The Salomon Center at New York University Stern School of Business was founded in 1972 as a vehicle for focusing high quality research attention on the global financial services industry and its principal institutions. Among its activities, the Center conducts new research on a variety of financial topics; conducts high profile conference for academics, practitioners and regulators; and distributes newsletters to the relevant community highlighting important research developments in specific areas covered by the Center.

The Center has an excellent reputation outside the NYU community and benefits from an outstanding external academic board, including Myron Scholes (1997 Nobel Laureate in Economics and past AFA president), Sanford Grossman (1987 John Bates Clark Medal in Economics and past AFA president), and Robert Litzenberger (past AFA president).

Research Initiatives

Currently, the Center, under the direction of Matthew Richardson, is involved in five research initiatives, each directed by an NYU Stern professor:

- **Asset Management** directed by Martin J. Gruber (past Chairman of CREF Board and past AFA President) — focuses on examining and explaining the existence, management, and performance of pools of capital, concentrating on institutions such as pension funds, mutual funds, and hedge funds.

- **Credit and Debt Markets** directed by Edward I. Altman (past FMA President) — focuses on efficient functioning and dynamic nature of the world’s credit and debt markets.

- **The NASDAQ Derivatives Research Project** directed by Stephen Figlewski (Founding Editor, *Journal of Derivatives*) — focuses on theoretical and applied research on derivative instruments and markets, risk management and financial engineering.

- **Center for Financial Econometrics** directed by Robert F. Engle (2003 Nobel Laureate in Economics) — focuses on the application of econometrics to the field of finance with special attention to the development of techniques for risk management, derivatives pricing, and market performance.

- **Financial Institutions** directed by Alexander Ljungqvist—focuses not only on “traditional” banking questions, such as the regulation of commercial banks and the monetary transmission channels between the banking sector and the real economy, but also on the role and efficiency of investment banks and private equity funds in helping companies raise capital.

Database Center

The NYU Salomon Center’s partnership with a number of important financial institutions, called Corporate Associates, has led to the formation of a Database Center. The Database Center allows academics to address questions using a variety of proprietary data sources. In addition, the Center processes particular data of interest to practitioners. For example, the Center maintains a monthly time-series of indices on defaulted bond and bank loan prices since the 1980s. With the recent development of the database facility, this type of offering is an expanding part of the Salomon Center. Using this data, the Center’s various research programs are becoming online portals for news, academic research, and data processing in their particular areas of interest.

www.stern.nyu.edu/salomon

**Conference on The Intersection of Taxes and Investing**

April 27, 2007
FRIDAY, APRIL 27

8:00  Registration and Continental Breakfast

8:45  Chairman’s Remarks
Robert Gordon, CEO, Twenty-first Securities

9:00  TAXES AND INDIVIDUAL INVESTOR BEHAVIOR
James Poterba, Massachusetts Institute of Technology

9:45  THE COSTS OF TAKING LOSSES AND THE BENEFITS OF TAKING GAINS
David Stein, Chief Investment Officer, Parametric
“Taxes and Investment Management: Observations from the Field”

Howard Marmorstein, University of Miami

10:45  Refreshment Break

11:00  ASSET LOCATION
Jean L.P. Brunel, Managing Principal, Brunel Associates LLC

William Reichenstein, Baylor University

12:00  Lunch

What is a Tax Shelter?
Steven Rosenthal, Member, Miller & Chevalier

1:30  THE STEP-UP IN BASIS AND OTHER INVESTOR TAX OPTIONS
Chester Spatt, Chief Economist and Director of the SEC’s Office of Economic Analysis; Carnegie Mellon University; “Ownership Forms, Asset Holdings and Taxes”

Jeffrey E. Horvitz, Vice Chairman, Moreland Management

2:30  THE ACTION/REACTION CYCLE TO FINANCIAL PRODUCTS INNOVATION
Viva Hammer, Member, Crowell & Moring LLP

Edward D. Kleinbard, Partner, Cleary Gottlieb Steen & Hamilton LLP

3:30  Refreshment Break

3:45  PREPAID VARIABLE FORWARDS—HOW DID WE GET HERE?
Jeffrey Maddrey, Principal, PricewaterhouseCoopers LLP

Matthew A. Stevens, Counsel, Skadden, Arps, Slate, Meagher & Flom LLP

ROBERT GORDON is CEO of Twenty-first Securities and has been an Adjunct Professor at NYU’s Stern School since 1991. Mr. Gordon is the author (with Jan Rosen) of Wall Street Secrets for Tax-Efficient Investing and author or coauthor of chapters of Tax Planning for the Affluent and The Investment Think Tank. He serves on the editorial advisory boards of Derivatives Report, The Journal of Taxation and Investments and The Journal of Wealth Management.

JAMES POTERBA is the Mitsui Professor of Economics and the Head of the MIT Economics Department. He is also the Director of the Public Economics Research Program at the National Bureau of Economic Research and recently served as a member of the President’s Advisory Panel on Federal Tax Reform. His recent work has emphasized the effect of taxation on the financial behavior of households, particularly their saving and portfolio decisions.

DAVID STEIN, PhD, is Chief Investment Officer of Parametric where he leads the investment research and portfolio construction activities. Prior to joining Parametric, Dr. Stein held positions as Director of Investment Research at GTE Investment Management Corporation; Director of Active Equity Strategies at the Vanguard Group, and Director of Quantitative Portfolio Management and Research at IBM Retirement Funds. Dr. Stein holds a Ph.D. from Harvard University in Applied Mathematics and M.S. and B.S. degrees from the University of Witwatersrand, South Africa.

HOWARD MARMORSTEIN, PhD, Associate Professor, University of Miami MBA (1982) B.S. (1978) University of Pennsylvania (Wharton School). Research interests include consumers’ financial decision-making behavior and financial services marketing. His recent publications have focused on tax-loss harvesting, principal-protected securities and how to read a prospectus.


STEVEN ROSENTHAL is a member of Miller & Chevalier and specializes in the taxation of financial transactions. In the early 1990s, Steve was Legislation Counsel with the Joint Committee on Taxation. His work on the Committee encompassed the taxation of financial institutions (including REITs, SICAVs, and REMICs), financial products including derivative contracts, capital gains, and similar subjects. Steve received his B.A. and J.D. from the University of California at Berkeley. He holds a Masters Degree in Public Policy from the Kennedy School at Harvard University. Steve is a former Chair of the Tax Section for the District of Columbia Bar.

CHESTER SPATT, PhD, is Chief Economist and Director of the Commission's Office of Economic Analysis. He joined the Commission from Carnegie Mellon University where he is the Mellon Bank Professor of Finance and Director of the Center for Financial Markets at the Tepper School of Business. He is a leading expert on all facets of asset allocation and taxation including gain and loss harvesting, portfolio rebalancing and capital gains taxes, asset location, and estate taxes. His co-authored 2004 paper in the Journal of Finance on asset location won TIAA-CREF's Paul Samuelson Award for the Best Publication on Lifelong Financial Security. He has served as Executive Editor and one of the founding editors of the Review of Financial Studies.


VIVA HAMMER is a partner at Crowell & Moring LLP, where she advises clients on the taxation of financial instruments and products. Prior to joining the firm, she was Associate Tax Legislative Counsel and Attorney-Advisor in the Office of Tax Policy at the U.S. Department of the Treasury. While at Treasury, Viva was instrumental in the publication of significant financial products guidance, including regulations governing contingent swaps, hedging transactions, and book-tax conformity for dealers in securities. She also oversaw release of several Rulings and Notices, including those relating to Contingent Convertibles, FELINE PRIDES, credit card fees, credit derivatives, foreign currency transactions, and the treatment of nonperforming loans by banks.

At Treasury, Viva participated as a member of the President's Working Group on Derivatives Oversight and Implementation. Since 1999, she has been in the Editorial Board of Derivatives and Financial Instruments Journal of the International Bureau of Fiscal Documentation. In 1997, she served as Chair of the U.S. Council for International Business’ Committee on the Tax Implications of the European Monetary Union.

EDWARD D. KLEINBARD is a partner at Cleary Gottlieb Steen & Hamilton LLP. His practice focuses on federal income tax matters, including taxation of new financial products, financial institutions and international mergers and acquisitions. Mr. Kleinbard is widely recognized as one of the elite tax lawyers in the United States. In June 2006, Mr. Kleinbard presented testimony before the Committee on Finance of the United States Senate on the advisability of public disclosure of U.S. corporate federal income tax returns. In 2005, Mr. Kleinbard was asked to present his comprehensive business income tax proposal, the Business Enterprise Income Tax, to the President’s Advisory Panel on Federal Tax Reform. He subsequently presented an expanded paper, “Designing an Income Tax on Capital,” to the Brookings Institution in September 2005. Mr. Kleinbard publishes frequently and is a member of the American Bar Association, the Association of the Bar of the City of New York and the New York State Bar Association, where he served on the Tax Section Executive Committee and co-chaired the New Financial Products Subcommittee.

JEFFREY MADDREY, JD, LLM, Principal, PricewaterhouseCoopers LLP. He was in the IRS Office of Assistant Chief Counsel (Financial Institutions and Products) and Attorney Advisor, US Treasury.

MATTHEW A. STEVENS, Counsel, Skadden, Arps, Slate, Meagher & Flom LLP. From 2002 to 2004, Mr. Stevens served as Special Counsel to the Chief Counsel for the Internal Revenue Service. J.D., Harvard Law School.