Report of the U.S. Securities and Exchange Commission (SEC) to the U.S. Agency for International Development (USAID) Concerning Technical Assistance to USAID Cooperating Countries Interagency Agreement (IAA) Between USAID and the SEC for the Quarter Ending December 31, 2006

Technical Assistance under the Global Agreement – Global B

Program Title: Technical Assistance and Training through SEC – Phase II
Strategic Obj. Title and No: 933 – 08 Open, Competitive Economies Promoted
Appropriation Symbol: 723/41021 **Fund Code:** DV03/04
A&A Request Number: 12015/577 **Initial FY:** 2003
Completion Date: Sept. 30, 2008
Annex B-1, EGAT/OEG

The SEC provides technical assistance to USAID Cooperating Countries pursuant to an IAA with USAID dated July 18, 2003. This report describes the SEC's activities under the IAA for the quarter ending December 31, 2006.

ACTIVITES DURING THE QUARTER

Ecuador:

- The SEC sent three officials, one from the Office of International Affairs, one from the Office of Compliance Inspections and Examinations, and one from Fort Worth Regional District Office, to conduct a Regional Latin American Anti-Money Laundering in the Securities Industry training program in Guayaquil, Ecuador (see attached Appendix A--agenda for complete list of SEC speakers and Appendix B include complete list of participants). The program focused on anti-money laundering regulation for the securities industry and was designed to help government authorities establish and develop an effective anti-money laundering regime (including a vigorous examination program). The program covered establishing anti-money laundering programs for broker-dealers, customer identification and due diligence, monitoring accounts for suspicious activity, working with financial intelligence units, and several other topics.

Vietnam Inspections, Compliance and Surveillance Training Program:

- The SEC sent three officials, one from the Office of International Affairs, one from the Office of Compliance Inspections and Examinations, and one from Enforcement, to conduct the Inspections, Compliance and Surveillance Training Program in Vietnam (see attached Appendix C--agenda for complete list of SEC speakers and Appendix D include complete list of participants). The four day program on December 4-7, 2006, was focused on the supervisory process for broker/dealers; conducting supervisory examination and surveillance for market manipulation and insider trading. The four day program was attended by SSC, State Inspectorate and National Assembly representatives. The SEC officials also participated in a one-day session on December 8 for SSC officials providing comment and review of the Vietnamese draft regulations and decrees on

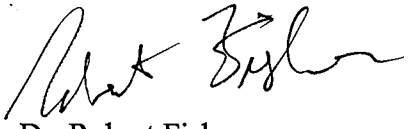
insider trading, and presenting commentary on the implementation of the Vietnamese securities law, which was followed with a letter to Chairman Vu Bang, dated December 15, 2006, memorializing the SEC staff's observations. The SSC staff have also indicated that they anticipate sending additional draft regulations for our comment in early 2007.

REIMBURSABLE SEC EXPENSES

The SEC will submit a claim for reimbursement of **$18,642** (obligations from previous and current quarters are detailed in the attached financial report) under the IAA for the quarter ending December 31, 2006.

January 8, 2007

Respectfully submitted,



Dr. Robert Fisher
Assistant Director
SEC Office of International Affairs

ANTI-MONEY LAUNDERING IN THE SECURITIES INDUSTRY

Sponsored by
SUPERINTENDENCIA DE COMPAÑÍAS DEL ECUADOR
U.S. SECURITIES AND EXCHANGE COMMISSION
THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Guayaquil, Ecuador
November 14 and 15, 2006

AGENDA

Tuesday, November 14th

8:30 Participant registration

9:00 Welcome speech
Juan Ramón Jiménez Carbo
Intendente de Compañías de Guayaquil

9:10 Opening remarks:
Arturo Bejarano
Intendente de Mercado de Valores de Guayaquil
Katherine K. Martin
Office of International Affairs, U.S. Securities and Exchange Commission (US SEC)

9:20 Developing an Effective Anti-Money Laundering Program for the Securities Industry:

- FATF: the international anti-money laundering and counter-terrorism financing standard.
- Components of an effective AML/CFT regime and the role of securities regulators.
- Role of industry.
- Benefits and challenges of a risk-based system.

Speakers: Katrina A. Carroll, Office of Compliance Inspections and Examinations, US SEC
Katherine K. Martin, Office of International Affairs, US SEC
Rose L. Romero, Fort Worth District Office, US SEC
Angel Polibio Chaves, Superintendencia de Compañías del Ecuador
Marcelo Torres, Asesor Legal de la Secretaría Ejecutiva del Consejo Nacional de Control de Sustancias Estupefacientes y Psicotrópicas (CONSEP)
Narciso Muñoz, Ex President of Securities Commission of Argentina

10:45 Coffee Break

11:00 Establishing an AML Compliance Program at a Broker-Dealer:

- Compliance officer duties and responsibilities.
- Employee training programs.
- Developing policies.
- Developing procedures for customer identification and the detection and reporting of suspicious activity.
- Information flow for AML/CFT decision-making.
- Testing procedures.

Speakers: Katrina A. Carroll, OCIE, SEC
Ximena Cano, Quito Stock Exchange
Enrique Ramos, Guayaquil Stock Exchange

12:00 Customer Identification and Due Diligence:

- What is a "customer?"
- What does a firm need to know about their customers?
- What type of lists should a firm maintain?
- What information is required from customers?
- Verifying information from customers.
- Reliance agreements.
- Special challenges for the security industry.
- Consulting terrorist lists.
- Ongoing customer due diligence.

Speakers: Katrina A. Carroll, OCIE, SEC

13:00 Lunch

14:30 Foreign Correspondent Accounts and Foreign Shell Banks; Private Banking:

- What are they?
- How they are structured and used to launder money?
- How should they be monitored?

Speakers: Katrina A. Carroll, OCIE, SEC

15:30 Monitoring Accounts for Suspicious Activity:

- What activities and transactions are "suspicious?"
- What are some "Red Flags" for the securities industry?
- How should a firm detect and report suspicious activity?
- The role of automated monitoring.

Speakers: Katrina A. Carroll, OCIE, SEC
Marcelo Torres, CONSEP

16:15 Coffee Break

16:30 AML Record Keeping:

- Which records need to be retained and for how long?
- What are currency reports and suspicious transaction reports?
- What should be done with the reports?

Speakers: Katrina A. Carroll, OCIE, SEC

17:30 Conducting/Preparing for AML Examinations of Broker-Dealers:

- Risk assessment by firms and regulators.
- How to inspect broker-dealers and other market participants for AML compliance.
- Testing by examiners.
- Consequences of deficiencies/violations.
- Making referrals to appropriate law enforcement authorities.
- Tracking results of examinations.

Speakers: Katrina A. Carroll, OCIE, SEC

Wednesday, November 15th

9:00 Sharing Information and Cooperating with Regulators, Law Enforcement Authorities, and Other Financial Institutions:

- Mandatory information sharing requests from the government.
- Voluntary information sharing among financial institutions.
- Role of legal "safe harbor" provisions, whistleblower protection.

Speakers: Katrina A. Carroll, OCIE, SEC
Katherine K. Martin, OIA, SEC

10:00 Working with Financial Intelligence Units:

Speakers: Katrina A. Carroll, OCIE, SEC
Katherine Martin, OIA, SEC
Rose L. Romero, Fort Worth District Office, SEC
Narciso Muñoz, Advisor of Ministry of Finance of Argentina
Marcelo Torres, CONSEP

11:00 Coffee Break

11:15 Tracing and Restraining Proceeds of Securities Fraud:

Speakers: Rose L. Romero

12:15 Appropriate Penalties for Violations of AML Customer Identification and Reporting obligations, Money Laundering, and Terrorist Financing:

Speakers: Rose L. Romero, Fort Worth District Office, SEC
Katrina A. Carroll, OCIE, SEC
Marcelo Torres, CONSEP

13:15 Closing remarks

Katherine Martin

13:30 Conclusion of Program

Douglas Griffiths
Consul of United States of America

13:45 Lunch

PROGRAMA DE PREVENCION DE LAVADO DE DINERO EN EL MERCADO DE VALORES
LISTADO DE PARTICIPANTES
BANKERS CLUB, 14 Y 15 DE NOVIEMBRE DEL 2006

1	*Abraham Cheing Falcones*	*Guayaquil, Ecuador*	*Ministerio Fiscal Guayas*	*Fiscal de lo Penal del Guayas*	
2	*Alcedo Fahie*	*Islas Virgenes Britanicas*	*BVI Financial Investigation Agency*	*Investigation officer*	
3	*Alfredo Gallegos*	*Nicaragua*	*Superintendencia de Bancos y Otras Instituciones de*	*Intendente de Valores*	
4	*Alfredo J. Baranderán Oyague*	*Guayaquil, Ecuador*	*Casa de Valores ADFINSA S.A.*	*Presidente*	
5	*Ana Paula Ledergerber*	*Guayaquil, Ecuador*	*Banco del Estado*	*Profesional 4 Asesoria Jurídica*	
6	Anapha Jiménez	*Guayaquil, Ecuador*	*Superintendencia de Compañias*		
7	*Angel Polibio Chaves*	*Quito Ecuador*	*Superintendencia de Compañías*	*Asesor del Superintendente de Compañías*	
8	*Angelo de Castro Vallejo*	*Quito Ecuador*	*Banco de la Producción S.A. Produbanco*	*Oficial de Cumplimiento*	
9	*Arturo Bejarano Ycaza*	*Guayaquil, Ecuador*	*Superintendencia de Compañias*	*Intendente de Mercado de Valores*	
10	*Aurora Elizabeth Caizahuano Andrade*	*Guayaquil, Ecuador*	*Superintendencia de Compañias*	*Especialista de Control*	
11	*Bernardita de Lourdes Guerra Hernández*	*Guayaquil, Ecuador*	*Casa de Valores ADFINSA S.A.*	*Operadora de Valores*	
12	*Betty Eugenia Tamayo Insuasti*	*Guayaquil, Ecuador*	*Superintendencia de Compañias*	*Directora de Registro de Sociedades (e)*	
13	*Blanca Inés Aguirre Torres*	*Quito Ecuador*	*Superintendencia de Compañias*	*Especialista de Control*	
14	*Blanca Minuche*	*Guayaquil, Ecuador*	*Ecuability*		

15	Carlos Bonilla	Guayaquil, Ecuador	Superintendencia de Compañias	Especialista de Control	
16	Carlos Alberto Lara Zavala	Portoviejo, Ecuador	Superintendencia de Compañias	Intendente de Compañías de Portoviejo	
17	Carlos Arosemena	Guayaquil, Ecuador	Multivalores BG	Gerente General	
18	Carlos Carbo Cox	Guayaquil, Ecuador	Bolsa de Valores de Guayaquil	Secretario General	
19	Carlos Hamann-Pastorino	Perú	Unidad de Inteligencia Financiera del Perú	Director ejecutivo	
20	Carlos Jheferson Navarro Aguirre	Quito, Ecuador	Policia Nacional, Dirección Nacional Antinárticos	Teniente, SIF	
21	Carlos Luis Lecaro Velez	Guayaquil, Ecuador	Genesis Administradora de Fondos	Gerente General	
22	Carlos Pavez	Chile	Superintendencia de Valores y Seguros - Chile	Jefe Division de Investigaciones	
23	Carolina Márquez De La Plata	Guayaquil, Ecuador	Bolsa de Valores de Guayaquil	Asesora Institucional	
24	César Humberto Navarro Andrade	Quito Ecuador	Superintendencia de Compañias	Director de Autorización y Registro	
25	Diego Garcés Velalcázar	Quito Ecuador	Superintendencia de Compañias	Intendente de Mercado de Valores	
26	Diego Zurita	Quito Ecuador	Banco Central del Ecuador	Auditor Interno	
27	Dora Beatriz Lastra Guerrero	Quito Ecuador	Santa Fe Casa de Valores S.A. SANTAFEVALORES	Presidenta Ejecutiva	
28	Eddy Viteri Garcés	Quito Ecuador	Superintendencia de Compañias	Especialista Supervisor	
29	Eduardo Raúl Maldonado Seade	Cuenca Ecuador	Superintendencia de Compañias	Intendente de Compañías	
30	Enrique Arosemena B.	Guayaquil, Ecuador	Bolsa de Valores de Guayaquil	Director General	
31	Enrique Reyes Santos	Guayaquil, Ecuador	Contraloría General del Estado	Abogado 3	

32	Eva Vinueza de García	Guayaquil, Ecuador	Superintendencia de Compañias	Directora Investigación y Desarrollo	
33	Fabricio Chica	Guayaquil, Ecuador	Superintendencia de Compañias	Especialista Jurídico	
34	Fátima Flores Vera	Guayaquil, Ecuador	Servicio de Rentas Internas	Coordinadora Gestión Tributaria	
35	Fátima Vergara	Guayaquil, Ecuador	Superintendencia de Compañias	Subdirectora de Inspección	
36	Felipe León	Quito Ecuador	Corporación Financiera Nacional	Subgerente Nacional de Finanzas	
37	Fernando Mauricio Alarcón Andrade	Quito Ecuador	Superintendencia de Compañias	Subdirector Jur´dico de Normatividad	
38	Francisco Jáuregui	Quito Ecuador	Superintendencia de Compañias	Especialista Jurídico	
39	Francisco Vizcaíno	Quito Ecuador	Intendencia de Mercado de Valores de Quito	Director de Investigación y Desarrollo	
40	Galo Díaz	Quito Ecuador	Superintendencia de Bancos y Seguros	Expero en Supervisión	
41	Geraldine Fátima Martín Arellano	Guayaquil, Ecuador	Procuraduría General del Estado	Abogada Regional 2	
42	Giancarlo Balestra Bálsamo	Perú	Unidad de Inteligencia Financiera del Perú	Director del área de prevención y análisis	
43	Gilma Méndez Cárdenas	Guayaquil, Ecuador	Servicio de Rentas Internas	No registra	
44	Gina Elizabeth Hidalgo Flores	Quito Ecuador	Superintendencia de Compañias	Director de Investigación y Desarrollo	
45	Gladys Murillo Gil	Guayaquil, Ecuador	Ministerio Fiscal Guayas	Fiscal, Unidad Financiera y Anticorrupción	
46	Glenda Venegas Paz	Guayaquil, Ecuador	Superintendencia de Compañias	Subdirectora de Estudios	
47	Guillermo Alberto Sosa Andino	Quito Ecuador	Probrokers Casa de Valores	Presidente	
48	Guillermo Jijón Velasco	Quito Ecuador	Superintendencia de Bancos y Seguros	Experto Jurídico	

49	Gustavo Mendoza Mendoza	Guayaquil, Ecuador	Superintendencia de Compañías	Subdirector de Partícipes	
50	Héctor Almeida	Quito Ecuador	Bolsa de Valores de Quito	Oficial Jurídico y de Autorregulación	
51	Hena Mª Auxiliadora Armijos Abarca	Guayaquil, Ecuador	Superintendencia de Compañías	Especialista de Control	
52	Iván Wladimir Andrade Vaca	Quito Ecuador	Superintendencia de Compañías	Especialista Jurídico	
53	Iveth Gómez	Quito, Ecuador	Casa de Valores Produvalores S.A.	Jefe de Operaciones	
54	Jacinto Mendoza Rodríguez	Guayaquil, Ecuador	Superintendencia de Compañías	Intendente de Control e Intervención	
55	Jacinto Mendoza Rodríguez	Guayaquil, Ecuador	Superintendencia de Compañías	Intendente de Control e Intervención	
56	Jacqueline García	Guayaquil, Ecuador			
57	Jaime Cascante	Quito Ecuador	Superintendencia de Compañías	Especialista Jurídico	
58	Janeth Clavijo	Quito Ecuador	Banco de la Producción S.A. Produbanco	Ejecutivo Unidad de Cumplimiento	
59	Joffre Ortíz Patiño	Guayaquil, Ecuador	Superintendencia de Compañías	Especialista de Control	
60	Jorge Enrique Ramos Castillo	Guayaquil, Ecuador	Casa de Valores del Pacifico	Miembro del Directorio de la Bolsa de Valores de Guayaquil	
61	Jorge Jhon Cavero Garcés	Guayaquil, Ecuador	Banco Bolivariano C.A.	Oficial de Cumplimiento	
62	Jorge Luis Lazo Molina	Guayaquil, Ecuador	Servicio de Rentas Internas	Director Regional	
63	Jose Antonio Ramirez Cruz	El Salvador	Superintendencia del Sistema Financiero de El Salvador	Auditor	
64	José Córdova Calderón	Quito Ecuador	Superintendencia de Compañías	Intendente de Compañías	
65	Josefina Ramírez de Cucalón	Guayaquil, Ecuador	Casa de Valores Banrio S.A.	Gerente General	

66	Juan Carlos Guillén	Guayaquil, Ecuador	Superintendencia de Compañias	Especialista de Control	
67	Juan Ramón Jiménez Carbo	Guayaquil, Ecuador	Superintendencia de Compañias	Intendente de Compañías	
68	Juan Trujillo Bustamante	Guayaquil, Ecuador	Superintendencia de Compañias		
69	Katherine Delgado	Guayaquil, Ecuador	Superintendencia de Compañias	Directora Jurídica de Mercado de Valores	
70	Katherine Martin	Estados Unidos	Office of Compilance Inspections and Examinations,		
71	Katrina Carroll	Estados Unidos	Office of International Affairs, US SEC		
72	Ligia Elizabeth Aguirre Benavides	Guayaquil, Ecuador	Corporación Financiera Nacional	Subgerente Regional de Finanzas	
73	Lilián Marilú Romero León	Machala, Ecuador	Superintendencia de Compañias	Especialista Jurídico	
74	Lina Rosa Silva Andrade	Quito Ecuador	Superintendencia de Compañias	Prosecretaria del CNV	
75	Lisette Camposano	Guayaquil, Ecuador	Superintendencia de Compañias	Especialista de Control	
76	Lorena Egas Alvarez	Guayaquil, Ecuador	Banco Central del Ecuador	Directora de Especies Monetarias	
77	Luis Álvarez V.	Guayaquil, Ecuador	Bolsa de Valores de Guayaquil	Vicedirector de Operaciones y Sistemas	
78	Luis Caballero	Guayaquil, Ecuador	Casa de Valores Produvalores S.A.	Subgerente	
79	Mª Elena Chica Intriago	Guayaquil, Ecuador	Superintendencia de Compañias	Especialista de Control	
80	Manuel Segarra	Guayaquil, Ecuador	Superintendencia de Compañias		
81	Marcelo Torres	Quito, Ecuador	Consejo Nacional de Sustancias Estupefacientes y	Asesor de la Secretaría Ejectuiva del CONSEP	
82	Marcelo Torres Bejarano	Quito Ecuador	Consejo Nacional de Valores CNV	Miembro del Consejo	

83	Marcia Peña	Quito Ecuador	Superintendencia de Compañias	Subdirectora de Control	
84	Marcia Villalobos	Quito Ecuador	Superintendencia de Compañias	Secretaria del CNV	
85	Marco Antonio Rodríguez	Quito Ecuador	Asociacion de Bancos Privados del Ecuador	Consultor Legal	
86	Marcos López Narváez	Quito Ecuador	Consejo Nacional de Valores CNV	Miembro del Consejo	
87	María Belén Figueroa Grijalva	Quito Ecuador	Superintendencia de Compañias	Especialista de Control 4	
88	María de Lourdes Fernández Terana	Quito Ecuador	Banco del Pichincha	Oficial de Cumplimiento	
89	María Fernanda Paredes Vásquez	Quito Ecuador	Analytica Funs Management C.A. Administradora de Fondos	Gerernte de Operaciones	
90	Maria Sol Donoso Molina	Guayaquil, Ecuador	Banco del Estado	Dpto. Juridico	
91	María Luisa Mendoza Rojas	Guayaquil, Ecuador	Superintendencia de Compañias	Supervisora Especialista de Control	
92	Mariana Ayala	Guayaquil, Ecuador	Superintendencia de Compañias	Subdirectora de Normatividad Contable	
93	Mario Patricio Naranjo Albuja	Guayaquil, Ecuador	Superintendencia de Compañias	Especialista de Control 3	
94	Martha María Roggiero	Guayaquil, Ecuador	Superintendencia de Compañias	Especialista de Control	
95	Martín Fioravanti	Guayaquil, Ecuador	Bolsa de Valores de Guayaquil	Miembro del Directorio	
96	Mauricio Andrés Trujillo Arízaga	Guayaquil, Ecuador	Superintendencia de Compañias	Asesor General	
97	Mercedes Alicia Flores Del Pozo	Quito Ecuador	Superintendencia de Compañias	Subdirectora Dpto. Jurídico	
98	Miguel Angel Hinojosa Chicaiza	Guayaquil, Ecuador	Valpacifico S.A.	Gerente	
99	Miguel Reinaldo Matínez Dávalos	Guayaquil, Ecuador	Superintendencia de Compañias	Secretario General	

100	Miriam Jeaneth Ochoa Murillo	Quito Ecuador	Banco de los Andes	Oficial de Cumplimiento, CAMS	
101	Mónica Lilián Andino Altamirano	Quito Ecuador	Fideval S.A.	Oficial de Cumplimiento	
102	Nancy Henriquez	Quito Ecuador	Asociacion de Bancos Privados del Ecuador	Asistente Ejecutiva	
103	Narciso Muñoz	Argentina		Ex Presidente del Consejo Nacional de Valores	
104	Nathalie Gabriela Suikouski Jijón	Quito Ecuador	Superintendencia de Compañias	Subdirectora de Nuevos Productos	
105	Nelson Morán	Guayaquil, Ecuador	Superintendencia de Compañias	Especialista Jurídico	
106	Nivia Sorto	Honduras	Comisión Nacional de Bancos y Seguros- Unidad de	Analista de Informacion Financiera	
107	Noemí Moncayo	Guayaquil, Ecuador	Bolsa de Valores de Guayaquil	Vicedirectora de Tesorería	
108	Oriana Rumbea T.	Guayaquil, Ecuador	Bolsa de Valores de Guayaquil	Vicedirectora General	
109	Oscar Martín Aguirre Medina	Guayaquil, Ecuador	Superintendencia de Compañias	Especialista Juridico 5-Supervisor	
110	Oscar Terán Terán	Quito Ecuador	Superintendencia de Compañias		
111	Pamela Sánchez	Guayaquil, Ecuador	Fiduciaria del Pacífico S.A. Fidupacífico	Apoderada	
112	Patricia Chávez	Guayaquil, Ecuador			
113	Patricia Iturralde Segovia	Guayaquil, Ecuador	Superintendencia de Compañias	Especialista Juridico 5	
114	Patricia Maria Hidalgo Maruri	Guayaquil, Ecuador	Superintendencia de Compañias	Especialista de Control	
115	Patricio Eduardo Pástor Flores	Quito Ecuador	Servicio de Rentas Internas	no indica	
116	Patricio Rivadeneira Narváez	Quito Ecuador	Superintendencia de Compañias	Subdirector de Auditoría	

117	Paul Enrique Palacios Martínez	Guayaquil, Ecuador	Bolsa de Valores de Guayaquil	Miembro del Directorio	
118	Paulina Arauz	Quito Ecuador	Banco Central del Ecuador	Oficial de Cumplimiento	
119	Pedro Antonio Vasquez Monterrosa	El Salvador	Superintendencia del Sistema Financiero de El Salvador	Auditor	
120	Peggy Santacruz	Machala, Ecuador	Superintendencia de Compañias		
121	Rafaelina Victoria	Republica Dominicana	Superintendencia de Valores de Republica Dominicana	Analista Supervisión y Control - Encargada Unidad de	
122	René Bueno Encalada	Cuenca Ecuador	Superintendencia de Compañias	Jefe Regional de Control e Intervención	
123	Ricardo Gallegos	Guayaquil, Ecuador	Bolsa de Valores de Guayaquil	Miembro del Directorio	
124	Ricardo Parra	Guayaquil, Ecuador	Morgan & Morgan Fiduciary & Trust Corporation	Oficial de Negocios	
125	Rómulo Fernando Pino	Guayaquil, Ecuador	Superintendencia de Compañias	Especialista de Control 5	
126	Rosa Bravo Muñoz	Guayaquil, Ecuador	Superintendencia de Compañias		
127	Rose L. Romero	Estados Unidos	Fort Worth District Office US SEC		
128	Ruth Carreño	Guayaquil, Ecuador	Superintendencia de Compañias	Subdirectora de Control y Concurso Preventivo	
129	Shanida Rivera	Panama	Bolsa de Valores de Panamá	Asistente de operaciones	
130	Silvia Guerrero	Guayaquil, Ecuador	Bolsa de Valores de Guayaquil	Vicedirectora de Contabilidad	
131	Silvia Reyes Montalvo	Guayaquil, Ecuador	Contraloría General del Estado Regional 1	Auditora	
132	Sócrates José Vera Castillo	Guayaquil, Ecuador	Procuraduría General del Estado	Director Regional	
133	Sonia Yolanda Alvarado Cerón	Quito Ecuador	Superintendencia de Compañias	Especialista Supervisor	

134	Sucre Calderón Calderón	Guayaquil, Ecuador	Superintendencia de Compañías		
135	Susana Jaramillo Béjar	Guayaquil, Ecuador	Superintendencia de Compañías	Especialista Jurídico	
136	Tania Patricia Burgos Macias	Guayaquil, Ecuador	Banco Amazonas S.A.	Oficial de Cumplimiento	
137	Teresa Minuche	Guayaquil, Ecuador	Ecuability		
138	Ursula Boada	Guayaquil, Ecuador	Trust Fiduciaria	Gerente Nacional de Finanzas	
139	Victor Abboud	Guayaquil, Ecuador	R&H Asociados Casa de Valores	Presidente	
140	Víctor Anchundia	Guayaquil, Ecuador	Superintendencia de Compañías	Director Jurídico	
141	Víctor Balseca	Quito, Ecuador	Bolsa de Valores		
142	Vinicio Sarmiento Bustamante	Loja, Ecuador	Superintendencia de Compañías	Delegado de Loja y Zamora Chinchipe	
143	Virginia Villacís	Guayaquil, Ecuador	Superintendencia de Compañías		
144	Waldir Edenilson Contreras Pedroza	Guatemala	Bolsa de Valores Nacional	Director de Supervisión	
145	Ximena Cano Escobar	Quito Ecuador	Bolsa de Valores de Quito	Directora Jurídica	

APPENDIX C

AGENDA
Compliance, Inspections, Examinations, and Surveillance Training Program
Hanoi, Vietnam
December 4-7, 2006

Monday, December 4, 2006

9:00 am **Opening Remarks and Introduction to the Program**
Z. Scott Birdwell

9:30 **The Supervisory Process for Broker/Dealers (Powerpoint)**
John Walsh

- Foundational elements for a Supervisory System
  - Registration
  - Disclosure
  - Complaints
  - The Moral High Ground
  - Allies
  - Enforcement
  - Access
- The Oversight Process
- DVD of SEC orientation (approx. 10 minutes)

Tea break (approx. 15 minutes)

11:00 **Market Surveillance Overview (Powerpoint)**
Joseph Cella

12:00 **Lunch** (approx. 1 ½ hour)

1:30 – 4:00 **Breakout Sessions**

Group I:
Case Studies: SEC Exams and Conflicts of Interest (Powerpoint)
John Walsh

<u>Group II</u>:
Market Surveillance, Investigations and Enforcement of Market Manipulation, Insider Trading and other Market Abuse
Scott Birdwell
Joseph Cella

We invite the SSC to choose and prioritize among the following topics for the afternoon sessions with Birdwell and Cella. We envision these sessions to be informal and interactive discussions.

- SSC's draft regulations on insider trading, market manipulation and false rumors
- Market surveillance
- Cooperation between regulators and exchanges
- Investigative techniques for securities law violations
- Insider trading (including hypothetical case study)
- Market manipulation (including hypothetical case study)
- Tracing and restraining proceeds of fraud
- Emergency actions to stop ongoing fraud and restrain proceeds of fraud
- Administrative proceedings
- Arguing a case and meeting a burden of proof
- Working with criminal authorities
- Key elements of an effective enforcement program

4:00pm **End**

Tuesday, December 5

9:00 am **Conducting a Supervisory Examination (Powerpoint)**
John Walsh

- Pre-exam preparation
- Arriving on site
- Interacting with the registrant
- Deficiency letters, Reports & Workpapers
- Referrals to Enforcement

Materials:

1. Form 1661
2. Examination Brochure
3. Sample Document Request Letter (AML)
4. Sample Deficiency Letter (Suitability, Books & Records, Customer Records, Trade Blotter, Supervision of Communications)

Tea break (approx. 15 minutes)

11:00 **Detecting, Investigating and Prosecuting Insider Trading (Powerpoint)**
Joseph Cella and Scott Birdwell

- What is "valuable" (material) inside information and when is trading illegal?
- Identifying who traded on non-public information
- Techniques for investigating insider trading
- Calculating gains (or losses avoided) from insider trading

Materials:

- Sample request for Chronology
- Letter description on calculating disgorgement from insider trading

12:00 **Lunch** (approx. 1 ½ hour)

1:30 – 4:00 **Breakout Sessions**

Group I:
Examinations
John Walsh

- **Video** "Cooking the Books" (approx. 58 minutes)
- Case Studies: Difficult Situations (Powerpoint)

<u>Group II</u>:
Market Surveillance, Investigations and Enforcement of Market Manipulation, Insider Trading and other Market Abuse (continued)
Joseph Cella
Scott Birdwell

4:00pm **End**

Wednesday, December 6

9:00 am **Examining Sales Practices/ Trading Activity (Powerpoint)**
John Walsh

- Churning
- Unauthorized Transactions
- Suitability

Materials:

- Joint SEC/NASD Report on Examination Findings Regarding Broker-Dealer Sales of Variable Insurance Products

Tea break (approx. 15 minutes)

11:00 **Detecting, Investigating and Prosecuting Market Manipulation**
Joseph Cella
Scott Birdwell

12:00 **Lunch** (approx. 1 ½ hour)

1:30 – 4:00 **Breakout Sessions**

Group I:

- "Calling for Dollars" (Video about boiler rooms, 19 minutes)
- Examination Oversight of Self-Regulatory Organizations (Powerpoint)

John Walsh

Group II:
Market Surveillance, Investigations and Enforcement of Market Manipulation, Insider Trading and other Market Abuse (continued)
Joseph Cella
Scott Birdwell

4:00 pm **End**

Thursday, December 7

8:30 am **Examining Investment Advisers and Mutual Funds**
John Walsh

Preparing a Risk Inventory (Powerpoint)
Examining:

- **Best Execution/Trade Allocation**
- **Business Continuity**
- **Privately-Offered Pooled Investment Vehicles**
- **Valuation**
- **Conflicts of Interest (such as "Soft Dollars")**

Materials:
CCO Outreach National Seminar, Common Examination Areas: Documents and Information Examiners Request and How Advisers Can Use this Information to Enhance their Compliance Programs.

9:30 am **Anti-Money Laundering Overview and Conducting an Anti Money Laundering Examination**
John Walsh

"Money Laundering: A Global Menace" (professional video 53 minutes)
Review of an AML Examination Request Letter

Materials: Sample Document Request Letter (AML) (also used on Tuesday)

Tea break (approx. 15 minutes)

11:00 **Cooperation between Regulators and Exchanges/Trading Centers**
Joseph Cella

- Developing a self regulatory system
- Referrals, Tips and Complaints
- International Cooperation

12:00 **Lunch** (approx. 1 ½ hour)

1:30 – 3:00 **Breakout Sessions**

Group I:
Special Issues in Examining Small Advisers and Mutual Funds
John Walsh

Materials:

- The Business and Compliance Reality
- Top Ten Examination and Compliance Issues in a Small Adviser
- Case Study on Performance: FXC Investors Corp.

Group II:
Market Surveillance, Investigations and Enforcement of Market Manipulation, Insider Trading and other Market Abuse (continued)
Joseph Cella
Scott Birdwell

3:00 **Program Wrap up and General Discussion**

3:30 **Closing Remarks and Handout of Certificates**

Friday, December 8

8:30 am – 3:00 pm

Confer with SSC Officials and Staff regarding draft regulations on market manipulation, insider trading and "rumor" creation.

Specific questions for discussion:

- **Financial fraud by an issuer (Cella, Birdwell)**
- **Misleading information by issuing companies (Cella, Birdwell)**
- **Inspections and Examination of securities firms (Walsh)**
- **Inspections and Examination of fund managers (Walsh)**
- **Investigating Insider trading (Cella, Birdwell)**
- **Investigating market manipulation (Cella, Birdwell)**
- **Investigating rumors in the securities market (Cella, Birdwell)**

Scott Birdwell
Joseph Cella
John Walsh

APPENDIX D

List of participants at "Compliance, Examination, Inspections and Surveillance" Training Program

Date: December 4 – 7, 2006
Address: Room 314, Level 3, International Convention Center, 11 Le Hong Phong

Name	Organization
The State Securities Commission of Vietnam	
Mr. Hoang Duc Long	Inspection Department
Mr. Nguyen Hung	-
Mr. Tran The Cong	-
Ms. Vu Thi Chan Phuong	-
Ms. Le Thi Viet Nga	-
Ms. Le Thi Kim Anh	-
Ms. Le Tuyet Nhung	Securities Market Development Department
Mr. Phan Thanh Son	-
Ms. Nguyen Thanh Huyen	-
Ms. Bui Thanh Nga	Legal Department
Ms. Pham Thanh Huong	-
Ms. Bui Thi Hong Thang	-
Mr. Le Su Nang	-
Ms. Nguyen Thi Le Thuy	Securities Business Management Department
Mr. Hoang Phu Cuong	-
Ms. Tran Thi Thanh An	Human Resource Department
Mr. Pham Cong Khoa Huong	HCM Securities Trading Center
Ms. Vo Hong Nga	Research and Training Center
Mr. Vu Duc Hoan	-
Ms. Pham Thi Bich Thao	Information Technology Department
Mr. Nguyen Van Tam	Hanoi Securities Trading Center
Mr. Vu Thien Hai	-
Ms. Ho Phuong Tu	-
Ms. Tran Thi Hang	Securities Depository Center
Ms. Nguyen Thi Thu Hang	-
Mr. Do Long	International Cooperation Department
Ms. Nguyen Thi Bich Nga	-
State Inspectorate	
Mr. Chu Duc Quang	
Mr. Do Manh Hung	
National Assembly Office	
Ms. Nguyen Thi Hue	
Mr. Nguyen Ha Thanh	