

WINTER FORUM 2006

NMS MANAGEMENT PRESENTS

The Investment Management Forum for Endowments & Foundations

The Hyatt Regency Scottsdale at Gainey Ranch
Scottsdale, Arizona
February 5–8, 2006

Join an outstanding group of endowments and foundations, top investment management professionals, and a broad and distinguished speaker faculty in Scottsdale at the industry's premier annual gathering, for four days of intellectual engagement. Our membership will engage in a broad array of discussions ranging from the critical issues and trends facing investment professionals in the current era of global economic integration to new approaches to asset allocation and activist investing.

As investment issues grow more complex, today's endowment and foundation investment officers face unprecedented challenges in managing their investment portfolios. To help you meet the challenges of generating returns in a sober environment, as well as meeting long-term goals amid geopolitical instability, globalization and volatile markets, NMS' 9th annual Winter Investment Management Forum for Endowments & Foundations will provide the educational resources to manage the critical issues relative to portfolio management. This year's program will tour the globe, looking closely at regions and assessing geopolitical risks, as well as identifying strategies that add real value to institutional portfolios. The agenda, which is replete with academics and practitioners from around the globe, will shed light on the toughest issues facing investors.

Forum Faculty

FORUM HOST

Nancy M. Szigethy
Founder and Chief
Executive Officer
NMS Management, Inc.

FORUM CHAIRMEN

Allan S. Bufferd
Treasurer
Massachusetts Institute of
Technology

Laurance R. Hoagland, Jr.
Vice President & Chief
Investment Officer
The William and Flora
Hewlett Foundation

D. Ellen Shuman
Vice President & Chief
Investment Officer
Carnegie Corporation of
New York

FORUM CHAIRMAN EMERITUS

George F. Keane
President Emeritus
Commonfund Group

KEYNOTE ADDRESS

Peter L. Bernstein
President
Peter L. Bernstein, Inc.

FORUM ADVISORY BOARD

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President, CEO & CIO
The University of Texas
Investment Management
Company (UTIMCO)

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Chief Executive Officer
University of Virginia
Investment Management
Company

Kristin A. Gilbertson
Chief Investment Officer
University of Pennsylvania

John D. Gilliam
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The Henry J. Kaiser Family
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Jane L. Mendillo

Chief Investment Officer
Wellesley College Investment
Office

Michael L. Ross

Chief Investment Officer
Stanford Management
Company

William T. Spitz

Vice Chancellor for
Investments & Treasurer
Vanderbilt University

Peter Stein

Vice President & Chief
Investment Officer
The University of Chicago

FEATURED SPEAKERS

James M. Allwin

Founder & President
Aetos Capital, LLC

Zanny Minton Beddoes

Washington Economics
Editor
The Economist

Christopher L. Bittman

Chief Investment Officer
University of Colorado
Foundation

Richard H. Clarida

Chief Economic Strategist,
The Clinton Group
C. Lowell Harriss Professor of
Economics, Columbia
University, Assistant
Secretary US Treasury 2002-
2003

Timothy C. Collins

Chief Executive Officer
Ripplewood Holdings
L.L.C.

Patricia M. Dinneen

Managing Director
Siguler Guff & Company,
LLC

Nancy Donohue

Vice President - External
Management
Harvard Management
Company

Wesley R. Edens

Chairman and CEO
Fortress

Niall Ferguson

Laurence A. Tisch Professor of History, Harvard University, Senior Research Fellow, Hoover Institution, Stanford University

Peter R. Fisher

Managing Director
BlackRock, Inc.

Gary R. Garrabrant

Chief Executive Officer
Equity International

Spencer P. Glendon

Senior Vice President & Director of Global Macroanalysis
Wellington Management Company, LLP

Sean Goodrich

Director of Alternative Investment Research
Jeffrey Slocum & Associates, Inc.

David Hale

Chairman
Hale Advisers LLC

Alan H. Harris

Chief Investment Officer
The Skillman Foundation

Joseph M. Harvey

President & Senior Portfolio Manager, Cohen & Steers Capital Management, Inc.

Daniel Heflin

President & Chief Executive Officer
ING Clarion Capital

Jeffrey Heil

Director of Investments
Doris Duke Charitable Foundation

Christopher Hohn

Managing Partner
The Children's Investment (TCI) Fund Management UK LLP

Robert D. Hormats

Vice Chairman
Goldman Sachs (International)

Jason C. Hsu

Principal, Director of Research & Investment Management
Research Affiliates, LLC

Amy Myers Jaffe

Wallace S. Wilson Fellow in Energy Studies, James A. Baker III Institute for Public Policy, Associate Director, Rice University Energy Program

William D. James

Investment Director
University of Notre Dame

Larry Kochard

Chief Investment Officer
Georgetown University

Marc Lasry

Managing Partner
Avenue Capital Group

Lee Ann C. Leahy

Audit Partner
PricewaterhouseCoopers LLP

Josh Lerner

Jacob H. Schiff Professor of Investment Banking
Harvard Business School

David McNiff

Senior Investment Officer
Cornell University

Jeff Mellas

Managing Director
Wells Capital Management

Clariza L. Mullins

Treasurer
Pepperdine University

André F. Perold

The George Gund Professor of Finance & Banking, Harvard Business School, Founder, HighVista Strategies

William J. Quinn

Managing Director
Natural Gas Partners

Wilbur L. Ross, Jr.

Chairman & Chief Executive Officer
WL Ross & Co. LLC

Owi S. Ruivivar, Ph.D.

Vice President; Sovereign Research, Emerging Market Debt, Goldman Sachs Asset Management

Glenn A. Shannon

President
Shorenstein Properties LLC

Jayant Sinha

Managing Director
Courage Capital Management, LLC

Raj Venkatesan

Portfolio Manager, Standard Pacific Japan Fund Partner
Standard Pacific Capital, LLC

Byron Wien

Chief Investment Strategist
Pequot Capital Management, Inc.

Bruce G. Wilcox

Chairman,
Management Committee
Cumberland Associates LLC

Mel Williams

Vice President, Director of Private Investments
UNC Management Company

Arshad Zakaria

President & Chief Executive Officer
New Vernon Capital

General Tony Zinni

USMC (Ret.)

Schedule

Saturday, February 4, 2006

5:30 pm

Meet and Greet Reception for
Early Arrivals

Sunday, February 5, 2006

7:00 am

Forum Registration &
Continental Breakfast

7:50 am

Opening Remarks

Speaker: Nancy M. Szigethy, NMS Management, Inc.

Remarks from the Forum
Chairmen

Speakers: Allan S. Bufferd, Massachusetts Institute of Technology
Laurance R. Hoagland, Jr., The William and Flora Hewlett Foundation
D. Ellen Shuman, Carnegie Corporation of New York

8:00 am

Investing in an Imbalanced
World

By many measures, the world economy is in robust health. America's growth remains strong despite shocks from hurricanes and high oil prices. Japan's recovery seems ever more solid, China's economy continues at a staggering pace and even the euro area shows signs of life. Yet behind this healthy growth lies an ever more imbalanced world economy, where America funds its spending by borrowing abroad, while others invest their surplus savings in American assets. America's current account deficit is over 6% of GDP, well above the levels that have traditionally spelt trouble. Yet the dollar rose in 2005. This session will examine the causes of these imbalances and assess the risks they pose. Is America's current account deficit driven by inadequate saving at home or excess thrift abroad? Does the world suffer from a savings glut or an investment shortfall? What role have policymakers played in creating such a lop-sided world economy? How big can the imbalances get and how long can they last? Can they be unwound gradually or is a global recession or dollar crash inevitable? These are the big macroeconomic controversies in today's global economy. With expert panelists from all sides of the debate, this discussion will set the stage in defining the landscape for investors and laying the framework for the sessions to follow.

Moderator: Zanny Minton Beddoes, *The Economist*

Panelists: Richard H. Clarida, The Clinton Group, Columbia University
Peter R. Fisher, BlackRock, Inc.
Spencer P. Glendon, Wellington Management Company, LLP
Robert D. Hormats, Goldman Sachs (International)

Sunday, February 5, 2006

9:30 am

Morning Break

10:00 am

A Challenge to the Orthodoxy of Asset Allocation

Several years ago, Peter Bernstein argued at this forum that endowments should adopt a more flexible approach to asset allocation. Following up on his recommendation, Bill Spitz will argue that the conventional approach of creating target weightings in a large number of narrowly defined portfolio categories may no longer be workable due to the continued shift of assets to hedge funds and the convergence of many investment strategies. He will propose a much more flexible and opportunistic approach to portfolio structuring that will focus on manager selection rather than on an arbitrary portfolio weighting.

Speaker: William T. Spitz, Vanderbilt University

10:30 am

**CIO Panel:
What's in a name?**

This session is designed to delve further into Bill Spitz's comments. The question being raised is how important is classification to the proper construction of an asset allocation? Did Shakespeare aptly catch the sentiment when he said in Romeo and Juliet "That which we call a rose by any other word would smell as sweet?" How do CIOs approach the development of their asset allocation? When engaging a manager, are CIOs limiting themselves to considering only those that fit a narrowly defined target? Having established the structure, how do they approach critical evaluation and conveying the results to Committees? This panel will expand on their decision making process and confront the question of classification and its impact upon the construction of the asset allocation.

Moderator: Bruce W. Madding, The Henry J. Kaiser Family Foundation

Panelists: Christopher L. Bittman, University of Colorado Foundation
Jeffrey Heil, Doris Duke Charitable Foundation
L. Erik Lundberg, University of Michigan
Peter Stein, The University of Chicago

11:45 am

Investing for the Year 1000

In an industry so enamored with the new, it is important to reflect on enduring principles. This interactive talk will use history as its backdrop, drawing parallels between the current investment landscape and dramatic episodes from the past. Investors currently want precisely what they have always wanted: lots of return and little risk. Although we have no idea what will prove to be the hottest future investment styles - that can only be known in retrospect - elements of the most successful approaches will have classic attributes: reasonable trade-off between risk and opportunity. Conclusion will include reflections on which arenas may be currently most prospective.

Speaker: Bruce G. Wilcox, Cumberland Associates LLC

12:15 pm

Luncheon

Schedule

Sunday, February 5, 2006

1:30 pm

Distressed Investing Opportunities Around the World

This talk will address the opportunity set for distressed investing in the current environment. When will the cycle turn for investing in U.S. distressed? How compressed will the cycle be? What is the impact of China and India on distressed investing in Asia, Germany and its role in the European distressed arena? An analysis of risks and rewards of investing in global distressed will also be covered.

Speaker: Marc Lasry, Avenue Capital Group

2:00 pm

Fundamental Indexing: A Better Way to Manage Your Passive Exposure?

The presentation introduces a new method for passive equity indexing using company financial fundamentals. This method offers superior index return with lower volatility, while providing broad market participation, high liquidity, high capacity and low turnover. Empirical evidences drawn from U.S. data and international data are offered to validate this new method on non-capitalization based indexing.

Speaker: Jason C. Hsu, Research Affiliates, LLC

2:30 pm

The Tail May Wag the Dog - Credit Default Swaps May Cool Real Estate Markets While Creating New Absolute Return Strategies

In June 2005, a standardized contract was approved for credit default swaps (CDS) on asset backed securities and commercial mortgage backed securities. Since then, CDS market participants have driven spreads wider while significantly increasing volatility, with some rating categories experiencing intraday spread changes of more than 100 basis points in both directions. Many investors have found themselves whipsawed by these fluctuations. More fundamentally, this has caused mortgage spreads to increase. Will a higher cost of borrowing cause the residential and commercial real estate markets to cool? Which investors are benefiting and which strategies are built to last?

Speaker: Daniel Heflin, ING Clarion Capital

3:00 pm

International Activist Investing and the Onset of a Hedge Fund Bubble

Topic: International Activist Investing and the Onset of a Hedge Fund Bubble

Speaker: Christopher Hohn, The Children's Investment (TCI) Fund Management UK LLP

3:45 pm

Sessions Conclude

Super Bowl Party! Relax and network with colleagues while watching the biggest game of the year live from Detroit on the big screen.

Super Bowl Party Immediately Following

Sponsored by: Cumberland Associates LLC
Goldman Sachs Asset Management
ING Investment Management Americas
Wellington Management Company, LLP

Monday, February 6, 2006

7:00 am

Continental Breakfast

8:00 am

Opening Remarks

Speaker: Nancy M. Szigethy, NMS Management, Inc.

Chairmen's Remarks

Speakers: Allan S. Bufferd, Massachusetts Institute of Technology
Laurance R. Hoagland, Jr., The William and Flora Hewlett Foundation
D. Ellen Shuman, Carnegie Corporation of New York

8:15 am

Opening Keynote Address- The Little Planned Society: A New View of Endowment Management and the Capital Markets

We all believe in free markets, but we all work in organizations and invest in companies where hierarchies of authority rather than market forces determine internal decisions. Why is that? Where and how do we draw the line? The answers to these questions illuminate matters of high importance such as transaction costs, institutional change, and outsourcing versus internal management.

Speaker: Peter L. Bernstein, Peter L. Bernstein, Inc.

8:35 am

Deans' Panel

A group of the most sanguine investment professionals and academics will share a broad range of perspectives on the economy, the financial markets, their thoughts on where opportunities will be found going forward and the changes at work around the globe which impact endowment and foundation investment portfolios. There is much food for thought in this exchange, which will set the stage for the next three days of the forum.

Moderator: André F. Perold, Harvard Business School

Panelists: Peter L. Bernstein, Peter L. Bernstein, Inc.
Wesley R. Edens, Fortress
Byron Wien, Pequot Capital Management, Inc.

10:00 am

Morning Break

10:30 am

The Widening Atlantic: How Europe is Moving Away from America

It's widely believed that the deterioration of trans-Atlantic relations in recent years has been the fault of the Bush administration, which Europeans perceive as having radically changed the direction of U.S. foreign policy. Yet in many ways America has changed much less since the Cold War than Europe. Niall Ferguson considers the strategic, economic and religious transformation of Europe since 1989 and suggests that, if the Atlantic is growing wider, it is because Europe may be in the process of morphing into 'Eurabia'.

Speaker: Niall Ferguson, Laurence A. Tisch Professor of History, Harvard University, Senior Research Fellow, Hoover Institution, Stanford University

Schedule

Monday, February 6, 2006

11:30 am

Investing in the Emerging Markets: Finding Value for Endowment and Foundation Portfolios Overseas

The emerging markets are currently an area of high focus for many endowments and foundations. The beta markets in equities and fixed income have generated strong positive returns, but what are the prospects and the strategies for generating alpha? Highly concentrated equity portfolios, for instance, that scan the lesser-followed mid and small cap names, can play to the strengths of local information networks. The framework and tool kit for shorting and hedging, however, is nascent and still evolving. In the private markets, an array of regulatory, legal, and even ethical issues abound. There is a high degree of diversity in the opportunity set, as one scans across regions, countries, and available choices. The India versus China debate, alone, reveals the wide scope of possibilities for investing as well as the diversity of opinion about whether or not there are good prospects for earning returns. Recent trends in commodity supply and demand also figure prominently into the equation, as many emerging market countries have commodity driven economies and China and India are huge buyers. This investor panel will debate and share insight on how some leading institutions are facing the challenges, making choices, and producing investment results.

Moderator: Nancy Donohue, Harvard Management Company

Panelists: Christopher J. Brightman, University of Virginia Investment Management Company
Kristin A. Gilbertson, University of Pennsylvania
D. Ellen Shuman, Carnegie Corporation of New York

12:15 pm

Looking Forward: Where Will Investment Opportunities be Found?

Topic: Looking Forward: Where Will Investment Opportunities be Found?

Speaker: Timothy C. Collins, Ripplewood Holdings L.L.C.

12:45 pm

Luncheon

Monday, February 6, 2006

2:00 pm - 3:15 pm

Case Study: How Can Limited Partners Generate Superior Returns in Today's Private Equity Market?

This case examines the dilemmas facing limited partners by examining the experiences of Grove Street Advisors, a manager of customized private equity investment products. The organization has been very successful in its first five years. But the private equity market has changed dramatically over the past half-decade, and it must consider whether its original model is sustainable. Moreover, expanding to address the needs of additional clients might endanger its ability to generate superior returns for its existing limited partners.

This case will provide an opportunity to consider the challenges facing limited partners as they seek superior private equity returns. It will provide a lens to examine the questions of where the private equity market is heading, the challenging dynamics between limited and general partners, and the role of intermediaries as a potential solution to these difficulties.

Speaker: Josh Lerner, Harvard Business School

3:30 pm

Investing in International Private Equity

Topic: Investing in International Private Equity

Moderator: Mel Williams, UNC Management Company

Panelists: Patricia M. Dinneen, Siguler Guff & Company, LLC
David McNiff, Cornell University
Jayant Sinha, Courage Capital Management, LLC

4:15 pm

Investing in Emerging Market Debt

Emerging market volatility has experienced a significant secular decline in the last few years, and the resulting demand response has been a widespread increase in strategic interest. There are several critical changes that have occurred within emerging economies, and in combination they have worked to successfully subdue the volatility in the asset class, and reign in the risk of contamination across asset prices. So what has changed in emerging markets to generate these secular declines in risk? This session explores the fundamental developments and economic outlook for the developing world; are we in a new paradigm of durable macroeconomic stabilization or is this yet another false dawn for economic reform? What are the implications for the nexus of demand and supply given reduced financing needs and greater diversity of demand? Lastly, do valuations appropriately reflect these fundamental trends or are they running ahead of themselves? Are there residual pockets of fundamental value left in Emerging Market Debt?

Speaker: Owi S. Ruivivar, Ph.D., Goldman Sachs Asset Management

Schedule

Monday, February 6, 2006

4:45 pm

**The Changing Geopolitics
of East Asia**

The talk will focus on the rise of China and how it is changing geopolitical relations in East Asia. The re-emergence of China as a great economic power is one of the defining issues of the modern era. In the late 18th century, China accounted for one third of global output. But during the 19th century, it entered a prolonged period of decline which reduced its share of world output to less than 2% during the late 1960s. China now has a nominal GDP of over \$1.6 trillion and a PPP adjusted GDP of nearly \$5 trillion, making it the second largest economy in the world. China now also consumes a larger share of many global commodities than the United States, including copper, iron ore, lead zinc, aluminum, and platinum. This talk will also explore how the economies of China, Russia and India seem to be pulling together in partnership, a relationship that the U.S. is not a part of, and what the implications of this are for the U.S.

Speaker: David Hale, Hale Advisers LLC

5:45 pm

Sessions Conclude

**Membership Reception
Immediately Following**

Join us for a sumptuous feast and enchanting music that will transport you to exotic lands.

Sponsored by: Cumberland Associates LLC
Goldman Sachs Asset Management
ING Investment Management Americas
Wellington Management Company, LLP

Tuesday, February 7, 2006

7:00 am

Private Breakfast for
Endowments & Foundations Only

7:30 am - 8:30 am

Closed-Door Sessions for
Endowments & Foundations
Only

Session A: Topic - Investing in Private Equity

Facilitators: Allan S. Bufferd, Massachusetts Institute of Technology
Clariza L. Mullins, Pepperdine University

Session B: Topic – Diversification Strategies for Small and Mid-sized Institutions

Facilitators: Alan H. Harris, The Skillman Foundation
Larry Kochard, Georgetown University

7:45 am

Continental Breakfast for
General Sessions

8:40 am

Chairmen's Recap

Speakers: Allan S. Bufferd, Massachusetts Institute of Technology
Laurance R. Hoagland, Jr., The William and Flora Hewlett Foundation
D. Ellen Shuman, Carnegie Corporation of New York

8:45 am

Keynote Address-
A Troubled World: Solutions?

General Tony Zinni, USMC (Ret.), former commander of the U.S. Central Command, has been involved in most of the problems that have arisen since the Berlin Wall came down and policymakers heralded a New World Order. Rather than realizing a peace dividend, however, the U.S. has instead been saddled with problems ranging from Somalia to Iraq that have forced military and civilian agencies to re-evaluate the way they plan for both war and peace. General Zinni will speak about the global prospects for International Peace and Security, the ongoing risk of nuclear proliferation, the U.S. military industrial complex and the balance of power on a global basis.

Speaker: General Tony Zinni, USMC (Ret.)

Schedule

Tuesday, February 7, 2006

9:45 am

Investing in Japan

In 1989 Japan was the largest equity market in the world with 40% of global market capitalization, despite being only 20% of the world's GDP. In early 2003 the Nikkei hit a 20-year low while the Japanese economy was still the second largest in the world with a 17% share of global GDP. Still, Japan remained off most institutional investors' radar screens. On Monday, August 8, 2005, Prime Minister Junichiro Koizumi announced a surprise election intended to be a referendum on his financial reform plans. Since that day the Japanese market has had a spectacular run. Is Japan back? Or is this another in a series of head fakes? Are markets really reforming over there? How should the U.S. institutional investors approach investing in Japan?

Moderator: Michael L. Ross, Stanford Management Company

Panelists: James M. Allwin, Aetos Capital, LLC
Wilbur L. Ross, Jr., WL Ross & Co. LLC
Raj Venkatesan, Standard Pacific Capital, LLC

11:00 am

Morning Break

11:30 am

India: The Opportunities and Challenges of Investing in a High-Growth Economy

This presentation will discuss the opportunities and risks of investing in India. What factors will determine whether strong economic growth continues in India? Which political risks are real, and which are exaggerated? Will rapid growth continue to translate into rapid growth in profits and asset values? Does investment in India make sense as a diversification play for U.S. investors? What investment options are open to foreign investors? Mr. Zakaria will address these issues with respect to a wide range of asset classes, including public equity, private equity, venture capital, and real estate.

Speaker: Arshad Zakaria, New Vernon Capital

12:30 pm

Sessions Conclude

1:00 pm

Afternoon Activities

Golf Tournament Begins

1:15 pm

Afternoon Activities

Tennis Tournament, Wild West Jeep Tours and Hiking Begin

6:00 pm

Reception for All Attendees

Sponsored by: Cumberland Associates LLC
Goldman Sachs Asset Management
ING Investment Management Americas
Wellington Management Company, LLP

Tuesday, February 7, 2006

TUESDAY AFTERNOON ACTIVITIES

NMS has expanded our activities this year to include Jeep tours and hiking in addition to the golf and tennis tournaments. To sign-up for one of the following activities, please fill out the appropriate information on the registration page in the back of this brochure.

1:00 pm Golf Tournament

Players of all levels are welcome to participate in a shot-gun-start scramble golf tournament. All participants must be conference attendees. The tournament will be played at the Gainey Ranch Golf Course and will begin promptly at 1:00 pm. Please note that club and shoe rentals are at your own expense. To sign up, please fill out the golf information on your conference registration form (in the back of this brochure). Golf registrations will be taken in the order they are received. Confirmation of your registration for golf will be sent to you via email.

1:15 pm Tennis Tournament

A round-robin tennis tournament will be available to players of all levels. The tournament will be played at the Gainey Ranch Tennis Pavilion and will begin promptly at 1:15 pm. Please note that racquet rentals are at your own expense. To sign up, please fill out the tennis information on your conference registration form (in the back of this brochure). Space is limited and tennis registrations will be taken in the order they are received. Confirmation of your registration for tennis will be sent to you via email.

1:15 pm Wild West Jeep Tours

Four wheel drive Jeep tours in the untamed Sonoran Desert will be available. Enjoy the splendor of the desert and a tour through the most lush plant life of any desert in the world. The Naturalist Guides will bring to life the delicate balances of the desert ecosystem, highlight Arizona's colorful history and regale you with tales of the Wild West. The tour will include two stops: an opportunity to stretch your legs on a short nature walk and an opportunity to take pictures at a panoramic viewpoint. To sign up, please check-off the "Wild West Jeep Tours" option on your conference registration form (in the back of this brochure). Space is limited and Jeep tour registrations will be taken in the order they are received. Confirmation of your registration for the Jeep tour will be sent to you via email.

1:15 pm Hiking

Hike in the beautiful Phoenix Mountain Preserve out of Squaw Peak Park and learn all about the unique flora, fauna, geology and history with a knowledgeable, professional guide. Exploring on foot is a most intimate and educational way to experience the desert. You'll enjoy panoramic views of the "Valley of the Sun" including Squaw Peak and Camelback mountains. While more than a simple nature walk (hike minimum will be two miles), hiking groups will be designed so that individuals of different fitness levels will be grouped together to maximize enjoyment. To sign up, please check-off the "Hiking" option on your conference registration form (in the back of this brochure). Space is limited and hiking registrations will be taken in the order they are received. Confirmation of your registration for the hike will be sent to you via email.

Schedule

Wednesday, February 8, 2006

7:15 am - 8:30 am

Private Breakfast Sessions for
Endowments & Foundations Only

Session A: Facing the Challenges of Evolving Auditing Guidance for Alternative Investments

Alternative investments have become an increasingly popular asset category over the past decade or so. Recently, the auditing standard setters issued new guidance that was controversial and complicated. This session will help demystify the new auditing requirements and provide some guidance in how to be “audit ready” for your auditors in 2006. We all learned valuable lessons during the 2005 audit season so let’s plan ahead for 2006.

Speaker: Lee Ann C. Leahy, PricewaterhouseCoopers LLP

Session B: Open Roundtable Discussions

Each facilitator will lead a different topic discussion at each table.

Facilitators: Christopher J. Brightman, University of Virginia Investment Management Company
John D. Gilliam, Formerly, The Robert Wood Johnson Foundation
Alice W. Handy, Investure, LLC
Catherine A. Lynch, National Railroad Retirement Investment Trust (NRRIT)
Bruce W. Madding, The Henry J. Kaiser Family Foundation
Peter Stein, The University of Chicago

8:00 am

Continental Breakfast for
General Sessions

8:40 am

Chairmen’s Recap

Speakers: Allan S. Bufferd, Massachusetts Institute of Technology
Laurance R. Hoagland, Jr., The William and Flora Hewlett Foundation
D. Ellen Shuman, Carnegie Corporation of New York

8:45 am

The Energy Problem: Geopolitical
Challenges and National
Opportunities

Energy and global climate change are two of the biggest challenges the world must face in the 21st century. Geopolitical factors are preventing the delivery of adequate new oil resources to market to meet rising world energy demand. The Middle East, home to 60% of the world’s oil resources, is undergoing a period of political transition and therefore faces great uncertainties which are likely to impact security of vital energy supplies from the region. Moreover, concerns about rising levels of greenhouse gas emissions argue against increasing use of fossil fuels. A solution to the energy problem can help reduce exposure to events in the Middle East while at the same time, limiting greenhouse gas emissions and reducing the possibility of conflict over natural resources. Developing new, reduced carbon sources of energy will not only help to mitigate climate change, but also have positive national security, energy security, and economic implications for the United States.

Speaker: Amy Myers Jaffe, Wallace S. Wilson Fellow in Energy Studies, James A. Baker III Institute for Public Policy, Associate Director, Rice University Energy Program

Wednesday, February 8, 2006

9:45 am

Oil and Gas Investing: Where Are We Now and Where Do We Go From Here?

Oil and gas investments have been an important component of many endowment and foundation portfolios for a number of years, while other investors are just beginning to commit capital to this sector. How have institutional investors structured their oil and gas portfolios? Where are we in the current energy cycle? What impact will high oil and gas prices have on investment decisions in this sector? This panel will examine public vs. private investments, tactical vs. strategic considerations, commodity price sensitivity, and other issues.

Moderator: William D. James, University of Notre Dame

Panelists: Sean Goodrich, Jeffrey Slocum & Associates, Inc.
Amy Myers Jaffe, Wallace S. Wilson Fellow in Energy Studies, James A. Baker III Institute for Public Policy, Associate Director, Rice University Energy Program
William J. Quinn, Natural Gas Partners

10:45 am

Analyzing the Opportunity Set in the Real Estate Markets

This panel will take a closer look at the opportunities in the public and private sector as well as the opportunities overseas. How should endowments and foundations be looking at real estate for their investment portfolios in the current investment environment?

Moderator: Alice W. Handy, Investure, LLC

Panelists: Gary R. Garrabrant, Equity International
Joseph M. Harvey, Cohen & Steers Capital Management, Inc.
Larry Kochard, Georgetown University
Glenn A. Shannon, Shorenstein Properties LLC

12:00 pm

Tactical Asset Allocation: Theme and Variations

Tactical Asset Allocation (TAA) has been around in various forms for decades, but recent years have seen a resurgence of interest in this approach. Sideways markets, new investment instruments and growing demand for diversified alpha sources have all increased the attraction of TAA. Approaches to TAA vary widely, however, and in this session two managers will discuss their contrasting approaches to TAA, exploring the philosophical roots of their views and highlighting the practical implications for investors.

Moderator: Catherine A. Lynch, National Railroad Retirement Investment Trust (NRRIT)

Panelists: TBA, First Quadrant, L.P.
Jeff Mellas, Wells Capital Management

12:45 pm

Forum Concludes

About NMS

ABOUT NMS

NMS works to fulfill the needs and aspirations of the endowment and foundation community through the development of an outstanding network of investors and business professionals. As the chief source of unbiased educational forums, NMS promotes high standards of competence and ethics. As part of its mission, NMS provides its members with the business tools, networks and access to senior-level investment officials that are essential to making critical business decisions in a non-commercial setting of peers. NMS is your bridge to the latest investment ideas and information applicable to the endowment and foundation community.

THE INSTITUTIONAL SELECT SERIES

The NMS Institutional Select Series provides institutional investors with exclusive, closed-door roundtable meetings focused on specific asset classes. These smaller, intimate forums are “By Invitation Only” and bring together investors who already have a developed expertise in the asset class with some of the most successful and well-renowned investment managers who focus on that investment “space”.

After meeting pre-determined criteria to participate in the roundtable, investors gather to debate the full range of issues confronting sophisticated investors in a given asset class via facilitated discussions. A hallmark of the NMS roundtable is that participants must attend all aspects of the roundtable including sessions and social events. NMS does not market or endorse any investment products or services, which enables us to provide entirely independent and unbiased programs in a non-commercial setting of peers. NMS has expanded its offerings under the Institutional Select Series to include four meetings: Hedge Funds, Private Markets, Real Estate/Real Assets and an exclusive roundtable for CIOs/Treasurers.

For future meeting dates, please see the back of this brochure.

Past Speakers

This distinguished group has spoken at prior NMS Management programs.

Mr. Lee S. Ainslie III
Managing Partner
Maverick Capital Ltd.

Mr. Keith Ambachtsheer
President
K.P.A. Advisory Services Ltd.

Mr. John M. Angelo
Co-Founder &
Chief Executive Officer
Angelo, Gordon & Company

Mr. Mark Anson
Chief Executive Officer
Hermes Pensions Management

Mr. Clifford S. Asnes
Managing & Founding Principal
AQR Capital Management, LLC

Mr. Daniel C. Benton
Chairman & Chief Executive Officer
Andor Capital Management, LLC

Mr. John C. Bogle
Founder
The Vanguard Group

Mr. Horace W. Brock
President & Founder
Strategic Economic Decisions, Inc.

Ms. Mary L. Cahill
Vice President for Investments &
Chief Investment Officer
Emory University

Mr. Jack Coates
Managing Director
Morgan Stanley

Mr. Leon G. Cooperman
Chairman
Omega Advisors, Inc.

Mr. Peter Crisp
Founding Partner
Venrock Associates

Mr. Raymond T. Dalio
President & Chief Investment Officer
Bridgewater Associates, Inc.

Mr. Charles D. Ellis
Managing Partner
The Partners of '63

Mr. James Grant
Editor
Grant's Interest Rate Observer

Mr. Jeremy Grantham
Chairman
GMO

Mr. Robert Greenhill
Chairman
Robert Greenhill & Associates

Mr. Kenneth C. Griffin
President
Citadel Investment Group, LLC

Mr. Irwin Mark Jacobs
Chairman & CEO
QUALCOMM, Incorporated

Mr. C. Bruce Johnstone
Managing Director
Fidelity Investments

Mr. Robert G. Kirby
Chairman Emeritus
Capital Guardian Trust Company

Mr. Robert Kolyer
Managing Director
Investment Strategy &
Absolute Return
Howard Hughes Medical Institute

Mr. Harlan B. Korenvaes
Managing Director
Reservoir Capital Group

Mr. C. Richard Kramlich
General Partner & Co-Founder
New Enterprise Associates

Mr. Mark P. Kritzman
Managing Partner
Windham Capital
Management Boston

Mr. John Z. Kukral
President & Chief Executive Officer
Blackstone Real Estate Advisors

Mr. Thomas H. Lee
Chairman
The Thomas H. Lee Company

Mr. Martin L. Leibowitz
Managing Director
Morgan Stanley

Mr. Steven Leuthold
Chairman
The Leuthold Group
and Leuthold Weeden Capital
Management

Mr. Donald W. Lindsey
Chief Investment Officer
The George Washington University

Mr. Burton G. Malkiel
Chairman
Chemical Bank
Professor of Economics
Princeton University

Mr. Howard S. Marks
Chairman
Oaktree Capital Management, LLC

Mr. Tom McAuley
Chief Investment Officer
North Sound Capital

Mr. Paul A. McCulley
Managing Director
PIMCO

Mr. Eric Mindich
Chief Executive Officer
Eton Park Capital Management

Mr. John Moon
Principal
Emerging Markets
Oaktree Capital Management, LLC

Mr. Narv Narvekar
President
Columbia Investment
Management Company

Mr. Jack Nash
Co-Founder
Odyssey Partners L.P.

Mr. Daniel S. Och
Senior Managing Member
Och-Ziff Capital Management Group

Mr. Richard C. Perry
President & Chief Executive Officer
Perry Capital LLC

Mr. Peter G. Peterson
Chairman
The Blackstone Group

Mr. George Rohr
President
NCH Capital, Inc.

Mr. Ray A. Rothrock
Managing General Partner
Venrock Associates

Mr. Arthur J. Samberg
Chairman & Chief Executive Officer
Pequot Capital Management

Mr. Daniel H. Stern
Chairman & Chief Executive Officer
Reservoir Capital Group

Mr. Donald Sussman
CEO
Paloma Partners Management
Company

Mr. William Tai
General Partner
Charles River Ventures

Sir John Marks Templeton
Chairman
John Templeton Foundation

Mr. Daniel Yergin
Chairman
Cambridge Energy Research
Associates, Inc.

Mr. Fareed Zakaria
Editor, Newsweek International
Columnist, Analyst, ABC News

Mr. Sam Zell
Chairman
Equity Group Investment, Inc.

NMS Membership Information

MEMBERSHIP

NMS Membership is now required to gain access to our exclusive Winter and Fall forums. Please fill out the registration form at the back of this brochure to become a member and reserve your seat for the Winter Investment Management Forum for Endowments & Foundations in Scottsdale, Arizona, February 5-8, 2006.

Believing that most successful business ventures are built on trust, and trust can only be developed through relationships, NMS strives to facilitate relationships through its confidential, members-only investment forums, networking receptions and other related activities, in accordance with the NMS code of ethics. NMS provides its members with the direct access to leaders in the investment community that is essential to making critical business decisions.

One membership is required per institution or service provider in order to register for upcoming events. Membership for service providers is limited.

KEY ADVANTAGES OF BECOMING AN NMS MEMBER

By becoming an NMS member, you draw your business into a vibrant investment community with all the business opportunities that arise from an active network:

- Participation in NMS' high-level investment forums, the premier gathering in the U.S. where investment leaders who are united by their shared commitment to professional excellence stay apprised of current market trends and cutting-edge investment strategies.
- Contacts and business opportunities through NMS networking sessions, which provide investors and investment professionals direct access to other key decision-makers in the field.
- A high ratio of institutional investors to service providers at NMS events, which ensures the opportunity for investors to network within a community of peers, while allowing service providers the opportunity to be part of an exclusive group with preferential access to investors, in a non-commercial setting.
- Subscription to *The NMS Exchange*, the investment bulletin for the endowment and foundation community.

We invite you to join us and benefit from services and programs that are as diverse as our membership.

INSTITUTIONAL INVESTOR MEMBER BENEFITS

The cost for institutions to attend programs has been reduced considerably for both our Fall and Winter forums. In addition, the quality of the audience will be at an even higher level, since fewer service providers will have access to our forums, which are conducted in a non-commercial setting of peers. NMS membership entitles your institution to register up to two staff members for our Winter forum and up to three staff members for our Fall forum.

SERVICE PROVIDER MEMBERSHIP

Service provider membership is currently closed; however, we are keeping a record of firms that would like to be contacted in the event that a current member does not renew. If you are interested in receiving information on membership or have any other questions, please contact Teresa Sanacore at 516 933 3700, ext. 20, or email teresa@nmsmanagement.com.

As a service provider member, you will become part of a limited group within the NMS family and have preferred access to our members only programs. The service provider membership is comprised of a diverse cross-section of investment managers and other service providers representing both large and smaller firms, across all asset classes.

CODE OF ETHICS

The integrity and professionalism of our programs are key to the quality and success of the events. All attendees must comply with the Code of Ethics listed below before, during and after the event. Failure to do so may result in being barred from attending future events.

Professionalism: All attendees must conduct themselves in a professional manner at all times.

No Selling: No direct or indirect selling is permitted before, during or following the event. Unless there is a prior relationship, investors may not be solicited or otherwise contacted prior to the event. Moreover, there shall be no selling from the

NMS Forum Information

podium or the panel. Speakers and panelists may not discuss the performance of their particular funds.

No Pressure: No attendee or investor shall be pressured. There shall be no handing out of business cards to investors unless they have specifically asked for one first.

No Mass Mailings: There shall be no mass mailings to investors prior to or after the event.

Confidentiality: All attendees must keep the materials provided and the statements made at the event confidential. This non-public and often sensitive information may not be disseminated outside of the meeting.

EVENING EVENTS & AFTERNOON ACTIVITIES

NMS has expanded the scope of its events to promote more extensive networking opportunities, including receptions on Saturday, Monday and Tuesday evenings, a Super Bowl party on Sunday evening and afternoon activities (golf, tennis, hiking and Jeep tours) on Tuesday. Service provider members may host dinners only on Saturday evening, Sunday evening (please arrange your departures from the hotel no earlier than 7:30pm on this day) or Tuesday evening.

Solicitation: We have found that some non-member managers and other service providers are attempting to take advantage of the investor presence at our forums by soliciting members to attend non-member social functions outside of, and unrelated to, our forums. This “poaching” by non-members demeans the sense of community inherent in NMS membership. Thus, in order to preserve the mission and integrity of the membership, we respectfully request that you decline invitations from such non-members. Please ask us about the membership status of anyone who solicits you to attend an outside function in order that we may confirm that the invitation is from a member organization. If the firm is not a member, we will take steps to prevent such “poaching” in the future.

HOTEL ACCOMMODATIONS

The Hyatt Regency Scottsdale at Gainey Ranch, Arizona
7500 East Doubletree Ranch Road
Scottsdale, Arizona 85258

Please contact Diana Corsino at diana@nmsmanagement.com so that she may email you the necessary form to secure your hotel room reservation. You will be asked to fill out the form to confirm your request.

TRAVEL ARRANGEMENTS

NMS Management, Inc., has obtained preferential airfares for our forum through Austin Travel. Please inquire about available fares by contacting Austin Travel at 800 899 3117 between the hours of 8:00am - 6:00pm EST.

ATTIRE

Business Casual

CANCELLATION POLICY

Memberships are non-refundable. Registration fees: No refunds for cancellations; however a credit voucher for a future event will be issued upon written notification received no less than two weeks prior to the forum, or by January 23, 2006. No credits will be given to no-shows. A membership belongs to an organization, not to an individual, and is therefore not transferable to an employee who may leave the organization.

CPE CREDITS

NMS Management, Inc., will be offering CPE credits to participants of this conference. To qualify for CPE credits you must attend all sessions offered during the course in full. NMS will be awarding 16–25 hours of CPE credits for the completion of this program. Please note that all CPE courses will be offered at an intermediate level. All participants must have some knowledge of investment management and financial markets to participate. This program will serve to enrich your knowledge about investment products and services. NMS Management, Inc., is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to: The National Registry of CPE Sponsors, 150 Fourth Avenue North, Nashville, TN 37219-2417. Website www.nasba.org

NMS Forum Information

MEDIA

To protect the confidentiality of our speaker faculty and to promote open dialogue, NMS Management, Inc. does not permit media or press representatives to attend this program.

AUDIO/VISUAL RECORDING PROHIBITED

Recording any aspects of the conference, whether by audio, video or any other manner of recording, copying or reproduction, is strictly prohibited.

CONTACT INFORMATION

If you would like to be added to our database, please call 516 933 3700, fax 516 933 3705 or email info@nmsmanagement.com with your contact information. (Those who have attended our events in the past are already included in our database.) For more information regarding administrative policies such as complaints and refunds, please contact our office at 516 933 3700.

SPONSORSHIP INQUIRIES

If you are interested in receiving more information on becoming a corporate sponsor of a future forum, please contact Teresa Sanacore at 516 933 3700 ext. 20 or email teresa@nmsmanagement.com.

FORUM SPONSORS

We wish to thank our corporate supporters who demonstrate a commitment to the endowment and foundation community through their participation. By supporting this event, they acknowledge the importance of education for the eleemosynary community as they strive to widen our scope of knowledge about investment management issues. We salute these fine organizations for their contribution to this mission.

CUMBERLAND ASSOCIATES LLC



**Asset
Management**



INVESTMENT MANAGEMENT



Upcoming NMS Forums

THE NMS MEMBERSHIP FORUMS (MEMBERS ONLY)

The Fall Investment Management Forum for Endowments & Foundations

September 18-20, 2006
The Four Seasons Hotel
Toronto, Canada

The Winter Investment Management Forum for Endowments & Foundations

January 28-31, 2007
The Hyatt Regency Scottsdale at
Gainey Ranch
Scottsdale, Arizona

THE NMS INDUSTRY FORUMS (OPEN REGISTRATION)*

The NMS Family Office Forum: Challenges in Wealth Management

March 12-15, 2006
The Breakers
Palm Beach, Florida

The NMS Emerging Managers Forum

December 5-6, 2006
Location: TBD

* Preferred registration available
to service provider members

THE NMS INSTITUTIONAL SELECT SERIES FOR ENDOWMENTS AND FOUNDATIONS (BY INVITATION ONLY)

Investing in Hedge Funds

April 1-4, 2006
Mandarin Oriental
Miami, Florida

Investing in Private Markets

July 9-12, 2006
St. Regis Hotel
San Francisco, California

Investing in Real Estate/ Real Assets

July 12-15, 2006
St. Regis Hotel
San Francisco, California

The CIO/Treasurer Roundtable

October 22-24, 2006
The Ritz-Carlton, Battery Park
New York, New York

The Investment Management Forum for Endowments & Foundations

February 5-8, 2006

The Hyatt Regency Scottsdale at Gainey Ranch
7500 E. Doubletree Ranch Rd.
Scottsdale, Arizona 85258

HOW TO REGISTER

Please complete and return this registration form. In order to expedite your registration, please be sure to include the keycode shown on the mailing label.

Phone 516 933 3700
Fax 516 933 3705
Mail NMS Management, Inc., 500 North Broadway, Suite 243, Jericho, NY 11753
Online www.nmsmanagement.com

MEMBERSHIP & REGISTRATION INFORMATION FOR THE STAFF OF ENDOWMENTS & FOUNDATIONS

NMS Membership is now required to gain access to our exclusive Winter and Fall forums. Please fill out the registration form on the following page to become a member or renew your institution's membership, and reserve your seat for The Winter Investment Management Forum for Endowments & Foundations in Scottsdale, Arizona, February 5-8, 2006.

The cost for institutions to attend our programs has been reduced considerably for both our Fall and Winter forums. In addition, the quality of the audience will be at an even higher level, since fewer service providers will have access to our forums, which are conducted in a non-commercial setting of peers. NMS membership entitles your institution to register up to two staff members for our Winter forum and up to three staff members for our Fall forum.

NMS reserves the right to qualify all attendees for membership and registration. Payment must be received from the qualifying institution. Only one \$400 annual membership fee is required per institution in order for staff members to attend the Winter and/or Fall forums. Once your institution has become a member, the cost to attend the Winter forum for the first attendee is \$295 and the second attendee cost is \$495. *Please confirm internally or call NMS, since your institution may already be a member!* Please note: The annual membership fee also entitles you to automatically receive discounted registration prices for the 2006 Fall forum in September.

SERVICE PROVIDERS

Service provider membership is currently closed; however, we are keeping a record of firms that would like to be contacted in the event that a current member does not renew. If you are interested in receiving information on membership or have any other questions, please contact Teresa Sanacore at 516 933 3700, ext. 20, or email teresa@nmsmanagement.com.

PAYMENT OPTIONS

Please make checks payable to NMS Management, Inc.
We accept credit card payments (Visa, Mastercard, American Express and Discover)

REGISTRATION

WINTER FORUM 2006

HOW TO REGISTER

Please complete and return this registration form

Fax 516 933 3705 Phone 516 933 3700 Online www.nmsmanagement.com

Mail NMS Management, Inc., 500 North Broadway, Suite 243, Jericho, NY 11753

REGISTRATION FEES FOR THE STAFF OF ENDOWMENTS AND FOUNDATIONS

Winter Forum Registration: This entitles you to attend the entire 4-day forum, including all luncheons, receptions and other networking events. *Your institution must be a member in order to register for the Winter forum.

Please choose the appropriate options:

- \$295 First Attendee
 \$495 Second Attendee
- \$400 Membership Fee: My institution is not yet a member for 2006. Please include the membership fee on my invoice.
 \$400 Membership Fee: My institution is unable to attend the Winter Forum but would like to become a member at this time.

First Attendee Information

NAME	BADGE NAME
KEYCODE (FOUND ON MAILING LABEL)	TITLE
COMPANY	ASSET SIZE OF INSTITUTION
ADDRESS	I REPRESENT AN: ENDOWMENT FOUNDATION NOT FOR PROFIT
CITY	STATE/PROVINCE ZIP/POSTAL CODE
PHONE	FAX
EMAIL	SPECIAL DIETARY REQUIREMENTS (ADDITIONAL FEES MAY APPLY)
CREDIT CARD NO.	EXPIRATION DATE
SIGNATURE	

Activities: Space is limited. For the Golf/Tennis Tournament: clubs, shoes and racquet rentals are at your own expense.

- Golf: Golf handicap ____ I will bring my own clubs I need to rent clubs / Left Right
 Tennis: NTR ____ Wild West Jeep Tour Hiking (hike minimum - 2 miles)
 I will not be participating in any activities

Second Attendee Information

NAME	BADGE NAME
TITLE	
PHONE	FAX
EMAIL	SPECIAL DIETARY REQUIREMENTS (ADDITIONAL FEES MAY APPLY)

Activities: Space is limited. Golf/Tennis Tournament: clubs, shoes and racquet rentals are at your own expense.

- Golf: Golf handicap ____ I will bring my own clubs I need to rent clubs / Left Right
 Tennis: NTR ____ Wild West Jeep Tour Hiking (hike minimum - 2 miles)
 I will not be participating in any activities