

THE ONLY FORUM DESIGNED EXCLUSIVELY FOR UNIT PRICING PROFESSIONALS

International Business Review Presents:

ANNUAL UP 2019

UNIT PRICING 2019 FORUM

12th-14th June, Grace Hotel Sydney

ABOUT THE EVENT:

The annual IBR Conferences Unit Pricing Forum has been running for over a decade and has been consistently among the best received conferences of its kind in Australia. This year's Forum continues to offer a diversity of topics and industry renowned speakers.

The conference provides expert views from the regulators, superannuation funds, custodians and specialised consulting firms. In addition to insights into the critical day to day functions of risk management, controls and compliance the audience will have the opportunity to gain an understanding of where the unit pricing world is heading in terms of the regulators' thinking, real time transacting and the SMA alternative.

This conference will be an invaluable learning experience for all members of the unit pricing team as well as for members of the Finance and Tax teams, Risk and Compliance and other areas of superannuation funds and investment management organisations.

WHO SHOULD ATTEND?

- Unit Pricing Manager
- Fund Accounting Manager
- Trust Accounting Manager
- Unit Pricing Analyst
- Taxation Accountant
- Actuary
- General Manager Fund Operations & Risk
- Investment Risk Managers
- Head of Investment Management
- Head of Fund Administration
- General Manager Legal & Compliance
- Investment Services Manager
- Manager Investment Operations
- Unit Pricing & Performance Manager
- Unit Trust Supervisor...& also who work with unit pricing in all capacities should attend this event



SPONSORSHIP OPPORTUNITIES

Unit Pricing Forum 2019 offers sponsors an excellent opportunity to demonstrate thought-leadership and leverage networking opportunities to build brand-value amongst senior unit pricing professionals. If you would like to know more about sponsorship, exhibition and business development opportunities please just get in touch with us - sponsorship@ibrc.com.au



UNIT PRICING 2019 FORUM

12th-14th June, Grace Hotel Sydney

DAY 1 – 12TH JUNE, WEDNESDAY

8:20 Delegate Registration & Coffee

8:55 OPENING REMARKS FROM CHAIR

KYLE RINGROSE, *Principal Athena IOC Pty Ltd*

9:00 A REVIEW ON GLOBAL UNIT PRICING PRACTICES

PHIL DAVIES, *CTO and Head of Product, Milestone Group*

9:30 THE GUIDE TO GOOD PRACTICE AND WHY IT IS NOT A GUIDE TO BEST PRACTICE

- Why best practice may not mean the same thing to all organisations
- Examples of good and not so good practice
- With the benefit of hindsight what could be done differently
- Reflections on outcomes from the Royal Commission

PETER KIRIEVSKY, *Director, Assurance and Advisory Deloitte Touche Tohmatsu*

10:00 UNIT PRICING OVERSIGHT – THE DANGER OF COMPLACENCY

- Once a critical operational element strongly advocated by APRA and regularly scrutinised operational function is now an often neglected process supported by outdated spreadsheets
- Reduced pricing error cases in the public domain is increasing operational complacency on outsourced administrator oversight
- Have unit pricing operations really vastly improved or simply less frequently scrutinised to reveal operational loop holes

MARTIN WALSH, *Professional Independent Director and Consultant*

10:40 Morning Coffee

11:00 UNDERSTANDING THE TRUE VALUE OF UNIT PRICES

- Why the unit price is not what it seems
- The fallacy in assuming the unit price shows actual net of tax returns
- Why units can be worth more than their unit price
- How super funds can enhance the post tax value of unit prices
- Examples of super funds that do and do not recognise the true value of the unit price
- How members would benefit from a better understanding of the true value of unit prices

KYLE RINGROSE, *Principal Athena IOC Pty Ltd*

11:40 UNIT PRICING – THE SUM OF ALL INVESTMENT OPERATIONAL OUTCOMES

- Unit Pricing is often only seen as a back-office operational item that has little relevance, since it's outsourced anyways
- However, a unit price is actually the result of all fund and investment operational results, from asset allocation, to transaction processing, to income & expense capture, to valuation and unit value allocation.
- For fund and investment operational teams, a unit price is the central gauge that displays all operational results in a single figure.
- To members, it's the single reference point for them to work out how much their investment is worth and how it has performed against peer funds over time. It's both operationally important and directly linked to member

JAY NADA, *Senior Manager, Fund Services at NSW Treasury Corporation*

12:10 THE IMPACT OF THE DEFERRED TAX LIABILITY EMBEDDED IN THE UNIT PRICE

PANEL DISCUSSION:

- How can it be used to benefit members
- Is its value fully appreciated
- The relationship between the deferred tax liability in the unit price and tax aware investment management

Panel Chair

KYLE RINGROSE, *Principal Athena IOC Pty Ltd*

Panel Members TBA

12:40 Networking Lunch

1:40 ADMINISTRATOR'S CHALLENGES – SHARE INSIGHTS AND HOW FUNDS CAN BETTER SERVICE THEIR MEMBERS

PAUL KHOURY, *Chief Executive Officer, Link Fund Solutions*

2:10 ARE FUNDS STRIKING TOO MANY UNIT PRICES

- An analysis of the range of investment options available to members
 - Examples of the range of multiple options
 - What are the objectives of multiple options
 - Should funds offer an indexed low cost alternative for each option
- What is the minimum number of options that should be available and what are they

IAN FRYER, *Head of Research at Chant West*

2:40 Afternoon Tea

3:10 THE PROLIFERATION OF MEMBER OPTION CHOICES

PANEL DISCUSSION:

- Are super funds increasing cost and complexity by proliferating the number of prices
- Are multiple options in the best interests of unit holders/-super fund members?
- Problems with low value options

Panel Chair

KYLE RINGROSE, *Principal Athena IOC Pty Ltd*

Panel Members

PAUL KHOURY, *Chief Executive Officer, Link Fund Solutions*

IAN FRYER, *Head of Research at Chant West*

3:40 LESSONS LEARNT FROM 60+ UNIT PRICING PROJECTS

- FRS's experience across 60+ unit pricing projects
 - Identifying common mistakes made
 - Hidden complexities and treating customers fairly
 - Why spreadsheets and legacy systems are a poor substitute for a modern solution
 - Integrated unit pricing, accounting and investment admin systems vs best of breed – pros and cons
- MATTHEW BALDWIN**, *Global Head of Sales & Managing Director Asia, Financial Risk Solutions (FRS)*

4:10 ROBOTICS PROCESS AUTOMATION (RPA) IN UNIT PRICING: WILL WE EVER GET TO REAL TIME PRICING?

PANEL DISCUSSION:

- Leveraging Technology to streamline the Unit Pricing Process
- How leading edge technology can manage the data flows throughout the process
- The application of block-chain concepts and technology in unit pricing

Panel Members

MATTHEW BALDWIN, *Global Head of Sales & Managing Director Asia, Financial Risk Solutions (FRS)*

STEPHEN HUPPERT, *Director, Huppert Consulting*

5.00 Closing Remarks from the Chair

1 Hour Networking Drinks – 5:00 pm- 6:00 pm

UNIT PRICING 2019 FORUM

12th-14th June, Grace Hotel Sydney

DAY 2 – 13TH JUNE, THURSDAY

8:20 Delegate Registration & Coffee

8:55 OPENING REMARKS FROM CHAIR



KYLE RINGROSE, *Principal Athena IOC Pty Ltd*

9:00 EXPERIENCE FROM CONDUCTING EXTERNAL UNIT PRICING REVIEWS. EXAMPLES OF GOOD, BAD AND DOUBTFUL PRACTICES

- The things that make a “stand out” unit pricing framework
- Common control deficiencies encountered
- Opportunities for improving the control framework at low cost
- The relevance of corporate culture to the unit pricing control framework



STEPHEN HUPPERT, *Director, Huppert Consulting*

9:30 DAILY UNIT PRICING. IS IT REALLY IN THE BEST INTEREST OF UNIT HOLDERS? THE DEBATE FOR AND AGAINST DAILY, WEEKLY OR MONTHLY PRICING

- Why organisations have evolved towards daily pricing
- The pros and cons of daily pricing
- Is weekly or monthly a better alternative?
- How to address the problems with infrequently valued assets in daily pricing

PANEL DISCUSSION



Panel Members

JAY NADA, *Senior Manager, Fund Services at NSW Treasury Corporation*

Other Panel Members TBA

10:10 THE PERIODIC “TRUE UP” OF TAX PROVISIONS

- Is the “true up” always necessary?
- Different solutions to allocate the balancing amounts across options
- Why the “true up” is always out of date
- Why the “true up” can sometimes cause more problems than it solves

10:50 Morning Coffee

11:20 PENSION TRANSFER BONUS

- What is a Pension Transfer Bonus?
- Market overview & the Link experience
- Rules and parameters considerations
- How to deal with large transactions (ie. switches, large cashflows near retirement, etc)?
- Clawback or deferment?



Joe Nekic, *Head of Client Finance Services, Link Group*

11:50 CUSTODIAN CHECKS AND CONTROLS. THE CUSTODIAN’S VIEWS ON WHERE RESPONSIBILITY LIES BETWEEN THE CUSTODIAN AND THE ASSET OWNER

- What are the minimum number and nature of controls performed by the custodian?
- What responsibilities cannot be delegated to the custodian?
- Can asset owners do more to validate unit prices?
- Examples of how the partnership between custodian and asset owner adds value to members

12:30 Networking Lunch

1:30 THE CLASSICAL TIERED STRUCTURE OF UNIT PRICING

- Examples of a typical multi-level structure
- Why super funds typically adopt this approach
- Examples of enhancements and refinements to the traditional structure
- Potential issues with multi-level structures



KESARA JAYASURIYA, *Director, Asset Management Services, XCHEQR*

2:00 THE LABOR GOVERNMENT’S PROPOSAL TO DENY FRANKING CREDIT REFUNDS

- What this might mean to super funds in the future
- Why the proposal may be inequitable for many people
- Actions SMSF trustees could take to minimise the impact of the proposed legislation
- Analysing the impact for members in “self invest” options



JOHN MARONEY, *CEO, SMSF Association*

2:00 Afternoon Tea

3:00 WHEN A UNIT PRICING ERROR IS NOT AN ERROR

- How the Guide to Good practice defines an error
- Using unit pricing policies to help define errors
- Is a poor policy a unit pricing error?
- The distinction between an error and an estimate
- When can inaccurate estimates result in errors?



NARESH SUBRAMANIAM, *Director, PWC*

3:30 RUNNING A UNIT PRICING OPERATION

- More complexity, shorter timeframes, more data
- Identifying the need for change
- Managing change – where is the “pause” button



PAUL TOEPFER, *Business Performance Consultant, Konu Consulting. Former Head of Product Australia, Managing Director, State Street*

4:00 UNIT PRICING CURRENT & FUTURE CHALLENGES

ROUND TABLE DISCUSSION:

An interactive session starting by summarising conference highlights and providing delegates an opportunity to share their views on future developments and challenges in Unit Pricing in a few years time. This will be a very interactive session. Delegates are encouraged to discuss specific questions which are not covered by speakers, so attendees will be brought together to discuss news, views and recent trends – after the brainstorming groups, attendees will feedback the thoughts of their group to the rest of the conference participants

Moderator

KYLE RINGROSE, *Principal Athena IOC Pty Ltd*



4:40 Closing remarks from the Chair

UNIT PRICING 2019 FORUM

12th-14th June, Grace Hotel Sydney

WORKSHOP

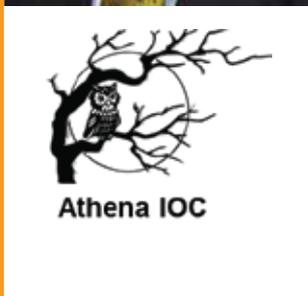
DAY-3

POST-CONFERENCE WORKSHOP 14th June 2019

UNIT PRICING RISK MANAGEMENT AND COMPLIANCE FRAMEWORK

This workshop would be beneficial for training and development of all unit pricing staff. In addition, it will promote awareness of the risks and potential complexities of unit pricing for staff at all levels in other areas of the organisation, particularly for staff within Risk and Compliance functions.

- The evolution of unit pricing governance
- The Guide to Good Practice when to comply and when to challenge
- Key risks including arbitrage and tax provisioning
- Building a good practice unit pricing governance framework including principles, policies, controls, monitoring and reporting
- Impact of recent and potential future legislative changes and industry innovations



WORKSHOP LEADER:

KYLE RINGROSE

Principal Athena IOC Pty Ltd

After 50 years in Financial Services Kyle has recently retired from the role of Head of Investment Operations at QSuper. Kyle joined QSuper in 2010 to form the inaugural Investment Operations team to support the insourcing of the investment management function. In addition to authoring QSuper's Unit Pricing policies and implementing their unit pricing control framework he has introduced QSuper's securities lending program and has been instrumental in the development of a number of industry leading strategies including Lifetime Accumulation, tax segregation of assets and development of fund wide post-tax performance measurement methodologies. Kyle has previously provided consulting services to a number of major industry players and continues to do so during retirement. He has authored numerous articles in industry publications and continues to present frequently on a range of topics at conferences both in Australia and overseas.



UNIT PRICING 2019 FORUM

12th-14th June, Grace Hotel Sydney

UNIT PRICING WORKSHOP - UNIT PRICING RISK MANAGEMENT AND COMPLIANCE FRAMEWORK

This one day workshop focusses on building a risk management and compliance framework for the Unit Pricing function. The content leverages off the presenter's extensive experience in building unit pricing risk management frameworks within a number of Australia's largest fund managers and superannuation funds.

Actual risk management frameworks developed by the presenter have been subject to review by independent internal and external auditors and regulators and have been consistently signed off with no findings or no material findings. This workshop will provide an opportunity for participants to gain insights that can be taken away and implemented within their own organisations. All presentation material will be available for participants.

The workshop provides real life examples of many kinds of risks including arbitrage, tax provisioning errors and other common sources of unit pricing errors. The workshop also illustrates the importance of the understanding of controls approved by the Board and implemented both by an outsourced service provider and within the asset owner's own unit pricing team.

In addition to practical examples of developing policies, building controls including check lists, detailed risk registers and monitoring and reporting, the workshop will provide a high level understanding of the complexities of unit pricing that can often be lost in the detail of day to day operational processing.

Examples of high level insights include the development of the APRA ASIC Guide to Good Practice and why it may not always be in unit holders' best interests to ensure absolute consistency with the Guide. Further insights are demonstrated into the implications of proposals to tax income on pension assets, changes to the Transition to Retirement Pension and also into the recent initiatives to provide members with a transition to pension "bonus".

The workshop is designed to be interactive to ensure participants are constantly involved and engaged throughout. Importantly the workshop will be beneficial not only to members of the unit pricing team but perhaps more importantly to many other parts of the organisation whose staff would benefit from a greater understanding of the complexities of what is widely considered to be the biggest single source of operational risk. Other areas could include members of the risk and compliance, finance, marketing and product development teams extending to senior management and Board members.

Examples of feedback from participants to prior presentations are shown below.

"Invaluable, comprehensive, engaging relevant and professional. Can't think of anyone more suitable to present"

"Kyle is a great presenter. The workshop was not dry at all. Lots of interaction."

"Very systematic presentation with loads of industry knowledge and specific examples. Love it"

"Loved the structure of the workshop throughout the day"

"Great choice of speaker - very knowledgeable with years of experience in the unit pricing field. BRILLIANT!"

"Professional with a bit of great humour. Very knowledgeable"

"Very informative with useful tools that can be implemented to improve unit pricing and reduce risk.

Kyle's presentation style, experience and deep knowledge of unit pricing results in an interesting workshop"

"Insightful, great content, well delivered, great participation, easy to understand"

UNIT PRICING 2019 FORUM

12th-14th June, Grace Hotel Sydney

	Indicative Time
<p>Evolution of unit pricing risks – horror stories from the past and how things have evolved</p> <ul style="list-style-type: none"> • Moving from monthly to daily pricing • Historical risks and errors – a selection of classic examples and how to avoid repeating • The introduction of the Guide to Good Practice 	9.00-9.45
<p>The APRA ASIC Guide to Good Practice – its role in risk management, how good a benchmark is it, some strengths and weaknesses</p> <ul style="list-style-type: none"> • Summary • Benchmark for auditors and regulators • Divergence from the Guide to Good Practice 	9.45-10.15
<p>Arbitrage risks to be aware of, including real life examples</p>	10.15-10.45
<p>Morning tea</p>	10.45-11.00
<p>Tax provisioning (arguably the biggest risk and the source of a number of high profile unit pricing errors)</p> <ul style="list-style-type: none"> • Why it's so difficult to provision with accuracy • Actions that can be taken to mitigate the risk of inaccurate tax provisions • The dreaded "true up" of tax provisions and how to mitigate the risk of significant price movements 	11.00-11.45
<p>Unit pricing Principles – the first fundamental building block for unit pricing risk governance</p> <ul style="list-style-type: none"> • Equity between members • Consistency of policy design and implementation • Simplicity rather than complexity • Practicality of policy implementation • Affordability • Transparency of policies • Accountability for approving policies • Accountability for implementing policies 	11.45-12.00
<p>Unit Pricing Policies - insights into the development of the second building block for unit pricing risk governance, including</p> <ul style="list-style-type: none"> • Significant Cash flows • Backdating • Significant market movement • Performance fee accruals • Managing unit pricing errors 	12.00-12.45
<p>Lunch</p>	12.45-1.30
<p>Unit Pricing controls, the third building block, including</p> <ul style="list-style-type: none"> • Units on issue • Tax provisions and reconciliations • Arbitrage monitoring • Custodian versus fund controls 	1.30-2.00
<p>Unit Pricing monitoring – the fourth building block</p> <ul style="list-style-type: none"> • Due diligence checklists • Risk registers 	2.00-3.00
<p>Unit Pricing reporting – the fifth and final building block</p> <ul style="list-style-type: none"> • Senior management reporting 	3.00-3.30
<p>Afternoon tea</p>	3.30-3.45
<p>The politicians' proposal for tax on pension income. The risks and complexities facing superannuation funds if obliged to comply and the impact of proposals for transition to retirement pensions</p>	3.45-4.00
<p>Tax benefits on transition to pension phase – the risks of losing members to SMSFs</p> <ul style="list-style-type: none"> • How they occur • Potential simple and complex solutions to enable implementation • The potential impact on unit pricing 	4.00-4.45

UNIT PRICING 2019 FORUM

12th-14th June, Grace Hotel Sydney



REGISTER EARLY & SAVE UP TO \$600!	SUPER EARLY BIRD	SAVE	DISCOUNTED RATE	SAVE	NORMAL RATE
Please tick Conference Package	Pay before 30th Mar 2019		Pay before 30th Apr 2019		Pay after 30th Apr 2019
<input type="checkbox"/> Full Conference Package	\$2795 + GST = \$ 3074.50	\$600	\$3295 + GST = \$ 3624.50	\$100	\$3395 + GST = \$3734.50
<input type="checkbox"/> 2 day Conference only	\$2495 + GST = \$2744.50	\$500	\$2795 + Gst = \$3074.50	\$200	\$2995 + GST = \$3294.50
<input type="checkbox"/> 1 Day Master Class	\$900 + GST = \$ 990.00	\$400	\$1200 + Gst = \$1320.00	\$100	\$1300 + GST = \$1430.00

* Payment not made at the time of registration will be subject to a \$99 service charge.

* Only one discount applies per delegate and all the discounts are calculated from the normal rate.

For Group Discount Offer: Register and pay for 2 delegates & Get 2 FREE, you will pay the normal rate for tickets

* All 'Early Bird' discounts & Group discounts are subject to availability and require payment at time of registration and before the cut-off date in order to receive any discount.

* All discount offers cannot be combined with any other offer.

* Please view our registration policy for full information about payment, cancellation, postponement, substitution and discounts.

UNABLE TO ATTEND THE CONFERENCE

Purchase the conference presentations \$600 + GST = \$660

FOR GROUP DISCOUNTS: E-mail us: info@ibrc.com.au

1st Delegate Name (Dr/Mr/Mrs/Ms) _____

Job Title: _____

Telephone: _____ Fax: _____

Email: _____

2nd Delegate Name (Dr/Mr/Mrs/Ms) _____

Job Title: _____

Telephone: _____ Fax: _____

Email: _____

3rd Delegate Name (Dr/Mr/Mrs/Ms) _____

Job Title: _____

Telephone: _____ Fax: _____

Email: _____

4th Delegate Name (Dr/Mr/Mrs/Ms) _____

Job Title: _____

Telephone: _____ Fax: _____

Email: _____

Company Name: _____

Address: _____

Telephone: _____ Fax: _____

Approving Manager (Dr/Mr/Mrs/Ms) _____

Job Title: _____

Telephone: _____ Fax: _____

Booking Contact (Dr/Mr/Mrs/Ms) _____

Job Title: _____

Telephone: _____ Fax: _____

Email: _____

Job Title: _____

Telephone: _____ Fax: _____

For additional delegates please photocopy this form.

EASY WAYS TO PAY

PLEASE CHARGE CREDIT CARD

Bankcard Visa Mastercard Diners Amex

(3% Credit card fee will apply for Diners & Amex)

Credit Card Number

Expiry date __/__/__ Amex 4 digit code _____ Amount \$ _____

Name of card holder _____

PAY BY CHEQUE - CHEQUE ENCLOSED FOR \$ (Cheques payable to IBR conferences)

PAY BY EFT - Remitting to IBR Conferences - BSB-082050 A/C No-87 367 0855 with National Australia Bank, 255 George Street, Sydney

Expected date of transfer..... EFT reference No.....

I do not wish to receive any more mail from IBR conferences

GROUP DISCOUNT For 3 or more people, phone 02 9896 0776.

FOR CONFERENCE PAPERS: info@ibrc.com.au

CANCELLATION POLICY visit our web site or call **02 9896 0776**.

PRIVACY POLICY Visit our web site at www.ibrc.com.au.

INSURANCE: Registration fees do not include personal, travel or medical insurance of any kind. Delegates are advised when registering for the workshop and booking travel that a travel insurance policy be taken out to cover loss, cancellation, medical cover, etc for any reason. IBR Conferences do not take any responsibility for any attendees failing to insure.

DISCLAIMER: IBR Conferences reserves the right to change the speakers, venue, dates or alter or delete items from the program as circumstances dictate and takes no responsibility for any errors, omissions and changes.

ABN 72124362607

REGISTER NOW

POST:

Mail the form with payment to:
Registrations Manager
PO Box 411,
Wentworthville, NSW 2145

PHONE: (+61 2) 9896 0776

FAX: Complete and fax this registration form to:
(+61 2) 9896 0796

EMAIL: register@ibrc.com.au

WEB: www.ibrc.com.au

VENUE DETAILS

Grace Hotel Sydney | 77 York Street | Sydney 2000 | Australia
PH: (02) 9272 6888

SPONSORSHIP OPPORTUNITIES

e-mail: sponsorship@ibrc.com.au