

Mealey's Subprime-Backed Securities Litigation Conference
March 6, 2008
The Harvard Club, New York City

Conference Developer:

Ms. Amy Hackett
Mealey's Publications – LexisNexis
1018 West Ninth Avenue
King of Prussia, Pennsylvania 62090
(610) 205-1074
Email: amy.hackett@lexisnexis.com

Chair:

David J. Graiss
Graiss & Ellsworth LLP
70 East 55th Street
New York, New York 1022
(212) 755-3550
Email: dgrais@graisellsworth.com

Speakers:

Mark H. Adelson
Adelson & Jacob Consulting, LLC
21-25 34th Avenue, Apt. 4D
Long Island City, New York 11106
(718) 726-1633
Email: markadelson@nyc.rr.com

Skip Curth
Ernst & Young LLP
Assurance and Advisory Business Services
5 Times Square
New York, New York 10036
(212) 773-4843
Email: skip.curth@ey.com

James Grant
GRANT's Interest Rate Observer
2 Wall Street
New York, New York 10005
(212) 809-7994
Email: jgrant@grantspub.com

Kevin M. LaCroix
Oak Bridge Insurance Services
2000 Auburn Avenue
Beachwood, Ohio 44122
(216) 378-7817
Email: klacroix@oakbridgeins.com

Joseph R. Mason
Drexel University LeBow College of Business
The Wharton School, and Criterion Economics LLC
101 North 33rd Street, Room 221
Philadelphia, Pennsylvania 19104-2875
(215) 895-2944
Email: joseph.r.mason@drexel.edu

Walter Morris
Ernst & Young LLP
Assurance and Advisory Business Services
1101 New York Avenue, N.W.
Washington, DC 20005-4213
(202) 327-5724
Email: walter.morris@ey.com

Veronica E. Rendon
Arnold & Porter LLP
399 Park Avenue
New York, New York 10022-4690
(212) 715-1165
Email: Veronica.Rendon@aporter.com

Jeremy H. Temkin
Morvillo, Abramowitz, Grand, Iason, Anello & Bohrer, P.C.
565 Fifth Avenue
New York, New York 10017
(212) 880-9470
Email: jtemkin@maglaw.com

Agenda

9:00 Welcome and Introductory Remarks

DAVID J. GRAIS, Grais & Ellsworth LLP, New York City

9:15 The Moving Parts in Subprime-Backed Securities:

Part I: Mortgage Products and Loan Collateral

- Evolution of single-family residential mortgage products
- New mortgage business channels and their effect on credit, asset quality, and overall risk
- Developments in underwriting and loan approval technology and risk analysis

WALTER MORRIS, Ernst & Young LLP, Washington, D.C.

10:00 The Moving Parts in Subprime-Backed Securities:

Part II: Residential Mortgage-Backed Securities

- Overview of the RMBS market
- Key participants in RMBS transactions and their specific roles and responsibilities
- Commonly used RMBS structures since 2000
- Changes in collateral pools since 2000

SKIP CURTH, Ernst & Young LLP, New York City

10:45 Morning Break

11:00 The Moving Parts in Subprime-Backed Securities:

Part III: Collateralized Debt Obligations and their Connection to Subprime Mortgages

- Basic CDO concepts
- Structure and nuances of CDOs with subprime RMBS assets
- Mathematical modeling of CDOs
- Risk analysis of CDOs and the limitations of mathematical modeling

MARK H. ADELSON, Adelson & Jacob Consulting, LLC, New York City

12:00 Structured Finance and the Credit Meltdown

- The problem is structured finance
- Mortgages created the “perfect storm”
- Opportunities and threats in one-off policy fixes
- The political economy of structural changes

PROFESSOR JOSEPH R. MASON, Drexel University LeBow College of Business,
The Wharton School, and Criterion Economics, LLC, Philadelphia,
Pennsylvania

12:45 Luncheon Sponsored by Morvillo, Abramowitz, Grand, Iason, Anello & Bohrer, P.C.

Keynote Address

JAMES GRANT, Editor, *GRANT'S Interest Rate Observer*, New York City

2:15 CDOs, Asset Valuation, and Subprime Litigation So Far

- Litigation to date arising from securitization of subprime mortgages
- Targets of litigation and theories under which they have been sued
- Emerging procedural, jurisdictional, and insurance-related issues

KEVIN M. LACROIX, OakBridge Insurance Services; Editor, *The D&O Diary*,
Beachwood, Ohio

3:00 Prospects for Litigation by Investors in CDOs and other Subprime-Backed Securities

- Will there be litigation? Will governmental initiatives forestall litigation?
- Who will sue? Who will be sued?
- Elements of claims under federal and state securities law and common law of contract, fraud, and negligent misrepresentation

- Potential vulnerabilities in the processes of origination, underwriting, appraisal, rating, servicing, and reporting
- Limitations on standing
- Robustness of disclosures and disclaimers

Part I: A Buy-Side Perspective

DAVID J. GRAIS, Grais & Ellsworth LLP, New York City

3:45 Afternoon Break

Prospects for Litigation by Investors in CDOs and other Subprime-Backed Securities

Part II: A Sell-Side Perspective

VERONICA E. RENDON, Arnold & Porter LLP, New York City

4:30 Preparing for the Regulators

- Update on governmental investigations to date.
- Whom will which agencies target and for what?
- Lessons from previous market-wide investigations
- What will investigations mean for investors and other participants in the market?

JEREMY H. TEMKIN, Morvillo, Abramowitz, Grand, Iason, Anello & Bohrer, P.C., New York City

5:15 General Discussion and Closing Remarks

5:30 Cocktail Reception Sponsored by Ernst & Young LLP