DIRECTORS ROUNDTABLE

WORLD RECOGNITION of DISTINGUISHED GENERAL COUNSEL

GUEST OF HONOR:

Ricardo Anzaldua

Executive Vice President & General Counsel, MetLife

THE SPEAKERS

Ricardo Anzaldua
Executive Vice President & General Counsel, MetLife

Mauro Wolfe
Partner, Duane Morris LLP

Eugene Scalia
Partner, Gibson, Dunn & Crutcher LLP

Keith Willner
Partner, Mayer Brown LLP

Marion Leydier
Partner, Sullivan & Cromwell LLP

(The biographies of the speakers are presented at the end of this transcript. Further information about the Directors Roundtable can be found at our Website, directorsroundtable.com.)

TO THE READER

General Counsel are more important than ever in history. Boards of Directors look increasingly to them to enhance financial and business strategy, compliance, and integrity of corporate operations. In recognition of our distinguished guest of honor's personal accomplishments in his career and the achievements of his colleagues, we are honoring Ricardo Anzaldua, General Counsel, and the Legal Department of MetLife with the leading global honor for General Counsel. Founded in 1868, MetLife has operations in more than 40 countries and holds leading market positions in the United States, Japan, Latin America, Asia, Europe, and the Middle East.

Mr. Anzaldua's address focuses on the role of the General Counsel as a strategic advisor and the cultivation of diverse leaders suited to the task of providing strategic guidance. He was joined by distinguished panelists who discussed additional topics, including insurance regulation and transactions, real estate, and governance.

The Directors Roundtable is a civic group which organizes the preeminent worldwide programming for Directors and their advisors, including General Counsels.

Jack Friedman
Directors Roundtable Chairman

Ricardo Anzaldua

Executive Vice President & General Counsel

MetLife

Ricardo A. Anzaldua joined MetLife, Inc. as executive vice president and General Counsel in December 2012. He stepped down from his role as General Counsel in June 2017 and currently serves as executive vice president and special legal advisor to Chairman, President and CEO Steve Kandarian.

In his role as General Counsel, Anzaldua led the company's global legal operations, and oversaw MetLife's government relations team, corporate secretary's office, and corporate ethics and compliance group. He designed and led the execution of the Company's one-of-a-kind successful legal challenge of its "too big to fail" designation under the Dodd-Frank Act. He also played a key role in designing and carrying out MetLife's plan to separate a substantial portion of its U.S. Retail business, now called Brighthouse Financial.

Anzaldua joined MetLife from The Hartford Financial Services Group, where he was senior vice president and associate General Counsel. There, he led legal support for the two largest operating divisions (commercial and consumer markets) after a three-year tenure leading the legal teams supporting the corporate secretarial, securities, corporate governance, tax, mergers & acquisitions, technology, bankruptcy, and real estate functions. Prior to joining The Hartford, Anzaldua was a partner with Cleary, Gottlieb, Steen & Hamilton LLP in New York. He began his legal career with the firm upon graduation from Harvard Law School in 1990.

Before law school, Anzaldua was the publications director and senior editor of the Center for U.S.-Mexican Studies, a University of California think tank focusing on research relating to Mexico and U.S.-Mexican relations, as well as Latin America more generally.

Anzaldua currently serves on the boards of directors for the New York City Bar, MCCA (formerly known as the Minority Corporate Counsel Association), Latino-Justice/PRLDEF, Breaking Ground (a New York City supportive housing developer and manager), the Greater Hartford Legal Aid Foundation (of which he is president), and the International Institute of Rural Reconstruction, an international nonprofit focused on economic and community development and empowerment in the developing world (where he now serves as acting Chair).

MetLife

MetLife, Inc. (NYSE: MET), through its subsidiaries and affiliates ("MetLife"), is one of the world's leading financial services companies, providing insurance, annuities, employee benefits and asset management to help its individual and institutional customers navigate their changing world. Founded in 1868, MetLife has operations in more than 40 countries and holds leading market positions in the United States, Japan, Latin America, Asia, Europe, and the Middle East.

Around the world, the MetLife companies offer life, accident and health insurance, and retirement and savings products, through agents, third-party distributors such as banks and brokers, and direct marketing channels. We work with families, corporations, and governments to provide them with solutions that offer financial guarantees in their lives. Our name is recognized and trusted by approximately 100 million customers worldwide, and we serve more than 90 of the top 100 FORTUNE 500® companies in the United States. We have the experience, global resources, and vision to provide financial certainties for an uncertain world. For more information, visit www.metlife.com.

HUGH MCCORMICK: My name is Hugh McCormick. I'm a partner here at Duane Morris, and on behalf of Duane Morris, I would like to thank everyone for coming. I've had the occasion to work with the honoree on some important government matters a few years ago, and when we were asked to host this event, I was more than happy to participate, and am very pleased, Ricardo, that you're here.

At this point, I'm going to turn the program over to Rick Williams, who's a partner at the Newport Board Group, who is actually the moderator of this meeting and is going to take over from here. Rick?

RICK WILLIAMS: Thank you, Hugh. It's a pleasure to be here with you and all of our colleagues. We're here to honor a terrific person who's been a big contributor to our community. I'm honored to be taking part in this celebration of Ricardo and more generally his leadership of MetLife and the General Counsel's office.

General Counsels are more important than ever as a core part of the leadership team for corporations across the globe. In addition to providing legal guidance, senior managements and boards of directors look increasingly to the General Counsel to enhance financial and business strategy, to work on issues of compliance and the integrity of their corporate operations.

We are gathering together today to honor Ricardo for his entire career, including his position as General Counsel of MetLife. We are also honoring the entire Legal Department, and their important contributions to their company, and more generally to the legal profession in their community. You will hear that Ricardo thinks deeply about his role and the role of the legal profession broadly in advancing the complex society in which we live.

For nearly 150 years, MetLife has provided insurance protection for families and businesses, first here in the U.S., and now in

more than 40 countries. While having responsibility for the legal affairs of this complex organization, Ricardo has also played a key role in mitigating the impact of Dodd-Frank's "too big to fail" regulations on MetLife. Ricardo's role as a leader of this great institution has an impact far beyond the company itself.

Our program today begins with remarks by Ricardo that I know you will find helpful and enlightening. Following his talk, a very distinguished panel will share their insights with you on related issues. As an update, as many of you may know, as of July 1st, Ricardo stepped down as General Counsel and now continues as Special Counsel to the CEO of MetLife.

Before we get underway, I want to share with you a letter from John Manning, who is the Dean of the Harvard Law School. It says:

> I was thrilled to learn that our alumnus, Ricardo Anzaldua, will be honored as this year's global honoree as a distinguished General Counsel. He is an exemplary lawyer and a wise choice for this award. From most recently establishing the Harvard Law School Latino Alumni Scholarship Fund, a need-based award for Harvard Law School students, and participating in the Planning Committee for the third celebration of Latino alumni this past March, to advising current HLS students through the prestigious Traphagen Distinguished Alumni Speakers Series last year, Mr. Anzaldua has proved to be one of our most active and well-regarded alums. At his World Recognition ceremony at the Directors Roundtable, Mr. Anzaldua will talk about the role of the General Counsel in the business environment as well as cultivating diverse talent for these roles. He participated in a very similar panel while he was on campus for the celebration of Latino Alumni regarding the advantages of in-house counsel over outsourcing to large firms. He postulated that a General Counsel and an in-house legal team oftentimes understand the needs of the company in a way that can never be matched by even the most cunning law firm, often at a significant savings.
>
> In addition to his work at MetLife, Mr. Anzaldua also devotes considerable time to non-profit causes. He is a trustee and acting Chair of the International Institute of Rural Reconstruction, a non-profit focused on economic and community development and empowerment in the developing world; and is a member of the boards of directors of the New York City Bar, Breaking Ground, an NYC supportive housing developer and manager; Latino Justice/PRLDEF, MCCA and the Greater Hartford Legal Aid Foundation, of which he is currently president.
>
> Mr. Anzaldua is an illustrious and insightful General Counsel who makes Harvard Law School very proud to be his *alma mater*. Please pass along my congratulations to Mr. Anzaldua on this wonderful achievement!

It's signed "John Manning, Morgan and Helen Chu Dean and Professor and Chairman of the Harvard Law School."

I am now honored to introduce Ricardo to you. [APPLAUSE]

RICARDO ANZALDUA: Thank you, Rick, for that wonderful introduction and your kind words. Good morning, everyone.

It's great to be here with you. Before I move into the main portion of my presentation this morning, I want to thank Rick and the Directors Roundtable for this great honor, and for organizing today's event. I also want to thank Duane Morris and Hugh McCormick for hosting us here today — thank you, Hugh. I'd also like to thank our panelists, Keith Willner from Mayer Brown; Gene Scalia from Gibson, Dunn; Mauro Wolfe from Duane Morris; Marion Leydier from Sullivan & Cromwell; and, of course, our moderator, Rick Williams.

I'm deeply honored to be here. Today marks a key moment in the history of MetLife's Legal Affairs Organization. It's one that represents numerous achievements by extraordinary professionals on our team, particularly during a time of significant transformation for MetLife. My deepest thanks go out to my team for their contributions to this achievement; it bears emphasis that none of us accomplishes the kinds of things that I've had the opportunity to do without having a very strong team behind them. It really is to the credit of the team that we've been able to achieve what we have.

There are a number of things that I could talk about this morning. We could talk about MetLife's one-of-a-kind challenge of its designation as a "too big to fail" institution; we could talk about our decision to spin off our flagship business — the original U.S. life and annuity business — which is now in the process of being separated from MetLife; we could talk about a number of different significant litigation challenges that we've met over the course of the last five years. But what I'd like to do is talk a little bit about a more high-level issue, and that is the role of the General Counsel as strategic advisor to corporations that are undergoing and have undergone significant transformations. We know that the pace of change in the business world continues to increase dramatically, and there's no letup in sight. We're all facing increased demands, and we're increasingly expected to do more, and do it faster, with fewer traditional resources.

For the legal profession in particular, the faster-paced business world has led to a growing reliance on lawyers as strategic advisors, as well as legal experts. In the current environment, the balance of competencies for lawyers is shifting away from legal subject matter expertise and toward strategic advisory and leadership capabilities.

How does this change the role of General Counsel and other senior legal leaders? Traditionally, most General Counsels were individuals who were at the side of the CEO and the rest of the senior management and the board of corporations, to provide guidance on legal and compliance issues. They answered legal questions or weighed in on the legal aspects of business initiatives, and swam within their lanes by limiting their input to purely legal matters. That is clearly no longer the case. There are a number of reasons why General Counsels began assuming roles where they not only provide guidance on legal and compliance issues, but also on the overall development of corporate strategy.

Part of the reason is that in the mid to late 20th century, legal risks for businesses expanded exponentially, particularly in the form of an increasingly aggressive plaintiffs' bar, and secondarily from much more aggressiveness on the part of regulators, who have imposed increasingly strict sanctions not only upon companies in regulated industries, but also — in the form of consumer protection — upon businesses that we think of as traditionally unregulated.

As a result of the confluence of these forces, it's now imperative for a member of the legal team to be present at the formulation of corporate strategy. A member of the legal team needs to be making observations about the litigation, regulatory and legal risks that play into the formulation of strategy, and what kind of strategy will most likely succeed in the light of those risks, and how strategy needs to be refined and tailored to meet regulatory and legal risks. It no longer works for a corporation to formulate a strategy first and then have the lawyers come in and figure out how that strategy is going to play in the legal environment.

In addition, it's very valuable to have an experienced transactional lawyer sitting at the table when the corporate strategy is formulated, because of the kinds of experiences that transactional lawyers can bring to the formulation of organizational structure and strategic structure. These skills go far beyond the purely legal, regulatory and compliance implications of strategy. The analytical abilities and perspectives that an experienced business lawyer can bring to

the formulation of strategy are every bit as useful as the contributions of every other professional who participates in the formulation of corporate strategy.

Now, through the lens of MetLife's legal organization, let me talk about how legal institutions are increasingly looking to professionals as strategic advisors, and what we are doing to ensure a diverse pipeline of strategic leaders for the future.

When I joined MetLife in December 2012, one of my first priorities as General Counsel was to challenge my senior leadership team to think about how we transform our in-house legal function into one that can readily adapt to today's constantly changing business environment. I challenged them to think about how we plant the seed for the future of our organization to develop flexible, foresighted, and creative thinkers for the business to rely on for many years to come.

At MetLife, we're undergoing one of the most significant transformations in our nearly 150-year history. We're operating today in a world that's marked by macro-economic volatility, regulatory uncertainty, and rising expectations from customers and shareholders. It's a challenging time to be in business, particularly in the life insurance business, but the environment also provides our legal organization with an exciting opportunity to significantly influence the strategic direction of a changing company in a changing world.

What do we need in the future? One of my primary goals is to maintain a world-class talent organization with a strong, diverse pipeline of future leaders. Over the past few years, we've put in place a strategy to ensure that we're developing talent to be the future leaders of our organization, both within Legal Affairs and for MetLife as a whole. We want leaders who can seamlessly flex to a rapidly changing business environment.

When I arrived at MetLife, I met a very familiar talent paradigm that I see in many in-house legal organizations. We had an organization that was populated with well-seasoned professionals. Most members of the team viewed their role as being the guardians against all manner of risk — non-legal, legal, whatever — any risk — rather than being strategic advisors.

> "A member of the legal team needs to be making observations about the litigation, regulatory and legal risks that play into the formulation of strategy, and what kind of strategy will most likely succeed in the light of those risks, and how strategy needs to be refined and tailored to meet regulatory and legal risks."
>
> *– Ricardo Anzaldua*

Many of our Legal Affairs professionals also had the habit of communicating in highly academic, jargon-filled language that was difficult for most business leaders to understand, much less process into decision-making advice.

For that reason, we immediately took steps to improve the way that we communicate as professionals. First, we emphasized the need for all professionals to use crisp, clear, and succinct language to provide advice in an easier-to-understand way. Second, we introduced a uniform and universal practice of ensuring that the role of legal advisors was to communicate the nature of risk and the magnitude of risk, and allow business leaders the discretion to decide whether or not to assume those risks. Only in the case of a proposal that could be shown to be unlawful would a legal advisor have the ability to block a decision. Finally, we focused on creating more opportunities for lawyers to learn how to carry out leadership and strategic advisory functions of senior business executives.

To begin reformulating our legal organization into one that better reflects the changing business world, we first addressed the structural organizational challenge of a senior-heavy department by redefining a strategy for attracting, developing, and retaining talent. A careful review revealed that we filled almost every vacancy with very seasoned and specialized subject matter experts. Although this approach populated our company with very highly skilled attorneys, it also had a series of unintended consequences. First, it resulted in a very senior-heavy organization that afforded most professionals within the organization very limited opportunities for internal promotion. That led to consternation and frustration with the lack of professional advancement. This is a very typical phenomenon for in-house departments, because oftentimes, talent acquisition habits that lack the right strategic vision will naturally create an inverted pyramid structure in the organization, with little to no opportunity for advancement.

Second, in order to avoid a potential talent drain resulting from this frustration, many organizations do not communicate transparently and effectively about the real objective reality for promotion within the organization. For most senior-level individual contributors, advancement within the organization entails joining the ranks of management; there is little to no potential for advancement within the organization for non-managers, which is itself a professional competency that requires a separate set of skills.

Finally, there were few women and ethnically diverse leaders in senior positions. Diversity was limited to the junior roles within the organization, which were populated with less-experienced professionals who had relatively low prestige, little training, and high turnover.

What did we do? We decided that the first step was to shift toward hiring legal professionals with fewer years of experience and

less subject matter expertise, but with great intellectual aptitude and leadership potential. We learned that junior lawyers with strong leadership aptitude and intellectual firepower also have the ability quickly to acquire subject matter expertise and greater ability to develop leadership capabilities than more senior talent without those attributes.

To help us assess and identify talent with these leadership and management aptitudes, we introduced a behavioral-based interviewing method. The model has many dimensions, but is fundamentally characterized by a strategic direction. Each interviewer has a specific role to carry out in the process of analyzing the candidate, and each interviewer is assigned, through focused questioning, the task of learning more about the candidate's leadership aptitudes.

Our talent acquisition philosophy and behavioral interviewing model are focused on identifying emotional intelligence, nimbleness and maturity, and leadership potential more generally.

The second big change in our transformation came through reorganization. When I came to MetLife, I found that the department's operating model too often seemed to impede talent development rather than support it. We had too many layers of management within one chain of command. This impacted both our ability to develop talent and to communicate effectively. By reorganizing, we thought we could create a structure that could function as a talent incubator by providing employees with more robust talent development opportunities and career advancement, while at the same time enabling leaders to communicate more effectively.

Communication deficiencies not only impair the quality of legal advice, but they also hinder the transmittal of strategic vision, both for the legal function and for the enterprise as a whole. A General Counsel or another business leader can repeat messages over and over in large meetings, but if the messages are not reinforced down the chain of command by line managers, they do not resonate with employees.

In 2015, we introduced a new operating model in the U.S. Law Department to streamline the number of managers in every chain of command. We went from having as many as seven managers in a single chain to — in most cases — three; and never more than four, including myself. We also removed supervisory responsibility over non-lawyers from the legal team. Administrative assistants and paralegals are now supervised in a separate organizational structure to further support their career development. The new model eliminated nearly 50% of the management roles in the department and these individuals serve now in new individual contributor roles.

The primary purposes underlying this new model are three-fold. First and foremost, we sought to strengthen our leadership and management competencies to improve talent development capabilities. Second, we required managers to help break down barriers to facilitate broader experience opportunities for employees. Third, by reducing the number of managers and increasing the exposure of professionals to other members of our performance assessment process, we enhanced input into the performance assessment process for employees in Legal Affairs at MetLife.

With this new model, we now have managers — including our strongest senior leaders — working directly with junior talent to develop their professional skills and defining paths to help them achieve their career aspirations. It's important to note that the model alone was not a self-effectuating talent development process. In order to make sure that talent development received its due attention, we required all managers to spend at least half their time developing the professional skills of the people within their organization.

Our ability to manage and lead associates is as important as our ability to perform our professional responsibilities, and we measure

manager performance in both of these areas to keep them accountable. We're also holding our managers more accountable for developing the talent within their teams. To help them become better leaders, we work with our HR and Global Learning and Development partners to provide training opportunities throughout the year, and we hold a Global Leadership Forum of managers within MetLife Legal Affairs at least once a year to focus on developing their skills and competencies in the areas of leadership, management, coaching and feedback, talent development, and communications.

On the topic of communications, which I discussed earlier, I would note that by reducing the number of lawyers in management, the new model has enhanced our effectiveness in cascading messages from leadership and throughout the organization.

An exciting new development that we've launched is a talent development mechanism that we put into place last year — the Talent Stewardship Initiative. This is known in the marketplace as "sponsorship." Many of you here today may have heard me talk about this initiative in other venues. Some of you may even have attended the diversity event that we

hosted at MetLife in April. We designed and launched the Talent Stewardship Initiative with one challenge in mind: how do we accelerate the development of a diverse group of future leaders? The Talent Stewardship Initiative is designed to create sponsor-like relationships in which senior leaders provide training, experience, exposure, and leadership guidance to high-potential associates. We've structured the initiative as a way to hold senior leaders accountable for the retention and promotion of diverse talent.

We put substantial attention to selecting the protégés for talent stewardship. I won't go into depth on that process today, but it consists of conducting a high-potential talent identification exercise for the junior ranks of the professionals. It's important to note that the high-potential talent identification model does not exclude non-diverse talent; it includes all talent. On the contrary, what we've designed is a model that's aimed at eliminating the effects of unconscious bias, which indicates that many people tend to promote others who fit deeply held, unconscious predispositions. As a result, approximately 70% of the participants on our talent initiative are women and ethnically and racially diverse professionals.

Importantly, we don't lose sight of the fact that the ultimate ownership of talent development and career advancement resides with the employees themselves. That said, what we add to the mix through our Talent Stewardship Initiative is a layer of accountability on the part of senior leadership for developing professionals.

Through talent stewardship, we're developing a culture where leaders spend more of their time developing the leadership skills of our diverse associates, and we expect all our managers to be capable sponsors. The protégés that we identify for the initiative are those who regularly take ownership of their own careers, differentiating themselves and demonstrating behaviors that illustrate aptitude for leadership, including intellectual curiosity, relentless passion to succeed,

> "One of my primary goals is to maintain a world-class talent organization with a strong, diverse pipeline of future leaders. Over the past few years, we've put in place a strategy to ensure that we're developing talent to be the future leaders of our organization, both within Legal Affairs and for MetLife as a whole."
>
> – *Ricardo Anzaldua*

commitment to developing professional skills, and motivation to advance the priorities of Legal Affairs and MetLife.

Both sponsors and protégés share significant responsibility for ensuring a successful relationship. We require participants to continually demonstrate that they're committed to investing in their own career development, and we push leaders to expose protégés to opportunities and other senior executives throughout the organization.

I want to mention that we recognize that our talent strategy could result in our talent migrating to other areas of MetLife's business, or even outside MetLife, and that's okay. We know that we won't be able to promote everyone within our organization. But we want employees to feel like they've had the opportunities; that they've been given the guidance necessary to develop professional skills; and that they have experienced success at MetLife and received from MetLife a foundation for success in the rest of their careers.

This is an essential feature of the talent strategy that my senior leadership team and I have worked very hard to create over the past four years. We call it a "talent incubator" that reproduces high-performing talent and prepares them to be successful leaders throughout our organization and the larger business community.

Now, more than ever, it's critical to design and implement a talent strategy that can reproduce leadership and create the strategic advisory skills that are necessary to keep pace with a rapidly changing business environment. Over the past few years, we've done a lot to make key elements of our talent incubator strategy available to the market. For example, on April 20th, we held a workshop for more than 150 legal professionals from 60 law firms, 21 in-house law departments of major companies, and 10 bar associations and other professional organizations. The workshop included a stimulating, thought-provoking and useful program. At the end of the session, we challenged the law firms that serve MetLife to implement, by the end of 2018, initiatives that, like the Talent Stewardship Initiative at MetLife, are deliberately designed to hold the senior leadership of each organization accountable for the retention and promotion of diverse legal talent. We are committed to collaborating with them to develop successful programs. I'll be speaking about this again at the annual meeting of the ABA on August 8th, and I'll go into more depth and detail about what it is that we're expecting, and the example that we're trying to set to make this happen within our profession.

We consider this to be one of the greatest opportunities for MetLife to make a significant contribution to the legal profession, and equal opportunity for our society. In order to facilitate that objective, we've made the entirety of our written Talent Stewardship Initiative available for law firms and other in-house departments to access through the MCCA [Minority Corporate Counsel Association].

I'll leave you with a few key takeaways on how we've worked to transform our in-house legal function into one that cultivates diverse leaders who are suited to the task of providing strategic advice.

First, we believe that you need to have a credible, reliable talent strategy. Second, you need to develop talent at all levels throughout the organization. Third, you need to aspire to create more talent potential than you can actually deploy. Fourth, you need to create a diverse leadership pipeline.

Finally, this morning, just let me say, as I look out over this room, I know how much many of you are doing to profoundly change our role as legal professionals in the organizations and communities in which we work and live. I have seen and admired your contributions to the impact we are making as strategic advisors and business leaders; I've seen your contributions to the progress that we're making to diversify the legal profession, and particularly the pipeline of diverse future members of our profession; I've seen the growing effects of your work on our communities themselves, in addressing the dire needs of our communities for greater access to education, improved engagement with the political process, and many, many other things.

We've made good progress as a profession, but I think you'll all agree that we have significant work ahead to continually raise the bar for building on everything that we have accomplished to date. I look forward to seeing everything that I know we'll accomplish together for the future of our profession.

Thank you again for joining me today, and thanks to Rick and the Directors Roundtable for this wonderful honor and opportunity. Back to you. [APPLAUSE]

RICK WILLIAMS: Ricardo is one of these individuals who has an impact far beyond where he shows up for work every day, with the organizations he's on the board of, his thought leadership for issues like this — he is one of these key rare individuals who has impact far beyond just his job and his work every day. I want to thank you, Ricardo, for that.

Our next speaker is Gene Scalia, a partner with Gibson, Dunn & Crutcher,

and cochair of the Administrative Law & Regulatory Practice in D.C. We're very fortunate to have Gene come up from D.C. this morning to join us.

EUGENE SCALIA: Thank you, Rick, it's a pleasure to be here today at this event honoring Ricardo, and I thought I'd take the opportunity to say a few things about lawyering, and about Ricardo himself. I met Ricardo almost exactly four years ago, as MetLife was beginning to be considered for designation as a so-called "SIFI," — a "Systemically Important Financial Institution," also known as "too big to fail." This is a designation that is placed on companies by something called the "Financial Stability Oversight Council."

I'll talk about the matter a bit. It was really an extraordinary matter for me to have the opportunity to work on — a phase in my career I'll certainly never forget. It was also a very important moment in the history of a great American company, MetLife.

On the subject of lawyering, there are a lot of qualities that go into good lawyering, and many of them are obvious: intelligence, hard work, judgment, and something I emphasize to the people I work with — simply taking pride in a job well done. But I wanted to comment on a couple of qualities that aren't as obvious, but which, in my experience, are very important. These are things that Ricardo exemplifies. One is the capacity to build and manage a team. When you think of great lawyers — such as Daniel Webster or Clarence Darrow — you don't think, "He's really good at building and managing teams!" But, in fact — and especially in today's regulatory and litigation environment, and especially for large American corporations that are in the midst of significant events in their history — it is essential for a General Counsel to be able to put together the right team, and then to lead that team very effectively.

As you all know, and as you have heard this morning, personnel and staffing are things that Ricardo takes great interest in. That's evident most prominently in the emphasis he's placed on diversity in the legal profession and in corporate America generally, and in helping people who are minorities or from disadvantaged backgrounds pursue all the opportunities that other Americans enjoy.

Ricardo's interest in staffing and building teams has been evident also, and as you heard a bit, in his tenure at MetLife. He took a very active interest in the growth and development of the lawyers in this group. That's something that I learned both from my conversations with Ricardo, where it was something he would talk about, but also in my discussions with people in that office who I know appreciated working with Ricardo and appreciated his leadership very much.

The SIFI matter that I worked on with Ricardo and Marion and others was, itself, a really major team-building and management exercise. Most of you are probably familiar with it, but the stakes for MetLife of being a SIFI designation were immense. The Financial Stability Oversight Council, FSOC, is a body of twelve or so financial regulators — the heads of all the major U.S. financial regulatory agencies — the Secretary of the Treasury, the Fed, SEC, and others. Their role, at least as they see it, or saw it, is to identify institutions that could pose a

threat to the financial stability of the United States in the event that they failed.

What it means to be designated is that you are subject to regulation by the Fed, which is, in my experience, probably the most burdensome and intrusive form of regulation in the United States. You also are subject to increased capital requirements, which simply make the cost of doing business more expensive for you than for virtually all of your other rivals.

It was a significant enough event in the life of MetLife that at the hearing before FSOC — at which Ricardo, CFO John Hele, and also the CEO, Steve Kandarian, spoke — Steve, in his remarks, felt obligated to let the members of FSOC know that the threat of designation was so serious that the company was actively exploring breaking up the company because of the competitive burdens associated with designation.

We weren't in court, but it was as if we were in court, because we were before a panel of these twelve or fourteen very powerful regulators, and it's a moment I won't forget, because we had the CEO of this very great American company explaining to them the consequences as we saw them on the decision. Evidently it was not a moment that particularly moved the FSOC members, but I think it should have.

Just gathering the information that FSOC wanted during this process would have been an enormous undertaking. It required information from the CFO's office, the Controller's office, obviously people in the legal group, and from all the different lines of business, also, whose activities were implicated by SIFI designation and which were the subject of inquiry by FSOC. But Ricardo and Steve Kandarian, the CEO, had in mind something much more than simply answering the questions that were posed to them by FSOC. We were engaged in the process of putting together an advocacy piece before the agency that we hoped would persuade them not to designate

> "We learned that junior lawyers with strong leadership aptitude and intellectual firepower also have the ability quickly to acquire subject matter expertise and greater ability to develop leadership capabilities than more senior talent without those attributes."
>
> *– Ricardo Anzaldua*

MetLife as a SIFI. But in the event that MetLife was designated, and in the event that MetLife then concluded that the grounds for designation were not reasonable, the exercise we were engaged in was intended also to build a record on which we could base an effective legal challenge.

Ricardo built not only this internal MetLife team; he built an external MetLife team which brought together three different law firms — Marion's firm, mine, and a third — with expertise in U.S. financial regulation; insurance regulation; bankruptcy, insolvency — particularly in the insurance context; litigation; and administrative law requirements, which I brought to the table. We also had many non-legal participants — economists; finance experts; insurance experts who were not lawyers. As well, government and media relations personnel, together with all the MetLife people whose activities were part of what FSOC was scrutinizing and whose expertise, therefore, had to be brought to bear, as well.

This team was up and running before the end of 2013, well in advance of MetLife's eventual designation. We had weekly meetings or calls, and at least two or three all-night sessions, with Ricardo at the helm summoning all his experience from his days as a deal lawyer, into the small hours of the morning.

It was an enormous undertaking, but what really struck me was how harmonious it was. He pulled together all of these corporate executives. Throw in three law firms — who compete with one another at times — and all these other experts and analysts, *and* make it a crisis moment for a corporation, and what you would expect is a lot of drama and disagreement and strife. But there was close to none of that; instead, it was a really, as I saw it, a selfless and harmonious exercise that Ricardo led just beautifully. It was a real lesson for me in team management.

The second under-appreciated quality in lawyering that I wanted to talk about is courage, particularly in the case of a large corporation. The in-house counsel's office is, as you heard from Ricardo, often a very cautious and risk-aversion place. Often, the way corporations proceed, and sometimes particularly in-house legal offices, is to benchmark, find out what others are doing, and do that very thing. This same conventional wisdom also holds that you really should not question regulators, particularly federal regulators, and particularly federal financial regulators; it's imprudent and unwise to question what they're doing.

MetLife was the fourth company designated as a SIFI. No one had challenged that designation, although the Dodd-Frank Act had a very explicit mechanism for companies to go to court if they felt the designation was improper. Taking that step was perceived in a lot of quarters as unacceptably hostile and provocative. If you were being considered for designation, you could put up a good fight to try to prevent it, but it was poor form and poor manners to go to court. It was also seen as fruitless; the perception was that the legal standard was unforgiving, and that the expertise of FSOC would intimidate any Article III judge.

MetLife is not being regulated as a bank today because Ricardo and Steve Kandarian were prepared to defy the conventional wisdom and go to court for what they determined were legal errors made by FSOC in designating MetLife. Actually, eight legal errors by

my count — when I went back to look at the complaint that we filed, we had eight counts or so in our federal court complaint.

Ricardo was clear from the start about the objective and tone of this litigation we were bringing: That the aim was to bring our grievances to a court, to get a neutral umpire to look at it and see if we were right, as we believed we were. That FSOC had made a series of errors; we believed, but our action was to be respectful. It was not a hostile exercise; we were simply availing ourselves of the mechanism that was integral to Dodd-Frank, by which, if there is disagreement, you can let a court sort it out.

It worked. We got a favorable decision from the District Court in March of last year, and the case is now on appeal.

I have, in part, a regulatory practice. I challenge regulations or advise clients during rule-makings on a daily basis. I'm often hearing from clients about what they perceive to be unreasonable regulatory burdens or regulatory actions. I hear a lot of complaints, and complaints are fine; complaints are good. But our legal system and regulatory system work best when corporations and their leaders are unafraid to step forward and avail themselves of the rights and mechanisms that federal law provides, in circumstances where there has been regulatory overreach. That's not disrespectful; it's not contentious. We have a legal system that's really premised on people proceeding in that way, and is designed to function in that manner when agencies exceed their bounds. In fact, our regulatory system actually works *best* when courts *are* occasionally brought in to examine what regulators are doing. It can give the regulators needed guidance. It can also liberate our economy, including workers, shareholders and the like, from unreasonable steps that regulators can take.

Ricardo, well done, and I hope the courage that you showed in the SIFI matter, and the willingness to defy convention wisdom that I mentioned, are things that lawyers and

executives learn from when they confront challenges like the ones that MetLife had. [APPLAUSE]

RICK WILLIAMS: Thank you, Gene, for that insightful look at MetLife and lawyering. Our next speaker is Mauro Wolfe. He was an Assistant to the U.S. Attorney for Securities Fraud, and now is a partner with Duane Morris, and is co-chair of the Criminal Law Committee at the International Bar Association.

MAURO WOLFE: Thank you very much. First, I'd like to thank the Directors Roundtable for the kind invitation, and it's a real honor and privilege to be here, particularly honoring a friend of mine, Ricardo Anzaldua. Ricardo and I have known each other for a number of years now, and we've run through a number of circles together. We find ourselves at different events from time to time without knowing that we're going to be there. Many of those events involve diversity. One of the things that I wanted to say publicly is how much I appreciate Ricardo Anzaldua's friendship, kindness, and honest advice and counsel.

My practice is in the white-collar world; I'm a former senior enforcement attorney at the United States Securities & Exchange Commission, and a former federal prosecutor. Having a friend like Ricardo is particularly helpful for me, because he gets to tell me what General Counsels think every day. He's been a real treasure for me and a number of our colleagues in the Hispanic community. I wanted to say thank you, Ricardo, for all you've done and your leadership in the community.

I would ask that you reserve all questions until we're done. I see a couple friends of mine in the audience, and I would ask them to not heckle me until I'm finished. [LAUGHTER]

First, my goal is to talk very quickly about a number of topics that are important in a couple of themes that have run through today — one of which is, Ricardo began the conversation today by talking about the role that General Counsel, and particularly the role as expanding to be one of a strategic advisor. I also believe that within my role, as well, that I've found that over time, I've become more and more relied upon to provide strategic advice. That's a theme that I want to mention today.

Also, I thought it was particularly pleasant to hear Gene talk about collaborate efforts. He described the collaborate effort among three different law firms as "harmonious" and "joyful," I could be making that up.

EUGENE SCALIA: I didn't go that far! [LAUGHTER]

MAURO WOLFE: In my practice, when clients of larger publicly created companies require me to practice or to work with other law firms, "harmonious" is not one of the words that I would describe. At times, litigators being litigators, I would think the best way I can describe it is something akin to an episode of *Game of Thrones*. When I think about the experience I've had with other law firms, the quote from *Games of*

Thrones is, "You win or die." That's something that is changing over time, and I congratulate Gene for having such a wonderful experience; I wish, someday, to have that experience myself in working with other law firms and other colleagues.

But setting that aside, going back to Ricardo's point about strategic advice, in the world that we're in now, particularly with the new administration, this past eight to nine months in the white-collar space, I've had more and more partners of mine and clients ask really significant, deep questions about where the United States Securities & Exchange Commission is going, where the Department of Justice is going. It is difficult, given the new administration, some of the things that the administration and statements made by those going into the administration have discussed about regulation and the role of regulation and the role of law enforcement.

If you wish to be a strategic advisor, or you provide strategic advice, there are some things that you should be thinking about. I'll highlight them. First, Jay Clayton, the new SEC chairman, gave a speech on July 12th. There are a couple of things that I thought were important about what he said. First, he harkened back to the heart of what the SEC regulatory function is, which is disclosure. He also talked about some other things that I think are important, because it potentially suggests that there may be a retrenchment in terms of the aggressive nature of the SEC with regard to a couple of matters.

First, I believe he talked about the cost of compliance as a factor in rule-making; that is not only prospectively, in terms of what rules are we asking the market to consider or corporations to embrace, but also historically or retrospectively — going back and taking a look and saying, "What is the cost? What is the actual benefit of the cost analysis that we talked about last time?"

The other is the role of the SEC as it evolves and as business evolves. I have clients in the private equity space; we're involved in cases

> "The Talent Stewardship Initiative is designed to create sponsor-like relationships in which senior leaders provide training, experience, exposure, and leadership guidance to high-potential associates. We've structured the initiative as a way to hold senior leaders accountable for the retention and promotion of diverse talent."
>
> — *Ricardo Anzaldua*

involving the Foreign Corrupt Practices Act. We've seen high-frequency trading being an important issue. It's a combination of some of the technology and the frequency of the development in the markets that I think is important.

The SEC, as many of you know, has developed expert areas within the Commission itself. I've handled cases with a number of those experts. I would not call them "experts" necessarily when I interact with them.

The other area of some consideration really relates to enforcement priorities within the Department of Justice and within the SEC. The idea as Mr. Clayton put it, the targeting of market professionals. That includes C-suite individuals.

Those are areas I'll talk a little bit more about in a moment specifically.

Now, on the good side, there's a couple of Supreme Court cases that have come out in the last 12, 18 months which provide a limitation to the United States Securities & Exchange's authority. It's a five-year statute of limitations, both for civil penalties and also for equitable relief. Now, when the Supreme Court makes a decision that limits the SEC somewhat, of course the SEC is going to respond. One of the things that companies should be thinking about — and this is very close to something that Gene talked about, which is, again, music to my ears — the idea of being adversarial to the government as opposed to accepting the decrees. The question is this: When the statute of limitations is limited to five years, what you will get routinely now and in the past probably a few months is a request for a tolling agreement for a minimum of a year. Because of the rulings of the Supreme Court, there now is much more discussion, certainly in the representation of individuals. Private companies tend to be a little bit more aggressive; public companies not. Maybe this will be an issue of some consideration of whether or not you actually sign the tolling agreement. The SEC is an example where administratively, they take the view that if you *don't* sign the tolling agreement, they may perceive that to be lack of cooperation. To my knowledge, it has not been tested anywhere, but it may be an area where further consideration about whether or not you sign the tolling agreement would be appropriate.

Returning to a very popular topic within the SEC and the Department of Justice, and that relates to accountability of individuals. The accountability of individuals is important because of two particular programs. One, within the United States Securities & Exchange Commission, under the former chairman, there was a cooperation program that spawned out of some of the challenges in the market. That cooperation program was an attempt by the SEC to act more like federal prosecutors and having cooperation agreements. Sally Yates, despite becoming famous for her experience within the Justice Department recently, prior to that, those of us in practice know that she was famous because she wrote a memo called "the Yates memo." The Yates memo was a Department of the Deputy Attorney General Sally Yates memo which articulated that a condition of cooperation credited by corporations the need to investigate and tell the SEC or tell the Department of Justice of the liability

or potential liability of individual actors. Between these two agencies and the program that focused on individual accountability, again, put individual actors in the C-suite and in corporations within the crosshairs.

Now, I wanted to give you one specific example of the application of the Yates memo that recently occurred. I was representing a corporation in March, and we reached a settlement agreement. Generally, in the settlement agreement, there is always a clause that says that — in this case, it was the Department of Justice — they are *releasing* — this is the standard language — they are releasing all individuals in the company. Because of the Yates memo, the internal policy within the U.S. Attorney's Office in Texas, where I was negotiating the resolution, concluded that it could not permit a general release as to all individuals without violating the tenets of the Yates Memo; it would have to be done on an individual-by-individual basis. As you can imagine, that caused quite a bit of consternation within the company, because they were looking forward to having this matter put behind them. That's an area of risk that you should be aware of.

Another area that is worth mentioning to you, that comes up in every major investigation that I'm involved in, relates to investigative costs. There are two drivers of cost; one is obviously legal fees; and there are two responses to the legal fees, particularly when it relates to the review of large-volume, multimillion sets of records. One is that the current rates for offshore/onshore first-level review has now dropped below $50. If you have law firms who are saying that we could do this work in-house, associates review every scrap of paper at $350 an hour, those days are long past. There's a role for lawyers, but there are other cost alternatives to consider.

The other is something I'm currently living with as of probably a week ago, and that is vendors in the marketplace who have tools to do electronic searches that apply two types of technology tools simultaneously. One is high-speed, high-frequency trading algorithms married with artificial intelligence. As a result, there are some — and we're testing this now, live, as we speak — we have some vendors who have the artificial intelligence in high-frequency trading capability to review, as an example, our set involves 450,000 records out of a universe of 1.5 million. We're taking that sample, in theory, what we will find out within the next 30 days, whether or not artificial intelligence is able to review 450,000 records — and it will probably work, and tell you that you only need to look at 10,000 records or 30,000 records. That kind of technology and capability is, in my mind, a disruptive, innovative change in how lawyers are practicing. It raises the issue about the application of artificial intelligence in the field of law and other places. We throw that out there for your consideration, as well.

Lastly, the area that comes up quite often, particularly in this global market, as others may have suggested, is the cross-border cases. The United States, by far, is a leader in anti-corruption enforcement. There's the Foreign Corrupt Practices Act. The U.K. has a similar law, the U.K. Bribery Act, and there are other jurisdictions. Argentina is coming out with a new Anti-Bribery Act and it should be enforced by the end of this year. Australia and China will have something similar. For those companies who are in multiple jurisdictions and are knowledgeable about how the various laws work with each other, how they don't work with each other — stay tuned for more developments. Interestingly, the Argentine law has a carve-out or safe harbor provision similar to the U.K. Bribery Act which says that if you have an adequate compliance program in place, you will be absolved of all sins. That may or may not be of any use to you if you are a U.S. or foreign company with U.S. jurisdiction. I would invite you to think about these issues in terms of cross-border matters.

With that being said, I know that we're fast approaching the time to move on. I'll turn it over back to Rick. Thank you. [APPLAUSE]

RICK WILLIAMS: Thank you, Mauro, for that look into current white-collar issues.

Our next speaker is Marion Leydier, a partner with Sullivan & Cromwell, and co-head of their North American insurance practice.

MARION LEYDIER: Hi. I'm Marion Leydier with Sullivan & Cromwell. It's a great honor to be here to celebrate Ricardo's achievement and recognition. What I'm going to talk about are just some recent trends and developments in insurance regulation, and how those have affected the insurance industry over the past few years, and how they will continue to do so in the years to come.

These regulatory changes since the financial crisis have been many, and they've been fundamental in a lot of ways, and they have not yet stopped. How the regulatory landscape will look in two or five years' time is largely uncertain.

I'm going to keep my thoughts somewhat focused on a few specific areas that mostly relate to U.S. federal involvement in the insurance space. But it's important to note

that there have also been, and will continue to be, significant changes at the U.S. state level, where most of the insurance business is regulated, and of course internationally. For example, Solvency II, Brexit, and the ongoing work of the FSB [Financial Stability Board] and the IAIS [International Association of Insurance Supervisors] will keep us on our toes for the foreseeable future.

As you know, insurance is an increasingly international and global business, and the regulatory changes coming out of all of these different areas — changes that are not always consistent and may even conflict with one another — will continue to challenge the patience and legal ingenuity of General Counsels of insurance firms and the law firms that work with them.

We at Sullivan & Cromwell are certainly very grateful to have had the opportunity to work with MetLife recently in key areas where these changes have had an impact, and Ricardo mentioned some of them. For example, we've been working with MetLife on the SIFI [Systemically Important Financial Institution] designation process and the successful challenge to its designation alongside Gene and the Gibson, Dunn team. That was really a groundbreaking opportunity.

In any event, the legal environment for insurance companies, especially large, complex, international insurers, is likely to continue to be in a state of flux for several years to come. It will therefore be critical for General Counsel and legal and government relations departments of insurance companies to stay abreast of the latest developments, both in the U.S. and internationally.

As you know, insurance regulation in the U.S. has historically, for the most part, been the province of the states. Although there has been talk — but that was really *only* talk — prior to the crisis, of expanding the role of the federal government in insurance; the passage of Dodd-Frank in 2010 really introduced a new era of federal regulation of certain areas of insurance. For example, the Financial Stability Oversight Council (FSOC) which was established under Dodd-Frank and which is really a collection of federal banking regulators, has the authority to designate insurance groups as Systemically Important Financial Institutions, which are referred to as "SIFIs" or "too big to fail." When designated, these institutions are subject to supervision by the Federal Reserve.

The FSOC designated two U.S. insurers — AIG and Prudential Financial — as SIFIs in 2013, and then went on to designate MetLife in 2014. As permitted by Dodd-Frank, MetLife challenged its SIFI designation in Federal District Court, and in March of 2016, the Court agreed with MetLife and rescinded the designation. The FSOC has appealed that decision, and the appeal is pending. It's currently being held in abeyance pending a response by the Treasury Department to the new administration's request for a review of the FSOC designation process.

Dodd-Frank resulted in expanding Federal Reserve supervision over insurance groups that happen to own a bank or a savings and loan company, and to SIFIs. Supervision by the Fed is no small matter, whether it be for SIFIs or for these savings and loan holding companies.

For example, SIFIs are subject to so-called "enhanced prudential standards" that the Federal Reserve is required to establish under Dodd-Frank. These include, or would include, requirements and limitations relating to a laundry list of things like risk-based capital, leverage, liquidity, stress testing, risk management, resolution planning, early remediation, management interlocks, credit concentration; and could also include additional standards regarding capital, public disclosure, short-term debt limits, and other related subjects.

These standards would apply in addition to the already-existing state insurance statutes that have governed the activities of insurance holding companies. For example, acquisitions of insurance companies would require not only the approval of regulators in the state of domicile of the insurance company's subsidiaries, as they always have, but depending on the nature of the transaction, they may also require approval by the Fed and satisfaction of conditions in the bank holding company act. Likewise, investments permitted by insurers under their state's laws may also need to comply with additional yet-to-be-promulgated requirements respecting credit concentration limits.

The majority of these standards have yet to be finalized or, in some cases, even proposed. In June of 2016, the Fed issued proposed rules applicable to insurance-based SIFIs relating to some of these standards for risk management, corporate governance, and liquidity risk management. The Fed also issued a conceptual proposal outlining two potential approaches to capital standards, one that they called a "building block approach" that would be applicable to the insurance-based savings and loan holding companies, and a more onerous "consolidated approach" that would be applicable to insurance-based SIFIs.

However, as you know, the future of many aspects of Dodd-Frank is very uncertain under the new administration and the new Congress. Based on early indications from the new administration and Republican proposals in Congress, the current insurance-based SIFIs may well be dedesignated under the new administration. There are a number of ways that could be accomplished. For example, SIFI designations are, by law, subject to an annual reevaluation process that FSOC is conducting. It may be the case that the current SIFIs would simply be dedesignated at the next opportunity, *or* the designation and supervisory powers of the FSOC and Fed over non-bank financial institutions could be circumscribed or even repealed by law or by regulation. For example, the administration has ordered the Department of the Treasury, in a memorandum issued in April this year, to review and report on the FSOC designation process and whether it works efficiently, transparently and consistently with the so-called "core principles" for regulating the U.S. financial system that the administration promulgated in February.

Significantly, the memorandum requests that the Treasury report on some of the key grounds that MetLife indicated made its designation a problem. These include, for example, whether FSOC must evaluate a company's vulnerability to financial distress rather than just the effects of its hypothetical failure on the financial system, and whether FSOC must evaluate the costs of any designation on the entity being designated.

As another example, the Financial Choice Act that recently passed the House proposes to eliminate the authority of FSOC to make non-bank financial company designations, and would also repeal prior designations.

Whether, when and how these changes occur really remains to be seen. Until they do, depending on the future rulemaking by the Fed and the extent to which Dodd-Frank is replaced or modified, the regulatory landscape applicable to an insurance-based SIFI or savings and loan holding company will continue to be significantly different from that applicable to any other U.S. insurer, and any transaction that involves those entities will need to be assessed in light of the federal supervisory framework applicable to them.

I'll stop here and wrap it up. The other area that's interesting is that the federal involvement in the international standard setting bodies, including the FSB and the IAIS, but that's too much of a topic for the time I have left, so I think I'll just leave it here.

RICK WILLIAMS: Thank you for that informative look at insurance regulations.

Our final speaker is Keith Willner, a partner with Mayer Brown, in their real estate practice in Washington.

KEITH WILLNER: I was asked to speak about a commercial real estate topic that would be of general interest to non-real estate lawyers and non-real estate practitioners, and in fact, probably not lawyers or in real estate in any way at all.

I thought about it for a few minutes and decided, "This is going to be a pretty short program!" [LAUGHTER]

But after some reflection, I did come up with one subject that is certainly current, emotionally charged, politically sensitive, and actually of a great deal of interest and concern to commercial real estate investors, and that's *climate change,* or global warming; or, more particularly, for this particular program, a subset of that: *the rise in global sea levels*.

Since we are here honoring a lawyer, and since I'm a lawyer, I figure we'll fashion this in the style of real estate advice — excuse me, of legal advice — and I'll start by trying to scare you, and then I'll follow it up with a whole bunch of disclaimers! [LAUGHTER]

Why don't we start here in New York. This is a computer grid map* of New York that shows essentially the outlines of the city

overlaying on the top of essentially where the sea level is today relative to the city. This is what it looks like when you add one meter's sea level rise. This is what it looks like when you add two meters of sea level rise. Focusing right in particular on the southern tip of New York Battery Park and the area which is now under water. [LAUGHTER]

This is what it looks like with three meters of sea level rise.

Turn the next two, Washington, D.C., of particular interest for at least two reasons: one, because I live there [LAUGHTER]

This is Washington, D.C., today. By the way, the other reason, probably more significant, is to point out that, just to show that this phenomenon we're talking about isn't really something that's relative only to the coastal areas; Washington, D.C., is, I'm sad — chagrined — to point out, is at least three hours away from the nearest ocean. Any area that's near a river — obviously, the Mississippi River is another great example. This is Washington, D.C., today. I ask you to look at the National Mall right in the middle of the screen as one focus, because of its symbolism to the United States, as well as its vulnerability. This is one meter;

** The maps referred to in Keith Willner's presentation can be found here, starting on p.28.*

this is two meters; this is three meters. You can see the Washington Monument is sidelined now as an ice skating rink.

I don't want to give short shrift to the West Coast, so here's San Francisco. This is San Francisco today. I'd ask you to look — for people who are familiar with San Francisco, I-280, which is kind of on the right-hand side of the screen — it's the major interstate that goes from the South Bay through downtown San Francisco and into the East Bay. Thousands and thousands of cars travel on that on each day, and there is significant development on both sides of I-280. That's today; this is after one meter of sea level rise; this is two meters of sea level rise; that's three meters of sea level rise. Again, for anyone who is familiar with San Francisco, you see just in that one place, the 280 is completely under water and, again, if you know the city, the water level goes all the way out to 101, which is considerably inland.

I'll also point out that people are most interested in the city, and so that's why I focused this on San Francisco. But the really major effects of sea level rise in the Bay Area are really in the South Bay, just below this picture. San Mateo is almost entirely covered with water; that's where SFO is — San Francisco International Airport — which would be, after three meters of rise, more suitable as a submarine base than an airport.

Now, really in a sense for entertainment value — which would be funny if this weren't so unfortunate — let's look at New Orleans. This is New Orleans today. As you can see already, New Orleans, even in today's world, is highly vulnerable. This is New Orleans at one meter; New Orleans at two meters; and at three meters, it's essentially reclaimed back into the Gulf of Mexico.

When you look at phenomena like that, there are at least two kinds of basic, fundamental questions that come to mind. The first is, "Why?" In answer to that, I would say, "Folks, I'm a real estate lawyer, not a scientist; I couldn't begin to tell you why."

> "... we want employees to feel like they've had the opportunities; that they've been given the guidance necessary to develop professional skills; and that they have experienced success at MetLife and received from MetLife a foundation for success in the rest of their careers." – *Ricardo Anzaldua*

There are obviously theories. The one that has certainly gained the most prevalence is greenhouse gases, although I would say it's not the only one. Even novelists are getting into the act. Several years ago, Michael Crichton wrote a book called *State of Fear*, which advocated a theory that it has to do with the warming of the Earth's crust, largely stemming from the growth of large cities and really the exponential growth of electrical usage in those large cities. Some of the uncertainty about the reasons why, you can see, even from the proponents of greenhouse gas as the primary thinking, and certainly overall, to see the sea levels have risen; the Earth has warmed. Over the last 100 years, sea levels, for example, have risen eight inches. But paradoxically, there is a 30-year period between 1940 and 1970 where sea levels actually declined and the Earth actually cooled. It's hard to fit that into this theory, and the rationales that have been propounded for why that happened are very convoluted, relating to minor changes in the Earth's orbit; volcanic activity; solar changes — things that, at least to the unpracticed eye, when you start to read them, make you wonder whether all of the science is forming a cohesive theory or whether it's really a bunch of patchwork. I won't be the one able to answer that question.

The second fundamental question — that one being philosophical, this one being of more direct importance to real estate investors — is, "How much?" Again, I will be the first to say, as a real estate lawyer, I've got to leave that with the scientists. Unfortunately, on that point, as well, the scientists we're leaving this to are the same people who bring you weather forecasts. They can't tell you whether it's going to rain tomorrow, much less what's going to happen twenty years from now. You find that the ranges that even very well-established scientific organizations provide vary wildly. It's obviously an extremely complex phenomenon affected by tremendous global issues, like population change. Outside of things like plagues and wars, the population has really unceasingly increased from the dawn of time. But many of these projections show that the population of the Earth may, in fact, level off starting between 2050 and 2070, and then start to decline. I'm not sure exactly why, but something like that would have a tremendous effect on where things are going.

Having said that, I think there are two things that people are relatively sure of. One is that sea levels are going to continue to rise. That's not really a shock, because it's not a news break. Sea levels have been rising for a thousand years. But I think they're going to continue to rise, and it's also well understood that it's going to affect different areas differently. That's a little bit of a surprise, because you think water tends to find a level, and it should affect — if sea level rises everywhere, it should rise everywhere the same. Unfortunately, it doesn't do that, and it won't do that. It's pretty well understood that if the sea level rose by two feet globally, it would rise by three feet in New York, by probably about three and a half feet in Boston, and by almost four feet in New Orleans. So, all parts of the world are not created equal that way.

I'm not sure how it's all going to turn out. I'll be an eager passenger on the ship as we move forward, and wait and see how that all turns out. But unfortunately — I'll bring this back now to real estate — real

estate investors and city planners don't have the luxury of waiting to see. Why is that? Real estate is a highly capital-intensive investment.

The idea is that real estate investment being so capital-intensive, it often takes up to 20 years or more to realize your profit from investment. Typically, the way you realize that profit is by selling it. Guess what? That means the next investor in line has to be able to expect to get *their* money out of it 20 years hence. You're looking at timeframes that go forward 20, 30, 40, 50 years. Things that we think about hypothetically today are things that you have to really get a read on and make decisions today based upon things that may happen years in advance.

City planners, as well, have similar types of issues to address as they make their decisions. If they don't do it right — if they get it wrong — you see things like this: the New York subway system after Hurricane Sandy. Or you see things like this: that's a train station here outside of New York after Hurricane Sandy. It's important to realize, from those pictures, that when I show you the different levels of sea level rise, you can escalate at least one level for any hundred-year storm event. If you saw two meters of sea level rise in the graphic up there; if there's a hundred-year storm event that happens and you have two meters of sea level rise, you're at three or at even four meters of sea level rise during a hundred-year storm event.

What's the practical effect that that's having? City planners and investors are having to do things that cost money — things that change the profile of investments, that change investment decisions. Starting with very simple but expensive things that are happening today, and anyone who lives in New York or who works in New York is familiar with some of these — things that were routinely done, like elevator equipment that was in the elevator well will now need to be at the top of the elevator. That's an expensive thing to do. But it's even more

expensive if you have to retrofit it. Similarly, HVAC equipment. HVAC equipment is very cheap to put in the basement; it's a lot more expensive to put it up on the roof. But that's what's being done in low-lying areas now. Similarly, garages. In low-lying areas, you can't put a garage in the basement anymore; you have to put them above grade. That seems fairly simplistic, but an *extremely* expensive event, because when you do that, most cities have density limitations on buildings; they have height limitations; and when you start taking valuable above-grade space and say you've got to put a parking garage in it that's non-revenue-producing, all of a sudden, you're creating great economic disparities between a building on one block that's lower-lying and a building that's a block away that's on the grade.

Then you're seeing, also, even more invasive types of things. Again, in New York, One New York Plaza has had to install floodgates. There's a similar development in Georgetown in Washington, D.C., called "Washington Harbour" that's had to install floodgates in the event of flooding. These things are happening today.

When you are making an investment decision, you not only have to worry about the situation that your building is in, but you have to worry about what the city planners are doing. It doesn't do you much good to have a building that's dry if all the public transportation in the area is under water. It doesn't do you any good to have a building that's dry if your employees and your tenants can't get to work.

That's where things are today. Things are going to be, if anything, accelerating into the future. Exactly where that's going — again, I'll be a passenger just like you; eager to find out. But one thing I can tell you that you can be sure of is that all of this is ultimately coming to a city near you. Thank you. [APPLAUSE]

RICK WILLIAMS: Thank you, Keith, I'm sure that changed our perspective on real estate. Now I'm going to pose a question to Ricardo as an opportunity for the audience to consider asking other questions.

If I am a business leader in any corporation, no matter how large or small, the last thing I want is to hear from the Legal Department, or to get Legal involved. How do you encourage cooperation and collaboration with the business units? How do you get them to see you and your staff as part of their team?

RICARDO ANZALDUA: It really requires getting the legal organization into a posture vis-à-vis the business that's a very constructive posture. When I arrived at MetLife, *we were* the "Department of 'No'." [LAUGHTER]

I had to teach the lawyers — and, in fact, I want to say, this is probably the *easiest* teaching that I did at MetLife, because in most of our institutions, we actually get acculturated and socialized to be very constructive and cooperative with our clients. I said, "Look, you just have to be able to communicate in a way that's clear about what it is that you're proffering to the client by way of advice. You need to be clear that you're

pointing out what the legal risks are; you try to quantify the legal risks to the extent that you can; and you try to communicate with your business partners about what strategies you might adopt to mitigate the legal risks."

When the lawyers start communicating in that way, the business leaders start to recognize that the lawyer is actually a partner that's trying to help solve a problem and accomplish the objective that the business wants to accomplish. It's really getting the lawyers to adopt that kind of posture and to not have the posture of saying, "I'm in charge of shutting you down if you cross over a line."

RICK WILLIAMS: Would anyone else like to comment?

EUGENE SCALIA: This is an issue that I've thought about in the context of regulation, where the downsides of taking risk tend to be huge, observable, apparent. The downsides of being over-cautious are less perceptible and obvious, but potentially extremely serious, also. It's hard to get the right balance. My view is that sometimes the regulatory state leans too far in the direction of caution against the clear and perceptible harm at the expense of growth, freedom and the like. Recognizing the risks of risk aversion is important within a corporation and for its lawyers.

MAURO WOLFE: My comment is that I've had to learn, when I came out of government, that the role of outside counsel is to set the parameters, the probabilities of risk, and let the business folks make those calls. My advice and approach with clients tends to be more conservative, where I refrain from making client decisions, but clients often will push for, "What would *you* do?" That's always a very difficult question for the lawyers to answer, even though intuitively, you *want* to answer that. What has been helpful to me and the client is offering the client options and corresponding risks; i.e., "Here's Option A, B and C. Here is the risk associated with all of these options. However, this is a business decision to make."

MARION LEYDIER: The only thing I'd add is that once people understand that you are — whether it be a law firm or a GC's office — willing to be constructive, you also get that opportunity from the business. If the business knows they are going to get a constructive answer from you, they're much more likely to be forthcoming

KEITH WILLNER: The only thing I would add to that is that what you really don't want to do is first try to scare them and then give a bunch of disclaimers. [LAUGHTER]

I'm a transactional lawyer, so it's probably easier for me than for some of my colleagues up here, because there's probably generally better acceptance by the business people in the transactions side than there is of litigators. By and large, what I try to do is explain to my business partners why a legal issue actually *should* matter to them, and then also provide a solution. If you explain why it matters and don't provide a solution, you're really not helping. But if you explain why it matters and provide a solution, you're hopefully all moving forward.

RICK WILLIAMS: Thank you. Does anyone in the audience have a question?

[AUDIENCE MEMBER]: Yes. This is for Ricardo, a question for you. Can you tell us how MetLife looks at real estate investment in terms of the risks of global warming and the environment? As a large real estate investor, and also an insurance company, how does the company consider an investment in a certain place in the city, to square the insurance risk of having to deal with a potential flood disaster?

RICARDO ANZALDUA: The answer is in the actuarial science. All business involves taking risk. If there were no risks in taking business, in engaging in business, there would be no return to the business. MetLife's business is primarily life insurance, so it's not catastrophic risk, but we do pay a lot of attention to those kinds of casualty risks in the management of our asset portfolio, and so behave a lot like a property casualty company in that respect.

The way that you do it is you control the amount of concentration of risk that you have in any particular environment. It's the way that actuarial science works. You chop up risks and spread them around the market so that nobody's sitting with too much concentration in one place.

RICK WILLIAMS: Keith, is there anything you want to add to that?

KEITH WILLNER: I would say that covers the board minutes.

RICK WILLIAMS: Okay. Next question?

[AUDIENCE MEMBER]: Could you please tell us what conversations are taking place with respect to cybersecurity?

RICARDO AUZALDUA: My answer to your question is that it's a very good question, because, in fact, this is an area that's in flux. For many companies, cybersecurity has been primarily regarded as an operations issue that really needs to be handled by the operations personnel and set up so that cybersecurity risk is mitigated through any number of different filters and barriers and firewalls and so forth. While that's true, and the IT Department needs to be involved in the creation of various levels of protection, that's really not the end of the story. Many companies are now starting to recognize that this is a market risk that actually has a legal element to it that really needs to be part of the structure of the risk mitigation and risk protection system.

In many companies — and as a market evolution, overall — the management of cybersecurity risk is mutating into a multidisciplinary activity, where operations, technology, legal, and compliance are *all* sitting at the table managing the risk and figuring out what sorts of systems need to be in place. Very importantly, what kind of education needs to be put into place for *all* levels of the corporate entity, from the board of directors to the C-suite, to all of the employees in the company.

MARION LEYDIER: In recent years, we've seen it become much more of a focus at the board level. It's also more of a focus of regulators; for example, the New York DFS [Department of Financial Services] coming out with regulations. Just taking a step back here, since we're talking about insurance companies generally — the insurance companies have a *lot* of information and are prime targets for cyber events. That's been a focus of theirs with other financial institutions, probably even more than in other sectors.

The other angle that's interesting in the insurance world is that it's more on the property and casualty side, obviously, but it's the companies that have gone into the market to write cyber insurance, and that's

also a very interesting trend to follow, to see how that's going to develop and what the returns and what the loss events are going to be. That's a real focus of the companies on the P&C side, and something to keep an eye out for in the next few years.

RICK WILLIAMS: Any other questions?

[AUDIENCE MEMBER]: Ricardo, when you were talking about real estate, you mentioned sharing the risk. Yet I know that four or three other insurance companies, who also got the SIFI designation didn't share the risk of going to court with you. [LAUGHTER]

RICARDO ANZALDUA: Thank you so much for that question. [LAUGHTER]

Are the other companies going to benefit from MetLife's litigation strategy? I've had different thoughts about that at different times. There is a dedesignation process that Marion alluded to. The fact that MetLife's litigation might ultimately be successful and final as a dedesignation strategy doesn't necessarily get any other designated entity out of SIFI status. They had their own designations, and the way that the dedesignation process works is in a subtle way different from the original designation, because the way the statute reads; Dodd-Frank says in order to be dedesignated, a company has to show what has changed to eliminate the systemic risk originally identified by the FSOC in the designation. That's different from the *initial* designation, and the judicial review of the *initial* designation is simply to determine if the original decision to designate was arbitrary and capricious.

You want to add something?

EUGENE SCALIA: Yes, it was an interesting moment for me. It's not often that as a lawyer, you have a control group for a decision you made. If there were companies in the same circumstance as MetLife — MetLife made one decision; other companies made the opposite decision; and we now have the opportunity to see how the two different answers to the question played out. I think in MetLife's case, they had the right answer. It's been to their benefit during this more than a year now, where they are not being regulated by the Fed.

That's obviously a tribute to the decision-making, in the sense that risk-taking that MetLife might be prepared to take. In terms of the benefits to others that could result from MetLife's having gone to court, one probable benefit is simply that MetLife brought to light what was a flawed process. FSOC proceeds under a great deal of confidentiality, and its most powerful argument — and I used to joke about this as we were litigating the case — was, in essence, "Do you know who we are?" Once you actually pull back the curtain and show what was often really flawed reasoning, it demystified that process a bit, and made others more receptive to criticisms and questions about what FSOC was doing. Because there was a lot in the designation of MetLife that is hard to defend empirically or as a matter of logic — it didn't really hang together very well. I find that a lot of people benefitted from MetLife displaying that publicly.

RICK WILLIAMS: Marion, do you want to say anything?

MARION LEYDIER: I would just put out that part of this was the irony of the calendar, because — and I don't mean to let the other guys off the hook — at the time MetLife started the designation process, the other two insurers were farther along. When FSOC started looking at companies, MetLife was still a bank holding company and therefore was not eligible to be designated as a non-bank entity. Their process was lagging in time six months to a year behind the others. The others effectively had to make a decision whether or not to sue before MetLife even got there — which doesn't mean they couldn't have joined and found a way or explored it, or that discussions weren't taking place — but who knows whether anything would have been different if the deadline to pull the trigger had been exactly the same for everybody. I don't think it would have been, but it's another interesting aspect of this whole construct. If you're a bank holding company and you weren't eligible for this particular process, and then when you are no longer a bank holding company, you enter the world of non-bank SIFIs, and then your own designation process starts, which, again, has been a bit of an irony in the calendar here.

RICARDO ANZALDUA: We benefitted in a certain way from their having gone first, because this was an area where the "law book" was *extremely* unclear. FSOC was really making it up as it went along. We had maybe a *slightly* better idea by being able to read the designation decisions that the other companies had gotten. That gave us information about what to put into the record that they might not have had. Although one of the remarkable things for me was that we sought to get from FSOC the full decisions they had made about the other companies — with financial information redacted — and they wouldn't let us even have those legal precedents. They had *three* key legal precedents, and we couldn't *read* them! Once we were in court, they

quite happily made *our own* designation decision available to amicus who wanted to file briefs in their support.

RICK WILLIAMS: I will take one more question. The gentleman right there?

[AUDIENCE MEMBER]: This is a question for Ricardo about his presentation on training a team of lawyers and the measuring process. How do you make sure that the lawyers who are in charge of training are actually mentoring the junior members?

RICARDO ANZALDUA: The question is, "Have we found senior lawyers to be capable mentors and sponsors of junior lawyers in terms of (a) their capability to provide the training in legal practice skills and leadership skills, and (b) their willingness to turn their work loose, allow more junior lawyers to participate in the work?"

The answer to that question is "yes" on both counts. The senior lawyers lack some of the skills that they need, typically, in order to be good mentors and sponsors, *and* they have some aversion, some reluctance to let go of the work that they're doing. That's probably less of an issue in an in-house department than it is in a law firm, but it does exist.

The answer that we came to was that we incorporated these elements into our accountability system. Every single officer within the Law Department is required to be a sponsor of a junior lawyer, and we offer a full battery and very comprehensive training in how to be a teacher of skills, how to mentor and sponsor leadership capabilities. The senior lawyers in the organization get performance evaluation on those criteria.

You have to have real accountability; people really need to be brought to the table and made to understand that as a senior member of the team, part of your role is to create the leadership for the future of the organization. It's not an option; it's a requirement.

RICK WILLIAMS: Thank you. Based on the size of the audience, I'm going to make an assertion, and that is, Ricardo, that we're generally among friends here today. Can you tell us something about your non-work life that we don't know? [LAUGHTER]

RICARDO ANZALDUA: Most people know that I'm heavily involved in a number of different charitable institutions. But I suppose one thing that many people don't know is that I play the piano. [LAUGHTER]

I've been playing the piano for around 50 years. [APPLAUSE]

RICK WILLIAMS: Okay. I also learned last night that you're going to spend part of the summer going fly fishing.

RICARDO ANZALDUA: I'm a better piano player than I am a fisherman. [LAUGHTER]

RICK WILLIAMS: A very unique skill, as well! Thank you all for coming. It's been an honor for me to be here and be part of this. Ricardo and our Distinguished Panelists, thank you. [APPLAUSE]

Mauro Wolfe

Partner

DuaneMorris®

Mauro M. Wolfe practices in the area of litigation, with a focus on domestic and international white-collar matters before the U.S. DOJ, the U.S. SEC, the N.Y. Department of Financial Services, FINRA, various federal agencies and regulators, state Attorneys General and local prosecutors, with an emphasis on the finance industry; the Foreign Corrupt Practices Act compliance and investigations; complex litigation; and internal corporate investigations. Mr. Wolfe has represented U.S. and foreign corporations, corporate executives, government officials, and others in a broad range of white-collar and compliance matters. He was a past National Subcommittee Co-chair on White Collar & Corporate Investigations for the American Bar Association Securities Litigation Committee. Mr. Wolfe was named to the "Legal Elite 2015 — Best for International White-Collar Criminal Defense — New York" by *Corporate America* magazine. In 2017, Mr. Wolfe was appointed the Co-Vice Chair of the Criminal Law Committee for the International Bar Association.

Mr. Wolfe is widely recognized as a trusted advisor to companies and leaders who seek exceptional strategic advice related to their most important objectives and goals around the world. He is particularly focused on private equity and hedge funds compliance, regulatory matters, and enforcement defense, and related litigation. Leveraging a highly cultivated global network, he consistently provides great value to clients and their business interests through providing global innovative legal solutions, or connecting clients to capital, expertise, or deal opportunities worldwide.

Duane Morris LLP

Duane Morris LLP, a law firm with more than 750 attorneys in offices across the United States and internationally, provides innovative solutions to today's legal and business challenges to a broad array of clients. Throughout its more than 100-year history, Duane Morris has fostered a collegial culture, where lawyers collaborate to leverage our collective knowledge and experience. Our lawyers are leaders in a wide range of legal disciplines and are as diverse as the clients they serve.

Duane Morris' clients benefit from our:

- 28 offices in major markets across the U.S. and around the world
- Joint ventures in Myanmar, Oman, Shanghai and Singapore
- Alliances in Mexico and Sri Lanka
- Leadership positions with international networks of independent law firms

Geographic Footprint

U.S. News – Best Lawyers Best Law Firms 2017

Top-Tier national rankings in Appellate, Banking and Finance, Bankruptcy, Construction, Corporate, Healthcare, Immigration, Insurance, IP Litigation and Patent Litigation

Chambers USA 2017

- Ranked among national leaders in Insurance, Construction and Immigration
- 64 attorneys receiving 70 citations for excellence
- 21 practice areas cited for excellence

Eugene Scalia

Partner

GIBSON DUNN

Eugene Scalia is a partner in the Washington, D.C. office of Gibson Dunn & Crutcher LLP. He is Co-Chair of the Firm's Administrative Law and Regulatory Practice Group and a member of its Labor and Employment Practice Group, which he co-chaired for twelve years.

Mr. Scalia has a national labor and employment practice handling a broad range of matters. He previously served as Solicitor of the Department of Labor, the Department's principal legal officer. In private practice, representative matters include *EEOC v. Ford Motor Co.*, 782 F.3d 753 (6th Cir. 2015) (en banc), rejecting the EEOC's position regarding telecommuting as a reasonable accommodation; representing Boeing in the closely watched NLRB case regarding its new South Carolina facility; and *Hohider v. UPS*, 574 F.3d 169 (3d Cir. 2009), which vacated the largest class action ever certified under the Americans with Disabilities Act.

Mr. Scalia frequently represents companies and audit committees in Sarbanes-Oxley and Dodd-Frank "whistleblower" cases. He was named the 2015 Washington, D.C. "Litigation Labor and Employment Lawyer of the Year" by *The Best Lawyers in America*,® and a 2015 "Employment MVP" by *Law 360*.

Mr. Scalia also has extensive experience participating in matters before federal regulatory agencies, and challenging agencies' action in court. Representative matters include the challenge by MetLife Inc. to its designation as a "systemically important financial institution," and *Business Roundtable v. SEC*, 647 F.3d 1144 (D.C. Cir. 2011), vacating the SEC's controversial "proxy access" rule regarding election of corporate directors. Mr. Scalia's experience challenging federal regulations has been widely reported, including in a *BloombergBusinessweek* article titled "Suing the Government? Call Scalia," and a *Wall Street Journal* article titled "Another Scalia Vexes Regulators." The *National Law Journal* recognized Mr. Scalia as a "Visionary" for his litigation against financial regulatory agencies.

Mr. Scalia graduated *cum laude* from the University of Chicago Law School, where he was editor-in-chief of the *Law Review*. From 1992–93 he served as Special Assistant to U.S. Attorney General William P. Barr, receiving the Department's Edmund J. Randolph Award.

Gibson, Dunn & Crutcher LLP

Gibson, Dunn & Crutcher is a full-service global law firm with over 1,200 lawyers in 20 offices worldwide, in major cities throughout the United States and Europe, Asia, the Middle East and Latin America. We are renowned for excellent legal service and commitment to our clients.

Gibson Dunn is a recognized leader in representing companies ranging from start-up ventures to multinational corporations across diverse industries from high technology to manufacturing, financial institutions and other service companies to government entities. On behalf of our clients, the firm handles every aspect of litigation, crisis management, corporate transactions and counseling, corporate governance, regulatory law, antitrust law, business restructurings and reorganizations, tax, employment and labor law, intellectual property and real estate law, and many related practice areas.

Acclaimed as a litigation powerhouse, Gibson Dunn has a long record of outstanding successes. *The American Lawyer* named the firm its 2016 Litigation Department of the Year, our unprecedented third win in this biennial competition since 2010. The firm's Appellate and Constitutional Law Practice Group is one of the nation's leading appellate practices, with broad experience in complex appellate litigation at all levels of the state and federal court systems. We have a strong and high-profile presence in the Supreme Court of the United States, appearing numerous times in the past decade in a variety of cases on behalf of the nation's leading corporations, U.S. states, the President of the United States, and others. Three of our partners have served in the Office of Solicitor General of the United States. Our lawyers have also participated in appeals in all thirteen federal courts of appeals and state appellate courts throughout the country in matters involving a wide array of constitutional, statutory, regulatory, and common law issues. Our clients include most of the Fortune 100 and more than half of the Fortune 500 companies.

Keith Willner

Partner

MAYER·BROWN

Keith Willner is a member of Mayer Brown's Partnership Board and a member of the Real Estate practice. He regularly counsels major REITS, institutional developers, banks, private equity and opportunity funds, insurance companies, pension funds and pension fund advisors, asset managers and other capital providers in connection with the acquisition, venturing, financing, leasing and disposition of real estate. His transactions often focus on complex structuring issues, and tax, ERISA, bankruptcy and corporate considerations, involving foreign and domestic investors.

Keith is a member of the American College of Real Estate Lawyers. In addition, he is listed in Tier 1 of *Chambers USA* as a leading real estate lawyer and has been listed every year since its first publication in 2002. *Chambers USA* 2017 states that clients acclaim Keith as "an incredible negotiator" who is "very easy to work with." In *Chambers USA* 2015, clients describe Keith as "one of the go-to lawyers in DC" and "give him the highest marks — he is fabulous." Clients have also noted in *Chambers USA* that "he is able to express complex legal concepts simply and clearly, and is also very practical" and for being "great at sizing up a situation and reading the other side, and helping us to understand what is important and what is not." *Chambers USA* has also observed that Keith has "great negotiating skills and always sees the business aspect of the deal."

He is also listed in *Legal 500 USA* as a leading real estate lawyer and described as a "fantastic lawyer" who "brings motivation and technical capabilities to the table." Keith is listed in the *Best Lawyers in America in Real Estate Law,* as well as numerous *Who's Who* publications, including *International Who's Who of Real Estate Lawyers*, *Who's Who Legal: USA – Real Estate*, *Marquis Who's Who* and *Cambridge Who's Who.*

Keith joined Mayer Brown as a partner in 1996. Prior to that, he was a partner at a large, international firm and practiced with major firms in Washington and San Francisco.

Mayer Brown LLP

Mayer Brown is a global legal services provider advising clients across the Americas, Asia, Europe and the Middle East.

Our presence in the world's leading markets enables us to offer clients access to local market knowledge combined with global reach.

We are noted for our commitment to client service and our ability to assist clients with their most complex and demanding legal and business challenges worldwide. We serve many of the world's largest companies, including a significant proportion of the Fortune 100, FTSE 100, CAC 40, DAX, Hang Seng and Nikkei index companies and more than half of the world's largest banks. We provide legal services in areas such as banking and finance; corporate and securities; litigation and dispute resolution; antitrust and competition; U.S. Supreme Court and appellate matters; employment and benefits; environmental; financial services regulatory and enforcement; government and global trade; intellectual property; real estate; tax; restructuring, bankruptcy and insolvency; and wealth management.

At a Glance

- Offices in the Americas, Asia, Europe and the Middle East.
- More than 250 *Chambers*-ranked lawyers worldwide.
- Regularly ranked among the leading law firms worldwide by all of the main reviewing bodies.

Marion Leydier

Partner

Marion Leydier is a partner in the New York office of Sullivan & Cromwell LLP and is a member of the Firm's Insurance and Financial Services Groups. Ms. Leydier's practice is primarily focused on domestic and cross-border M&A, private equity, restructuring and securities transactions involving insurance companies and other financial institutions, including banks, private equity funds and investment advisers, and the process of obtaining related regulatory approvals. Ms. Leydier also represents U.S. and international financial institutions in connection with a variety of matters before federal, state and international regulatory bodies. Ms. Leydier is the deputy coordinator of the Firm's global insurance/reinsurance practice and is co-head of the Firm's North America insurance practice. Ms. Leydier has been recognized as a leading lawyer by numerous legal publications, including *M&A Advisor*, *The Legal 500 United States* and *New York Super Lawyers*. She also speaks regularly on insurance M&A and regulatory matters at leading industry conferences nationwide.

SULLIVAN & CROMWELL LLP

Sullivan & Cromwell LLP

Sullivan & Cromwell LLP provides the highest quality legal advice and representation to clients around the world. The results the Firm achieves have set it apart for more than 130 years and have become a model for the modern practice of law. Today, S&C is a leader in each of its core practice areas and in each of its geographic markets.

S&C's success is the result of the quality of its lawyers, the most broadly and deeply trained collection of attorneys in the world. The Firm's lawyers work as a single partnership without geographic division. S&C hires the very best law school graduates and trains them to be generalists within broad practice areas. The Firm promotes lawyers to partner almost entirely from among its own associates. The result is a partnership with a unique diversity of experience, exceptional professional judgment and a demonstrated history of innovation.

Clients of the Firm are nearly evenly divided between U.S. and non-U.S. entities. They include industrial and commercial companies; financial institutions; private funds; governments; educational, charitable and cultural institutions; and individuals, estates and trusts. S&C's client base is exceptionally diverse, a result of the Firm's extraordinary capacity to tailor work to specific client needs.

S&C comprises more than 875 lawyers who serve clients around the world through a network of 13 offices, located in leading financial centers in Asia, Australia, Europe and the United States. The Firm is headquartered in New York.