

# Program on Corporate Compliance and Enforcement

*Corporate Law in the Public Interest*



# Our History and Our Vision

Last year, NYU School of Law launched the Program on Corporate Compliance and Enforcement (PCCE). The program began as a joint endeavor by Law School Professors Jennifer Arlen '86 and Geoffrey P. Miller, who recognized the need to comprehensively educate students and promote interdisciplinary dialogue in two of the biggest growth industries for legal professionals: compliance and enforcement.

NYU's Program on Corporate Compliance and Enforcement is dedicated to developing a richer and deeper understanding of the causes of corporate misconduct and the nature of effective enforcement and compliance. In addition to providing cutting-edge legal training for students planning a career in compliance law and enforcement, PCCE promotes research, scholarship, and policy reform in these burgeoning areas of law. Our overall goal is to deter corporate crime and misconduct while preserving the competitiveness and efficiency of business enterprise.

As part of NYU School of Law, PCCE is uniquely poised to gather academic and legal experts in the fields of corporate law, enforcement, and compliance to examine, discuss, and address the most challenging legal issues in an ever-changing global environment. Each year, PCCE coordinates and hosts numerous conferences and forums, both in the United States and abroad, bringing together some of the most prominent lawyers and judges in the world. At the same time, we are developing and implementing a comprehensive and robust curriculum that will prepare our lawyers and leaders of tomorrow to join in the conversation.

# Letter from the Faculty Directors

Dear Friends of the Program on Corporate  
Compliance and Enforcement:

2014 was a big year for our program.

We hosted amazing conferences in Shanghai, China (“Business Beyond Borders”), and in New York (“Deterring Corporate Crime”). Attorney General Eric Holder delivered a widely reported-on speech at an event on September 17 that we co-hosted with the Milbank Tweed Forum. Our website is up and running and our blog is just around the corner.

Most important of all, we are thrilled to welcome Serina Vash, an experienced former prosecutor, into our program’s family as its first executive director. Serina brings her unique and practical perspective to the program and has already contributed in so many ways. We look forward to much more to come.

We have greatly enjoyed and benefited from an able group of student fellows—Adam Crider ’15, Jerry Goldsmith ’15, Naveen Jayaraman ’15, Jack Neff ’16, Max Rodriguez ’15, Tim Sprague ’15, Noah Susskind ’15, Stephen Thompson ’15, and

Christina Vasile ’16. And Jerome Miller, our super-competent faculty assistant, is the glue that holds us together and keeps us on track.

In November 2014, the two of us were appointed as reporters for the American Law Institute’s new project, “Principles of the Law, Compliance, Enforcement, and Risk Management for Corporations, Nonprofits, and Other Organizations.” Geoff will be principal reporter and Jennifer the associate reporter responsible for the topic of enforcement. The ALI project dovetails with the work of our program and underscores that compliance and enforcement are topics of growing interest among judges, regulators, practitioners, and policymakers both in the United States and throughout the world.

As we look forward, we have so many great projects and activities under way: two new conferences, one on corporate crime and financial misdealing and one a compliance panel and consultation for the ALI project; evening programs on issues of timely importance; our compliance and enforcement blog; continued progress in building our program through advisory committees and constituent outreach; enhancing our research and teaching missions; facilitating scholarship and policy analysis in the areas of compliance and enforcement—and much else besides.

We are grateful that so many excellent and highly qualified people have offered vital help and support. We look forward to many and continuing interactions with all of you over the coming years.

All best wishes,  
Jennifer Arlen and Geoffrey P. Miller



# Letter from the Executive Director



For the last 12 years, I had the privilege of working as an Assistant United States Attorney in the District of New Jersey, with the stated mission of doing justice. But the nature

of prosecution too often meant coming late to the table. By the time a company or an individual sat across the table from us or reached the courthouse steps, the crime had been committed and the opportunity to deter it had passed.

In the fall of 2014, I joined New York University's new Program on Corporate Compliance and Enforcement (PCCE) as the first executive director. Through education, communication, and collaboration, we collectively pursue justice at an earlier point along the spectrum, when a better, broader impact can be achieved.

And 2014 was a fantastic inaugural year for the program! We solidified our mission and supported our goals through a host of scholarship, discourse, and dialogue. At home, we partnered with the Milbank Tweed Forum to educate our law students on the issues of insider trading prosecutions and the ever-expanding roles of corporate compliance programs. Abroad, our esteemed faculty visited China, Canada, Brazil, Switzerland, and Paraguay to discuss issues as wide-ranging as the economic analysis of corporate criminal enforcement, corporate governance, and anti-corruption in South America. In cyberspace, we got the PCCE website humming, making our past programs widely accessible, disseminating news about the program and our upcoming events, and creating resource pages for our subscribers.

Most important, we gathered prominent compliance and enforcement lawyers, academics, and judges to collaborate on the pressing issues faced by companies and enforcement agencies across the globe. In January, we hosted "Business Beyond Borders" in Shanghai. In April, we explored "Deterring Corporate Crime: Effective Principles for Corporate Enforcement" at the Law School. In May, our 2014 Law and Banking/Finance Conference tackled "Regulating Risk-Taking in a Post Credit Crisis Environment." In September, we welcomed Attorney General Eric Holder, who spoke on corporate crime and compliance to an audience of over 500 lawyers in our own Tishman Auditorium. All the while, our scholarship flourished, our educational curriculum blossomed, and our PCCE website made it all available to you.

## The Year Ahead: 2015

A look ahead at 2015 shows enormous promise as we build our Board of Advisors and prepare for our exciting spring conferences. Our monthly Executive Director's Letter will offer insights into what enforcement agencies are doing and how it will impact companies and their compliance efforts. This year we launch our compliance and enforcement blog to help keep you current on the most pressing topics. For our students, a rich curriculum and monthly roundtable discussions will provide forums for meeting experts in compliance and enforcement and exploring the most recent developments in the law. In all, it promises to be an exciting year for PCCE.

To date, the support that our program has received from the bench, the bar, corporate supporters, our law students, the NYU community at large, and our own Dean Trevor Morrison has been overwhelming. We are deeply grateful for your dedication to helping us advance our mission.

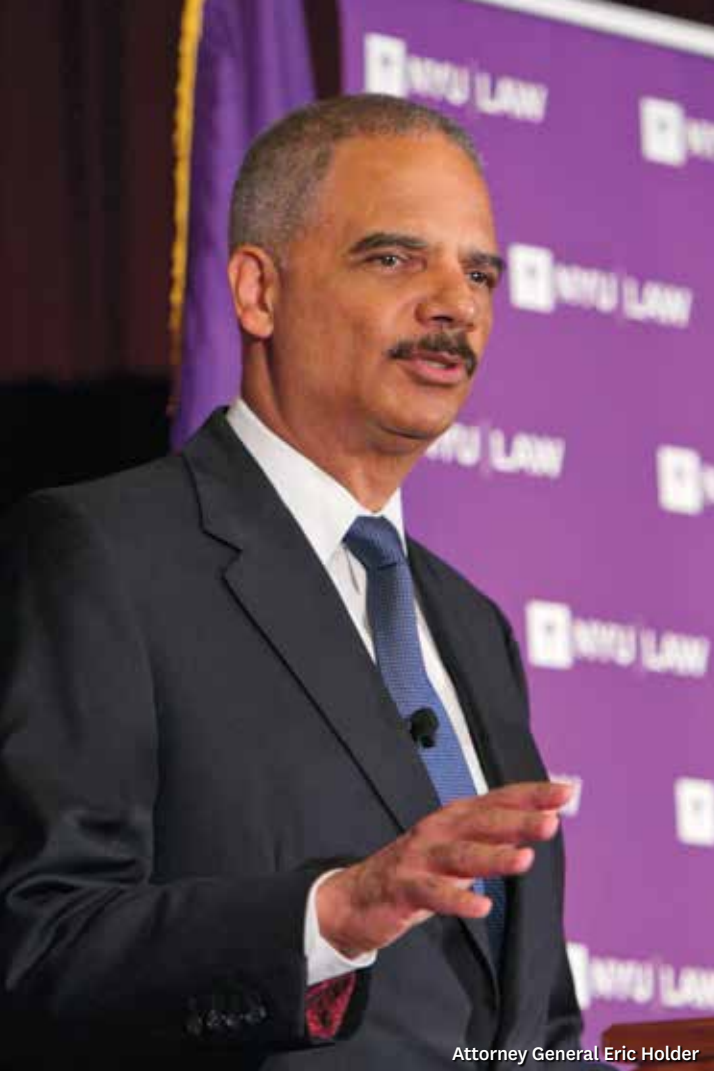
From the inside of a courtroom to the inside of a classroom—I look forward to working with you proactively to simplify, clarify, and illuminate the laws of compliance and enforcement.

With gratitude,  
Serina M. Vash  
Executive Director

# Mission Statement

The Program on Corporate Compliance and Enforcement is a law and policy program dedicated to developing a richer and deeper understanding of the causes of corporate misconduct and the nature of effective enforcement and compliance.

Through practical discourse and legal scholarship, PCCE seeks to help shape optimal enforcement policy, guide firms in developing more effective and robust compliance programs, and enhance education in the field of corporate compliance and enforcement.



Attorney General Eric Holder



Hon. Gerard E. Lynch, Mythili Raman



Hon. Jed S. Rakoff



Jeffrey Knox



HU Ruyin



Bonnie Jonas

# Our First Year



# Policy

Through collaborative dialogue, analyzing enforcement policy and reforms, and fostering internal corporate compliance efforts, the Program on Corporate Compliance and Enforcement works to promote effective enforcement policy and enhance corporate compliance while preserving business innovation and creativity.





# Conferences



Jennifer N. Carpenter (NYU)



John Armour (Oxford)



Gerard Hertig (ETH Zurich)



HUI Mei (China Financial Futures Exchange)



Ryan Bubb, Dean Trevor Morrison, Geoffrey Miller (NYU)

**January 17-18, 2014**  
**Shanghai Conference**

## Business Beyond Borders: Law, Firms, and Markets in the US and China

Co-sponsored by PCCE, this multi-disciplinary international conference in Shanghai brought together leading academics from NYU School of Law, NYU Stern, and Shanghai Jiao Tong University KoGuan Law School, as well as leaders from government, business, and law in China to examine the promise and challenges of cross-border business. Experts examined regulation and development of securities markets (including enforcement), corporate criminal liability and anti-corruption enforcement, cross-border mergers and acquisitions, antitrust enforcement in markets dominated by state-owned enterprises, and enhanced environmental regulation.

**May 16-17, 2014**  
**Law and Banking/Finance Conference**

## Regulating Risk-Taking in a Post Credit Crisis Environment

Many of the world's most influential scholars at the intersection of banking, finance, and the law gathered in New York to discuss cutting-edge research from the world's leading academic institutions. Co-hosted by PCCE, this year's event continued the annual tradition of law and finance conferences sponsored by New York University and ETH Zurich. The conference format included research presentations coupled with lively debates, bringing experts from across continents to speak across disciplines. The 2015 conference will be held in Zurich in May.

**April 4–5, 2014**  
**Spring Conference**

## Deterring Corporate Crime: Effective Principles for Corporate Enforcement

PCCE held our first Spring conference, co-sponsored with the American Law Institute. Academics, enforcement officials from the DOJ and the SEC, white collar defense lawyers, judges, and other prominent members of the bar joined together at this invitation-only event to discuss criminal and SEC enforcement policy for individuals and firms. With Chatham House rules in effect, participants shared their views on how best to structure enforcement policy to maximize deterrence of corporate misconduct.

Preet Bharara, US Attorney for the Southern District of New York, and Benjamin Lawskey, Superintendent of Financial Services for the New York State Department of Financial Services, delivered keynote addresses to a distinguished group of jurists during this two-day event.

Participants engaged in lively debate on the use of deferred and non-prosecution agreements, individual liability, when to impose non-monetary structural reform, optimal enforcement policy for Foreign Corrupt Practices Act violations, and the roles of self-reporting and whistleblowing in deterring corporate crime.



Preet Bharara



Sheila Cheston

**Preet Bharara** US Attorney, Southern District of New York, and **Benjamin Lawskey** Superintendent of Financial Services, NY Department of Financial Services, delivered keynote addresses. **Participants included Cindy Alexander** Securities and Exchange Commission; **Daniel Alter** NYDFS; **Jennifer Arlen** NYU School of Law; **Miriam Baer** Brooklyn Law School; **Bradford Berenson** General Electric; **Samuel Buell** Duke University School of Law; **John D. Buretta** Cravath, Swaine & Moore;

**Charles Cain** Securities and Exchange Commission; **Mark Califano** American Express; **George Canellos** Milbank, Tweed, Hadley & McCloy; **Hon. Valerie E. Caproni** US District Judge, Southern District of New York; **Andrew Ceresney** Securities and Exchange Commission; **Sheila Cheston** Northrop Grumman; **Stephen Choi** NYU School of Law; **Stephen M. Cutler** JPMorgan Chase & Co.; **Kevin E. Davis** NYU School of Law; **David Freeman** Stanford Law School; **Brandon Garrett** University of



Hon. Raymond Lohier '91



John Savarese



Hon. John Gleeson



Jules Kroll, Hon. Valerie E. Caproni



Andrew Weissmann



Benjamin Lawsky



George Canellos



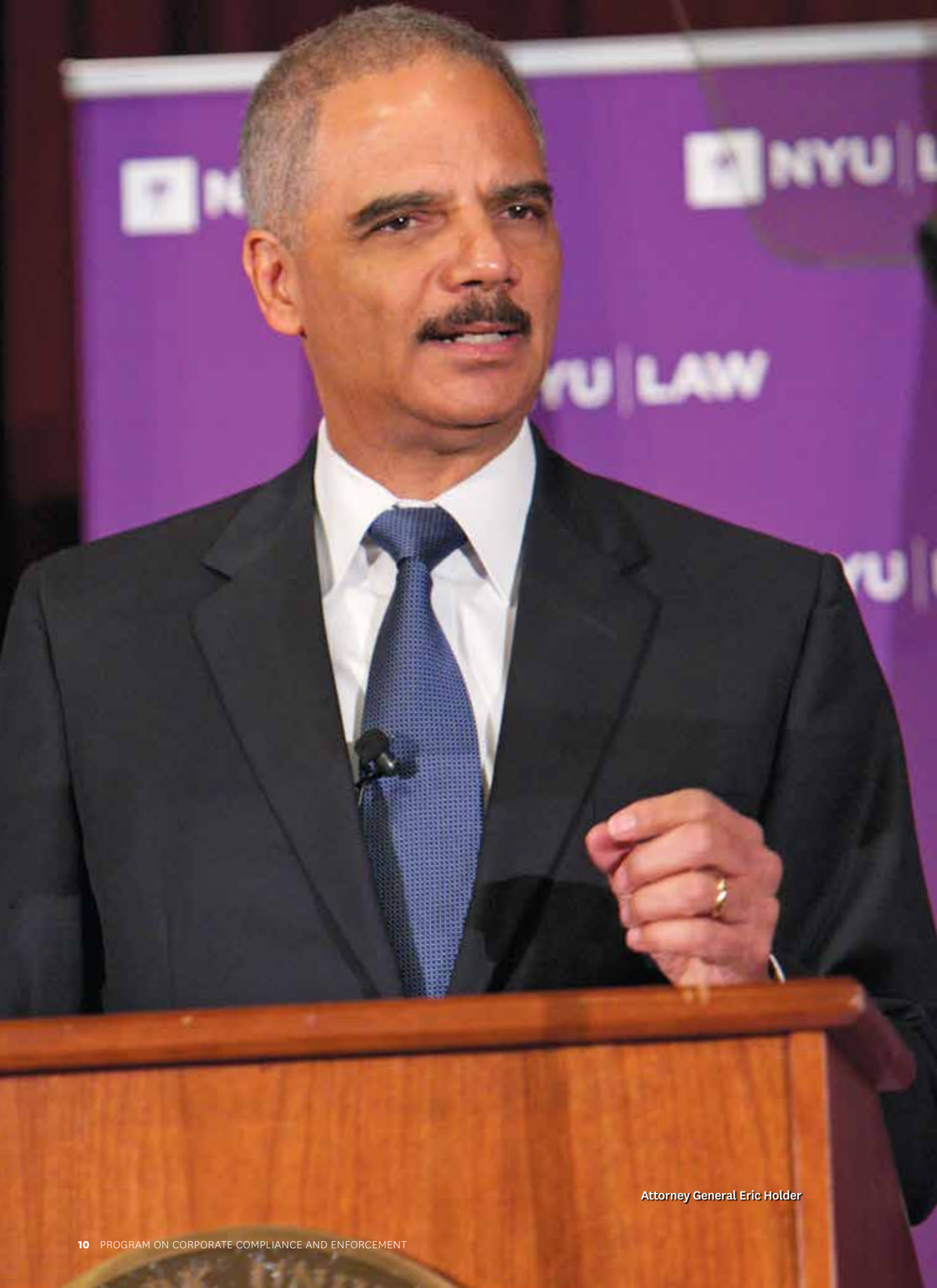
Bruce Yannett '85



Cindy Alexander

Virginia School of Law; **Hon. John Gleeson** US District Judge, Eastern District of New York; **Michael Granston** Department of Justice; **Eric Grossman** Morgan Stanley; **Bonnie Jonas** US Attorney's Office, Southern District of New York; **Robert Khuzami** Kirkland & Ellis; **Michael Klausner** Stanford Law School; **Jeffrey Knox** Department of Justice; **Reinier Kraakman** Harvard Law School; **Jules Kroll** K2 Intelligence; **Hon. Raymond J. Lohier Jr.** Judge, US Court of Appeals for the Second Circuit; **Hon. Gerard E. Lynch**

Judge, US Court of Appeals for the Second Circuit; **Denis McInerney** formerly with Department of Justice; **Scott Muller** Davis Polk & Wardwell; **Julie O'Sullivan** Georgetown University Law Center; **Matthew Queler** Department of Justice; **Hon. Jed S. Rakoff** US District Judge, Southern District of New York; **Mythili Raman** Department of Justice; **Daniel Richman** Columbia Law School; **John F. Savarese** Wachtell, Lipton, Rosen & Katz; **Andrew Weissmann** NYU School of Law; and **Bruce Yannett** Debevoise & Plimpton.



Attorney General Eric Holder



Brad Karp, Ted Wells, Hon. Jed S. Rakoff



Hon. James Orenstein '87, Loretta Lynch, Lee G. Dunst '92



Sarah Coyne '98, Lisa Kramer '98



Dean Trevor Morrison, Paul J. Fishman, Preet Bharara, AG Eric Holder, Loretta Lynch, Jennifer Arlen, Geoffrey P. Miller, Serina M. Vash

September 17, 2014

## PCCE Hosts US Attorney General Eric Holder at NYU

On September 17, 2014, PCCE and the Milbank Tweed Forum co-hosted United States Attorney General Eric Holder, who spoke about corporate crime and compliance to an audience of over 500 students, faculty, alumni, judges, and prominent lawyers from both the private and public sectors.

Speaking directly to Congress from Vanderbilt Hall's Tishman Auditorium, the attorney general outlined three proposals to strengthen the DOJ's ability to investigate and prosecute illegal financial activities: imposing greater accountability on corporate executives; enhancing incentives for whistleblowers; and providing law enforcement with additional resources to investigate financial crimes. The video and full text of his speech can be found on the PCCE website along with related press coverage.

Sitting in the front row of the audience, United States Attorneys Loretta Lynch (Eastern District of New York), Preet Bharara (Southern District of New York), and Paul Fishman (District of New Jersey) joined us at NYU to hear the attorney general chronicle recent DOJ enforcement successes.

# Education

NYU School of Law is rich in compliance and enforcement scholarship and academic coursework. By establishing an interdisciplinary academic field around corporate crime and compliance and by developing an innovative and rigorous curriculum within this academic field, the Program on Corporate Compliance and Enforcement at NYU stands at the cutting edge of the law.

Education is our cornerstone.



## Our Curriculum

PCCE is dedicated to examining (1) the causes of corporate crime and other misconduct; (2) the factors that motivate human behavior within an organization and shape corporate culture; and (3) effective methods of identifying and deterring corporate misconduct.

Our innovative curriculum integrates compliance, enforcement, risk management, and governance into a comprehensive academic field at NYU School of Law. Coursework includes a four-credit Business Crime course taught by Professor Jennifer Arlen, a three-credit Compliance and Risk Management for Attorneys course taught by Professor Geoffrey P. Miller, and numerous specialized corporate criminal law seminars taught by our faculty experts. A full list of our course offerings is available on our website at [www.law.nyu.edu/pcce](http://www.law.nyu.edu/pcce).

## Student Fellows



Left to right: PCCE Fellows Max Rodriguez '15, Timothy Sprague '15, Adam Crider '15, and Noah Susskind '15

Each year, several outstanding students are accepted into our program as fellows, enabling them to gain unparalleled expertise in this area through coursework, access to leading practitioners, and participation in PCCE-sponsored events. Our fellows graduate with a fundamental understanding of risk management, corporate governance, enforcement policy, and internal corporate compliance principles and are recruited by some of the most prestigious law firms in the nation.

2014-15 PCCE Fellows: Adam Crider '15, Jerry Goldsmith '15, Naveen Jayaraman '15, Jack Neff '16, Max Rodriguez '15, Timothy Sprague '15, Noah Susskind '15, Stephen Thompson '15, Cristina Vasile '16.

## PCCE at the Milbank Tweed Forum

Both in and out of the classroom, white collar law practitioners and enforcement officials frequently speak with our students, providing them with unique opportunities to learn about groundbreaking issues from experts in the field.



Left to right: Bonnie Jonas (USAO, SDNY), Jennifer Arlen (NYU), Peter Lattman (the *New York Times*), Kevin Davis (NYU), and John Nathanson (Shearman & Sterling)

### October 13, 2013: Insider Trading: Hedge Funds in the Crosshairs

PCCE co-hosted this lunchtime panel for students that discussed the surge in insider trading enforcement activity against hedge funds and their employees by the Department of Justice and Securities and Exchange Commission. Our distinguished panel chronicled the evolution of insider trading enforcement over the last several years.



Left to right: Boyd M. Johnson III (WilmerHale), Andrew "Buddy" Donohue '75 (Goldman Sachs), Geoffrey P. Miller (NYU), and Pamela Root '80 (Citigroup Global Markets)

### January 22, 2014: Suddenly Sexy: How Compliance Went from Ho-Hum to Hot

PCCE co-hosted this lunchtime panel spotlighting the burgeoning field of compliance for lawyers. Professor Geoffrey P. Miller moderated a lively debate, demonstrating that compliance lawyers and professionals drive strategic decision-making in today's complex corporate world. The key takeaway: Compliance today—both as an institutional function and as a career path—is a much more important and exciting field than it was only a few years ago.

# Our Distinguished NYU Faculty Experts

A multitude of distinguished faculty experts contribute to the Program on Corporate Compliance and Enforcement through their scholarship and course offerings. We thank them wholeheartedly for their continued dedication.



**Jennifer Arlen**  
Norma Z. Paige Professor of Law;  
Faculty Co-Director and Co-Founder, Program  
on Corporate Compliance and Enforcement



**Kevin Davis**  
Vice Dean; Beller Family Professor  
of Business Law



**Rachel Barkow**  
Segal Family Professor of Regulatory Law  
and Policy; Faculty Director, Center on the  
Administration of Criminal Law



**Harry First**  
Charles L. Denison Professor of Law;  
Co-Director, Competition, Innovation,  
and Information Law Program



**Stephen Choi**  
Murray and Kathleen Bring Professor of Law;  
Director, Pollack Center



**James Jacobs**  
Chief Justice Warren E. Burger Professor  
of Constitutional Law and the Courts; Director,  
Center for Research in Crime and Justice





**Marcel Kahan**

George T. Lowy Professor of Law



**Stephen Schulhofer**

Robert B. McKay Professor of Law



**Geoffrey P. Miller**

Stuyvesant P. Comfort Professor of Law;  
Director, Center for Financial Institutions;  
Faculty Co-Director and Co-Founder, Program  
on Corporate Compliance and Enforcement



**Helen Scott**

Professor of Law; Co-Director, Leadership  
Program on Law and Business

**November 17, 2014**

## The American Law Institute Initiative

In November, the American Law Institute (ALI) announced a new project entitled “Principles of the Law, Compliance, Enforcement, and Risk Management for Corporations, Nonprofits, and Other Organizations,” which will feature writing from PCCE’s two faculty co-directors. Founded in 1923, the ALI is the leading independent organization in the United States producing scholarly work to clarify, modernize, and improve the law. This new project will create a comprehensive compendium of research on key issues and best practices in the areas of compliance and risk management as they relate to law, lawyers, and legal practice.

The treatise will be divided into four parts: compliance, enforcement, risk management, and governance. PCCE Faculty Co-Director Geoffrey P. Miller, the Stuyvesant Comfort Professor of Law here at NYU School of Law, was appointed Reporter of the Project. The Associate Reporters are PCCE faculty co-director Jennifer H. Arlen, Norma Z. Paige Professor of Law at NYU School of Law; Professor Claire A. Hill, James L. Krusemark Chair in Law at the University of Minnesota Law School; and James A. Fanto, Gerald Baylin Professor of Law at Brooklyn Law School.

# Scholarship

Multidisciplinary scholarship is vital to understanding the nature of effective enforcement and compliance and shaping enforcement policy. PCCE both supports the original scholarship of our own experts and promotes the scholarship of experts in related fields. By working collectively and drawing from methods and insights across academic disciplines, we advance the common goal of preventing and deterring corporate crime and misconduct.

Our faculty experts have produced a wealth of scholarship on the issues of corporate compliance and enforcement. Representative samples from these prominent scholars are available on our website.

**Geoffrey P. Miller**  
**Wolters Kluwer Law and Business**

## *The Law of Governance, Risk Management, and Compliance*

Published in March 2014, this comprehensive book the first book of its kind: a classroom text and resource for compliance and enforcement attorneys. The book covers topics that receive only cursory treatment in the standard law school curriculum: the nature of internal controls; the role of board committees and C-suite officers; the roles of internal enforcement, regulators, prosecutors, whistleblowers, gatekeepers, and plaintiffs' attorneys; compliance problems in hot-button areas such as information security; foreign corrupt practices; money laundering and sanctions regimes; ethics, social responsibility, and institutional culture; and risk management.

**Jennifer Arlen (ed.)**  
**Edward Elgar Publishing**

## *Research Handbook on Corporate Crime and Financial Misdealing*

Governments here and abroad are engaged in unprecedented efforts to use enforcement power to deter crime. Professor Jennifer Arlen's upcoming *Research Handbook on Corporate Crime and Financial Misdealing* will compile scholarship that provides a framework for understanding fundamental issues that contribute to effective deterrence. The handbook will include scholarship across academic disciplines that will be presented by a diverse group of experts at the April 2015 Conference on Corporate Crime and Financial Misdealing.

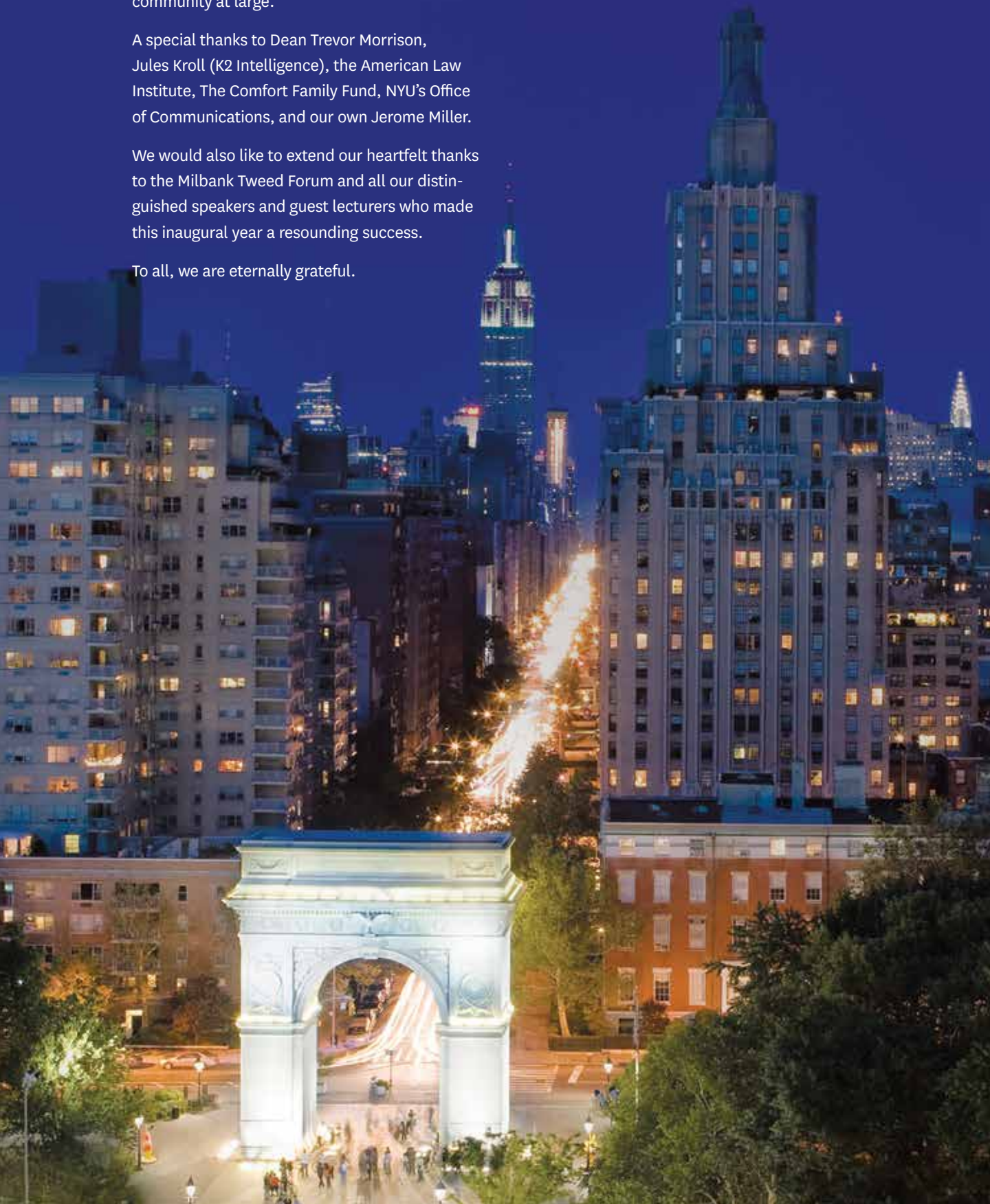
# Our Thanks to Partners and Supporters

Our inaugural year brought tremendous support from the bench, the bar, corporate supporters, and our NYU School of Law family—faculty, administration, alumni, law students, and the community at large.

A special thanks to Dean Trevor Morrison, Jules Kroll (K2 Intelligence), the American Law Institute, The Comfort Family Fund, NYU's Office of Communications, and our own Jerome Miller.

We would also like to extend our heartfelt thanks to the Milbank Tweed Forum and all our distinguished speakers and guest lecturers who made this inaugural year a resounding success.

To all, we are eternally grateful.





# Program on Corporate Compliance and Enforcement

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