

## ATTORNEYS

Eva Marie Carney

Michael D. Mann

## PRACTICE AREAS

Operational Advice

## "Adviser Duties, Diligence, Documentation and Disclosure After Madoff and Bayou Funds: Lessons from *Hennessee Group LLC* and *Charles J. Gradante*" by Eva Marie Carney and Michael Mann

June 26, 2009

"Trust me" might previously have been an accepted response to questions posed by an adviser's clients and regulators. Questions about portfolio management, valuation of assets, the security of client funds, and the adviser's use and reliance on third party custodians and sub-advisers were not typically raised. The recent Madoff and Bayou Funds scandals, among others, have dramatically changed clients' and regulators' expectations as to how a fiduciary executes its standard of care. In the attached note, our partners Eva Marie Carney and Michael D. Mann highlight the rigorous review and documentation of adviser activities that clients and regulators are coming to expect.

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