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RISKS & CONTROLS IN SECURITIES OPERATIONS

OBJECTIVE

The current environment and recent history has shown the dangers of ineffective or defective Operational Risk Control. Consequences can be massive in terms of financial losses, reputation besides personal career prospects. Regulators are now also paying much more attention to Risks and Controls in Operations in assessing a company's safety, security, and hence Regulatory Capital as required under Basle 2.

Recent events have also made Regulators far tougher and less forgiving to subjects' shortcomings and lapses.

This course within two days provides a good Risk and Controls awareness for operations. It helps the early identification of risks, an application of appropriate and timely controls, and helps reduce the possible escalation of dangerous situations within normal day-to-day activity.

It also helps all staff within Securities Operations to have a common and consistent outlook towards risks and controls so minimising financial losses and maintaining the high quality service levels clients now expect as a matter of course.

DELEGATES

- Back-Office and Middle Office Managers and staff
- Internal Audit, Risk and Accounting executives
- Settlement and Custody staff
- IT and Systems executives developing or supporting systems in this area
- Front Office and Compliance executives and staff wishing to understand Back Office risks and controls

Participants need to have at least 6 months work experience in or with Back Office or Operations or Custody areas (eg areas connecting to the Back Office or Operations) and to have a basic Securities knowledge.

CONTENT

TRADE LIFECYCLE OVERVIEW

- Order Management
- Trade execution
- Trade capture
- Trade enrichment
- Trade agreement
- Settlement instructions
- Pre-value date Statuses
- Failed Trades
- Trade Settlement
- Static Data

Continued

PRIMARY RISKS IN THE TRADE LIFECYCLE

Focus on each trade lifecycle component to identify risks giving rise to monetary loss and reputation loss, for reasons such as:

- Inaccurate securities static data
- Trading position differences between FO & BO
- Unconfirmed trades with counterparties
- Late settling trades

PRIMARY RISKS IN OTHER OPERATIONAL ACTIVITIES

Focus on a variety of non trade lifecycle activities to identify risks, for reasons such as:

- Safe custody holdings in incorrect accounts
- Free of payment settlement
- Unnecessary securities borrowing
- Inaccurate positions resulting from corporate actions

PRIMARY CONTROLS

- Verification
- Four Eyes Checking
- Reconciliation
- Segregation of Duties
- Culture

DETAILED RISK ANALYSIS

Delving deep into numerous operations scenarios, pre-defined problems will be analysed in order to:

- State the specific risk
- The probable cause
- The ideal control
- How the control is to operate

Duration 2 days

London 5-6 March 2013
 8-9 October 2013

Additional dates on request

Fee £980 + VAT

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