



FIFTEENTH ANNUAL

DIRECTORS' COLLEGE at Stanford Law School

*America's Premier Program
in Director Education*

June 21–23, 2009
at Stanford Law School

Stanford Law School
Directors' College

www.directorscollege.com

Program Overview:

Now in its 15th year, Stanford Law School Directors' College brings together leading CEOs, directors, jurists, scholars, and regulators for a rigorous and balanced examination of corporate governance, strategy and compliance at a venue that has become the premier program for director education. Directors' College is an intensive two-day program for directors and senior executives of publicly traded corporations. This ISS/RiskMetrics accredited program offers a blend of the latest information on critical issues facing every board today – strategy, compensation, audit committee practices, the economy, D & O insurance coverage, Sarbanes-Oxley compliance, committee practices, succession planning, litigation and ethical concerns – combined with seasoned perspectives on best boardroom practices. The program is designed to generate practical “takeaway” pointers that can be responsibly applied to a broad range of boardroom concerns.

Plenary Sessions

TOPICS THAT IMPACT ALL DIRECTORS

RISK AND THE CREDIT CRISIS: THE BOARD'S RESPONSIBILITY

This plenary session will address the most pressing issues weighing on boards in the present economic climate. Are the federal government programs recently put in place likely to be effective – why or why not? What sort of macroeconomic forecast should firms be using in strategic and financial planning? What are the implications of the credit crisis for corporate boards? Our panel of leading economists will address these and other issues.

BOARD STRATEGY & RISK CONTROL

One result of the financial sector implosion of 2008 was an enhanced awareness that risk was under-appreciated and underpriced through much of the sector. With that awareness has come an increased focus on risk management at the board level—more specifically, on the role of the board in ensuring that the corporation has an appropriate and effective approach to the management of the various kinds of risks

that are inherent in conducting a business enterprise. This session will explore what that “risk management” really means, and how the boards of companies in different industries ought to be thinking about and addressing the relevant issues.

THE NEW REGULATORY REGIME: BOARDROOM IMPLICATIONS

With the Obama administration now in Washington, and with a global need to respond to an unprecedented credit crisis, profound changes in rules and regulations governing corporate conduct are on the horizon. This panel will focus on likely regulatory changes, and offer practical suggestions for sitting directors. “Say on pay” proposals combined with compensation limits similar to those imposed pursuant to Treasury's Troubled Asset Relief Program could revolutionize the executive compensation process. This session will explore the full range of legislative and administrative changes under consideration, or already adopted, in Washington, and their boardroom implications.

FOR MORE INFORMATION ON ALL SESSIONS
PLEASE VISIT WWW.DIRECTORSCOLLEGE.COM

“Excellent chance to exchange ideas and network with other board members.”

– 2008 Directors' College Attendee



Date and Location

June 21 – June 23, 2009

Stanford Law School
559 Nathan Abbott Way
Stanford, CA 94305

Program Fee

\$6,950

Contact Information

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Stanford, CA 94309

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Fax: 650 725-2190

Email: ExecEd@law.stanford.edu

Register at: directorscollege.com



Intensive Sessions

INTERACTIVE SEMINARS WITH
EXPERT PANELS

AUDIT AND THE FUTURE OF FINANCIAL REPORTING

Companies face significant changes to US accounting standards and from continuing efforts toward convergence with International Financial Reporting Standards. This session explores a broad range of the domestic and international initiatives including: (1) efforts to create consistent international accounting standards; (2) changes in the presentation of financial statements and the possibility of multiple earnings per share measures; (3) the current state of “mark to market” accounting and valuation; (4) the benefits and dangers of providing earnings guidance to “the street”.

COMPENSATION

This session focuses on the practical implications created by the SEC’s new compensation disclosure rules and outlines strategies for dealing with the development and board approval of effective CEO compensation packages. This seminar will also explore emerging best practices in working with compensation consultants and effective negotiation strategies when setting compensation for new as well as continuing CEO’s, emerging disclosure concerns, and unsettled issues that are likely to cause difficulty for compensation committees.

LITIGATION

This session will focus on recent lawsuits, liability issues, and regulatory investigations that challenge public corporation directors. Participants will analyze, with both plaintiffs’ attorneys and defense counsel, how litigation targets are selected, the legal strategies used

to exploit or defend director and corporate behavior, and measures that directors can take to minimize their litigation risks and strengthen their defense when sued.

MERGERS & ACQUISITIONS

Boards play central roles in merger and acquisition transactions. From the target’s perspective, is the transaction price adequate? Has the company followed appropriate procedure? Are there other, superior alternatives? Has the deal been adequately locked up? From the bidder’s perspective, does the acquisition make strategic sense? Is the purchaser overpaying? Will integration proceed effectively? How have recent credit market conditions and legal developments influenced the operation of the M&A process? This session focuses on these and other issues related to the M&A process, with a particular emphasis on pragmatic considerations most important to director conduct in evaluating and approving transactions.

Breakout Sessions

WORKSHOPS FOR SPECIALIZED TOPICS

ACCOUNTING AND AUDIT MATTERS

While boards are required to have a specific “audit committee financial expert,” in the current environment, every board member needs to have a reasonable understanding of the accounting issues that are relevant to the company. This session is aimed at raising accounting consciousness for every director at every company on issues that include the choices of accounting policies, the consequences of those choices, and the auditing standards that govern the auditors’ role.

THE ENVIRONMENT AND THE BOARD

What is the board’s role in developing positive environmental strategies to augment corporate performance? Are green technologies the new lodestone for growing the economy or are they non-essential, expendable luxuries given current economic conditions and declining commodity prices? Panelists will discuss approaches to combining environmental activism with capital investment practices.

IP AND THE BOARD

Intellectual property, whether in the form of patents, copyrights, trademarks, or trade secrets, represents an increasing percentage

of corporate America’s capital market value. An increasing number of these IP challenges rise to the board level because they implicate the future viability of the firm. This session brings together some of the nation’s leading experts on intellectual property strategy to discuss the board’s role in managing IP issues.

GLOBALIZATION

This session will analyze how the call for systematic monetary and trade rule changes could affect directors and public corporations. Since World War II, the international monetary system has centered on the framework established by the Bretton Woods agreement. The 2008 Financial Crisis has ignited calls for a completely new Bretton Woods accord. What, if anything, will replace the current system? Will national governments continue to work in a coordinated fashion to reset the global economy or is there a risk of adopting 1930’s style “beggar thy neighbor” policies that led to deflationary spirals?

LIES, DAMN LIES AND STATISTICS

The current financial crisis has focused attention on models commonly used by major financial firms. Criticism of these models has been powerful and pervasive. Boards should be aware, however, that the most common forms of analysis used by

corporate managements suffer from many of the same defects that plague Wall Street financial analysis. This session describes the flaws inherent in commonly applied “expected value” calculations and provides an introduction to alternative decision-making techniques, generally known as real-options analysis, in a form appropriate for board-level application.

FOREIGN CORRUPT PRACTICES ACT (FCPA)

The FCPA represents one of the hottest areas of potential exposure to a corporation and its board of directors. On a simple level, obeying the letter of the FCPA requires great attention when operating overseas, particularly in developing economies, such as China, where ethical relations between government and business cannot be taken for granted. What sort of compliance programs can be put in place to avoid the types of breaches that lead to such catastrophic outcomes?

OTHER BREAKOUTS INCLUDE:

- » Director compensation
- » Indemnification and D&O Insurance
- » Lies, Damn Lies & Statistics
- » Litigation
- » Special Investigations

“Knowledgeable, articulate panelists and participants added true value to the program.”

– Fortune 500 Director



Keynote Speakers



CAROL BARTZ
CEO, Yahoo!
Sponsored by
NASDAQ



STEVE MILLER
Executive Chairman,
Delphi Corp.



CHRISTOPHER COX
Former Chairman, SEC



GEORGE ROBERTS
Founder, Kohlberg,
Kravis, Roberts & Co.



MARK HURD
Chairman and CEO,
Hewlett Packard
Sponsored by
**McDermott
Will & Emery**



MARY SHAPIRO
Chairman, SEC

Program Affiliates

Affiliates of the Stanford Law School Program in Law, Economics & Business (LEB) provide support for a wide variety of research, teaching and program development on an annual basis. Contributions from LEB Venture Circle members, LEB Program Partners and LEB Program Associates also make possible the school's established series of high value, leading edge executive programs, including Directors' College 2009.

We gratefully acknowledge the following companies and firms for their generous support:

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JOSEPH A. GRUNDFEST

W.A. Franke Professor of Law and Business, co-director of the Rock Center on Corporate Governance at Stanford, and former Commissioner, U.S. Securities and Exchange Commission

Professor Grundfest joined Stanford's faculty in 1990 after serving for more than four years as a Commissioner of the United States Securities and Exchange Commission. His scholarship has been published in the Harvard, Yale, and Stanford law reviews, and he has been recognized by the National Law Journal as one of the 100 most influential attorneys in the United States.

SIMON M. LORNE

Vice Chairman and Chief Legal Officer, Millennium Partners, LP, and former General Counsel, United States Securities and Exchange Commission

Prior to joining Millennium Partners, LP, Mr. Lorne was a partner at Munger, Tolles & Olson, LLP. He served as general counsel of the United States Securities and Exchange Commission from 1993 to 1996, and then became a managing director at Salomon Brothers, where he was global head of internal audit of that firm and its parent corporation, Salomon, Inc., and a senior member of the control team. In 1999, Mr. Lorne returned to Los Angeles as a partner in Munger, Tolles & Olson LLP before joining Millennium Partners.

DAN SICILIANO

Associate Dean for Executive Education and Programs at Stanford Law School, and former Executive Director of the Stanford Program in Law, Economics and Business

Dan Siciliano is a member of the law school faculty and teaches Corporate Finance, Venture Capital and Corporate Governance and Practice. He also serves on the Academic Council of Corporate Board Member magazine as an expert on these topics. He completed both his graduate fellowship in Economics and his JD at Stanford University and previously served as the CEO and remains a director of LawLogix Group, Inc. – a global technology company.

Location

All sessions will be held at Stanford Law School, on the Stanford University campus in Palo Alto, CA.

Hotel Information

Travel and lodging are the responsibility of each participant. For reservations, we suggest the following hotels located near the Stanford Campus. When making your reservation, please mention the program name "Directors' College" to receive the group rate.

The Westin Palo Alto

675 El Camino Real
Palo Alto, CA 94301
800 WESTIN1 or
650 321-4422 (phone)
650 321-5522 (fax)

Sheraton Palo Alto Hotel

625 El Camino Real
Palo Alto, CA 94301
650 328-2800 (phone)
650 327-7362 (fax)

Stanford Park Hotel

100 El Camino Real
Menlo Park, CA 94025
650 322-1234 or
800 368-2468 (phone)
650 322-0975 (fax)

Application Information

Admission to Directors' College 2009 is at the discretion of the Associate Dean for Executive Education and Programs. Historically, this event has filled 1-2 months in advance with little capacity for registration after that time. We advise registering early to ensure your participation. Register at www.directorscollege.com. Applications will be acknowledged promptly by email.

Stanford Law School
Directors' College



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Register now at www.directorscollege.com