walter taught at the University of Missouri - St. Louis from 1965 to 1970 and has been on the faculty at New York University since 1970. From 1971 to 1979, he was NYU's Associate Dean for Academic Affairs and subsequently served a number of terms as Chairman of International Business and Chairman of Finance. He was also Director of NYU's Salomon Center for the Study of Financial Institutions from 1990 to 2003.

Professor Walter has had visiting professorial appointments at the Free University of Berlin, University of Mannheim, University of Zurich, University of Basel, the Institute for Southeast Asian Studies in Singapore, and various other academic and research institutions including a collateral appointment as Professor of International Management at INSEAD since 1986. He has served as a consultant to various corporations, banks, government agencies and international institutions, and has held a number of board memberships.

Professor Walter's principal areas of academic and consulting activity include international trade policy, international banking, environmental economics, and economics of multinational corporate operations. He has published papers in various professional journals in these fields and is the author, co-author or editor of 26 books, including *Street Smarts: Linking Professional Conduct and Shareholder Value in the Securities Industry* (Boston: Harvard Business School Press, 1997), *The Political Economy of European Financial Integration* (Manchester, Manchester University Press and Cambridge: MIT Press, 1997) and *High Finance in the Euro-Zone* (London: Financial Times - Prentice Hall, 2000). His newest book, *Mergers and Acquisitions in Banking and Finance – What Works, What Fails and Why?* was published in 2004 by Oxford University Press. Professor Walter earned his A.B. and M.S. degrees from Lehigh University and his Ph.D. degree from New York University.