




Compliance LLC 

Compliance LCC is a leading provider of **compliance training, presentations, executive coaching and consulting** at more than 34 countries

Our areas of expertise: **Basel ii Capital Accord, MiFID (Markets in Financial Services Directive), the US Sarbanes-Oxley Act, the European Sarbanes Oxley (8th Company Law Directive, E-SOX), the Japanese Sarbanes Oxley (Financial Instruments and Exchange Law, J-SOX), the European Union's Financial Services Action Plan (FSAP), the Solvency ii, UCITS iii and Reinsurance Directives, and other Acts, Directives, Regulations.**

Compliance LCC

HQ: 1220 N. Market Street Suite 804, Wilmington, DE 19801 USA

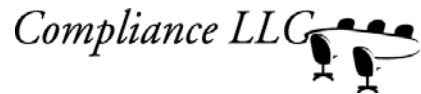
Mail: 1200 G Street NW Suite 800, Washington, DC 20005 USA

Tel: +1 (302) 342-8828

Web: www.compliance-llc.com

Web sites

A. Basel ii



Basel ii Training

Courses designed to provide with the knowledge and skills needed to understand and support Basel ii compliance.

www.basel-ii-training.com

Basel ii Training for the Board of Directors

The members of the Board of Directors not only need to exercise oversight, but also to direct the organization to use Basel ii compliance as a competitive advantage.

www.basel-ii-board-directors.com

Capital Requirements Directive Training

Courses designed to provide with the knowledge and skills for the implementation of Basel ii in the European Union

www.capital-requirements-directive-training.com

Basel ii Accord

(Information and documents used in our compliance training classes)

Basel ii: The sections of the accord in an easy to read format.

www.basel-ii-accord.com

Capital Requirements Directive

(Information and documents used in our compliance training classes)

The common framework for the implementation of Basel ii in the European Union. The directive in an easy to read format.

www.capital-requirements-directive.com

Basel iii Accord

(Information and documents used in our compliance training classes)

Basel iii: What is wrong in Basel ii – What will be included in the “even more sensitive” accord, Basel iii.

www.basel-iii-accord.com

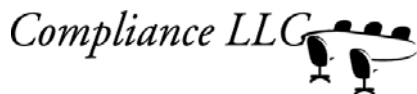
Basel ii, Structured Products and Securitization

(Information and documents used in our compliance training classes)

Basel II and the securitization markets. What is different. The efforts to minimize exposure to sub-investment grade tranches, to avoid the significant amount of regulatory capital banks have to hold

www.basel-ii-securitization.com

B. Sarbanes Oxley



Sarbanes Oxley Training

Courses designed to provide with the knowledge and skills needed to understand and support Sarbanes-Oxley compliance.

www.sarbanes-oxley-training.com

J-SOX Training in Japan

Course: "From SOX to J-SOX: Lessons Learned from the Implementation of Sarbanes Oxley Act in the USA and the World"

www.j-sox-training.com

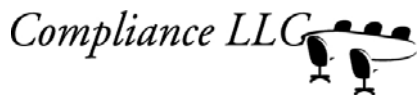
Sarbanes Oxley Act

(Information and documents used in our compliance training classes)

Sarbanes-Oxley Compliance: The Act in an easy to read format, Auditing Standards, resources.

www.sarbanes-oxley-act.biz

C. EU - Financial Services Action Plan



MiFID Training

Training and Presentations. From the four-level approach (the Lamfalussy process) to the MiFID implementation, the differences and the opportunities for competitive advantage in the EU and offshore.

www.mifid-training.net

MiFID Training for the Board of Directors

The members of the Board of Directors not only need to exercise oversight, but also to direct the organization to use the Markets in Financial Services Directive (MiFID) compliance as a competitive advantage.

www.mifid-board-directors.com

8th Company Law Training

The European Sarbanes Oxley: Similarities and differences between 8th Company Law Directive of the European Union and the Sarbanes-Oxley Act of the USA. Implementation and compliance training and presentations.

www.8th-company-law-training.com

Risk Committee Training

Presentations and training for the Risk Committee of the Board of Directors that increase awareness and effectiveness. Special consideration is given to the new need to provide “evidence” and keep records and documents for years, and to new regulatory and legal obligations.

www.risk-committee-training.com

[Solvency ii Training](#)

Courses and presentations designed to provide with the knowledge and skills needed to understand and support compliance with the Solvency ii and the Reinsurance directives of the European Union. The implementation of the Solvency II regime can benefit greatly from the experience and lessons learned during the Basel II projects in the world.
www.solvency-ii-training.com

[Reinsurance Directive Training](#)

Courses and presentations designed to provide with the knowledge and skills needed to understand and support compliance with the Reinsurance Directive of the European Union.
www.reinsurance-directive-training.com

[UCITS iii training](#)

From the Management Directive and the Product Directive, to UCITS iii compliant funds, sophisticated UCITS, hedge funds and alternative investments, onshore and offshore legal structures and products authorized under different regimes.
www.ucits-iii-training.com

[European Exchange Traded Funds Training \(ETFs\)](#)

UCITS iii and MiFID Training and Presentations. Providing Financial Services to the European Clients, Training and Presentations. ETFs based on alternative assets such as commodities with UCITS iii status. ETFs that are UCITS iii compliant domiciled in EEA countries.
www.etf-training.com

[Hedge Funds Compliance Training](#)

Hedge Funds, Collective Investments, Structured Products, and the directives of the European Union. UCITS iii, MiFID, 8th Company Law, Capital Requirements Directive, legal structures, marketing of funds, management and administration at the 30 countries of the European Economic Area
www.hedge-funds-compliance.com

[Financial Conglomerates Directive Training and Presentations](#)

We can help your organization understand better the Financial Conglomerates Directive in the context of the Financial Services Action Plan of the European Union.

Common elements with the Capital Requirements Directive (Basel ii in the EU) and the Financial Services Action Plan.

www.financial-conglomerates-directive.com/Presentations.htm

[The Financial Services Action Plan](#)

There are 42 original measures: Some are non-legislative, a few are regulations, and there are almost 30 directives. Over 20 of the original measures are likely to affect the financial sector.

www.financial-services-action-plan.com

[The Markets in Financial Instruments Directive \(MiFID\)](#)

(Information and documents used in our compliance training classes)

MiFID is a very important part of the European Union's Financial Services Action Plan. The directive in an easy to read format.

www.markets-in-financial-instruments-directive.com

[European Savings Tax Directive \(ESD\)](#)

(Information and documents used in our compliance training classes)

Tax competition and the European Union. The G-7 and the offshore financial centers (OFCs). Basel ii and the European Savings Tax Directive (ESD). The directive in an easy to read format.

www.savings-tax-directive.com

[European Savings Tax Directive Training and Presentations](#)

The Savings Tax Directive in the context of the Financial Services Action Plan of the European Union.

The tax competition: Higher-tax nations and the offshore financial centers. From the "automatic exchange of information" option to the "withholding tax" option. Opportunities for a competitive advantage.

www.savings-tax-directive.com/Presentations.htm

The 8th Company Law Directive

(Information and documents used in our compliance training classes)

The 8th Company Law Directive is similar to the US Sarbanes Oxley Act. This directive is called the European Sarbanes Oxley. Although there are important similarities, there are also very important differences.

The directive in an easy to read format.

www.8th-company-law-directive.com

European Sarbanes Oxley

(Information and documents used in our compliance training classes)

After the US Sarbanes-Oxley Act, we have the Japanese Sarbanes-Oxley Act (J-SOX) and the European Sarbanes Oxley Act (8th Directive in the context of the European Union's Financial Services Action Plan).

www.european-sarbanes-oxley.com

Financial Conglomerates Directive

(Information and documents used in our compliance training classes)

The Financial Conglomerates Directive tries to introduce **supplementary supervision** of financial conglomerates on a **group-wide basis**, in addition to both the prudential supervision of regulated entities on a standalone basis and consolidated supervision on a sectoral basis.

The directive in an easy to read format.

www.financial-conglomerates-directive.com

The EU Reinsurance Directive

(Information and documents used in our compliance training classes)

Reinsurance allows direct insurance undertakings have a higher underwriting capacity and reduce their capital costs. The Directive forms part of the European Union's Financial Services Action Plan, which aims to create a single market in financial services in the European Union.

www.reinsurance-directive.com

UCITS iii

(Information and documents used in our compliance training classes)

UCITS stands for Undertakings for Collective Investments in Transferable Securities

The UCITS iii directive consists of two directives that regulate funds sold across the EEA

www.ucits-iii.com

European Exchange Traded Funds (ETFs)

(Information and documents used in our compliance training classes)

In the European Economic Area many Exchange Traded Funds are traded as cross border UCITS iii funds. Compliance and acknowledgement of the UCITS status is of paramount importance for the freedom to provide services in all 30 countries of the EEA

www.european-exchange-traded-funds.com

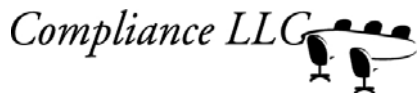
Risk Committee of the Board of Directors

(Information and documents used in our compliance training classes)

The Board of Directors has risk management responsibilities that are defined not only by best practices and guidelines, but also by laws and regulations. The Risk Committee must assist the Boards in assessing the risks to which the organization is exposed.

www.risk-committee.com

D. Other Web Sites



Board of Directors Compliance Training

Risks to serving directors have risen exponentially after the new Basel Capital Accord, the US Sarbanes Oxley Act, the European Sarbanes Oxley (8th Company Law Directive), the Japanese Sarbanes Oxley (Financial Instruments and Exchange Law, J-SOX), the European Union's Financial services Action Plan that includes MiFID (Markets in Financial Services Directive).

www.board-of-directors-compliance-training.com

Off Balance Sheet

(Information and documents used in our compliance training classes)

From Enron and BCCI, to the Sarbanes-Oxley Act and Basel ii.

Off Balance Sheet Entities and items. If a company has an asset or a liability, and it's not on the balance sheet, then where is it?

www.off-balance-sheet.com

Compliance Training

(Information and documents used in our compliance training classes)
The European union's Data Protection Directive, Information Security Training.

www.compliance-training.net

Legal Risk and Compliance Research Project

(Information and documents used in our compliance training classes)
Legal Risk: The Achilles Heel of Corporate Governance.

www.legal-risk.com

Asbestos and Mesothelioma Research Project

(Information and documents used in our compliance training classes)
Asbestos and Mesothelioma Lawsuits and Settlements.

The Legal Risk: A Case Study

www.mesothelioma-and-asbestos.org

Compliance and Outsourcing Research Project

(Information and documents used in our compliance training classes)
Outsourcing was a way to reduce cost. Outsourcing becomes a way to transfer compliance

Outsourcing after Basel ii, Sarbanes-Oxley, and the European Union's Financial Services Action Plan.

www.compliance-and-outsourcing.com

Every single "personal branding expert" recommends membership to professional associations. At every stage of your education, training, and career, the **Basel ii Compliance Professionals Association** provides information and services you can use.

www.basel-ii-association.com


Membership in the [Sarbanes Oxley Compliance Professionals Association](http://www.sarbanes-oxley-association.com) makes you stand out from the crowd. You prove that you are a professional who cares, learns, and belongs to a global community of professionals. Benefits, resources, jobs.

www.sarbanes-oxley-association.com

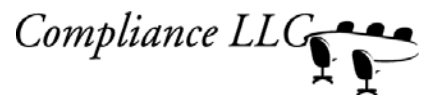
Compliance LLC

Compliance LCC is a leading provider of Basel ii, Sarbanes Oxley, MiFID and the European Union's Financial Services Action Plan training, executive coaching and consulting in more than 30 countries

www.compliance-llc.com

Compliance LLC 





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A. About Compliance LLC

Compliance LCC (incorporated in Wilmington, Delaware, USA) is a leading provider of **Basel ii**, **Sarbanes Oxley**, **MiFID** and the European Union's **Financial Services Action Plan** implementation and compliance training, presentations, executive coaching and consulting.

We work in more than 30 countries, providing excellent personalized solutions to companies and organizations of the private and the public sector. In our team, we have experienced risk, compliance, IT and information security experts, litigation consultants, certified trainers, expert witnesses and lawyers.



Our two most important shared values are honesty and desire to produce outstanding results. We have no junior staff because it is our policy to hire only experts. We are independent and we have no vested interest in any other company.

In February, 2006, Compliance LLC acquired George Lekatis Inc., the leading provider of Sarbanes Oxley and Basel ii training for IT and Information Security professionals. Now, George Lekatis is the General Manager and the Chief Compliance Consultant of Compliance LLC. Lyn Spooner, who has worked for George many years, is the Marketing Manager of Compliance LLC.



George Lekatis is a senior risk and compliance consultant and certified trainer. George has more than 17,000 hours experience as a professional

speaker and seminar leader. Has worked for more than 11 years as a management consultant and educator and has demonstrated exceptional presentation and communication skills.

George has acted in the role of Sarbanes Oxley and Basel Subject Matter Expert for risk management and compliance awareness, training and consulting. He has documented processes, performed walkthroughs, identified, analyzed and evaluated Information Technology risks to strengthen internal controls related to Sarbanes-Oxley and Basel II compliance.

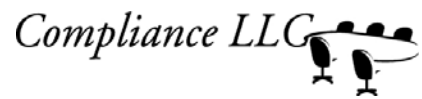
George has also worked as director of network security and computer forensics and IT director. He has managed several teams that examined system vulnerabilities and possible threats, and then applied safeguards (technical and administrative) to defend against potential attacks on a cost-effective basis. Designed, reviewed and implemented IT, security and compliance solutions for companies and organizations of the public and the private sector.

A recognized expert, George has lectured several times at many international conferences, and led seminars in the United States of America, Europe and Asia. He has created a flexible Awareness and Training Compliance curriculum providing learning paths individually suited to the needs of each sector of organizations (board, executive management, IT and information security, sales and marketing, process owners, employees). George is the president of the Basel ii Compliance Professionals Association (www.basel-ii-association.com)

George Lekatis is an expert witness, qualified to investigate and testify about best practices, standards, Sarbanes Oxley and Basel ii compliance, due care and due diligence.

George is Mathematician, Certified Information Systems Security Professional (CISSP), CISSP Lead Instructor, Steganography Investigator, Internet Security Systems (ISS) Certified in Internet Scanner, Database Scanner and System Scanner, Checkpoint Certified Security Administrator (CCSA), Microsoft Certified System Engineer certified in Windows NT and Windows 2000 (MCSE), Microsoft Certified Trainer (MCT).

B. We are different: Message from George Lekatis, General Manager and Chief Compliance Consultant of Compliance LLC



Dear reader,

Thank you for taking the time to learn more about us.

I am sure that you know many trainers and consultants. Perhaps, you would prefer not to meet again some of them.

- Trainers and Consultants sometimes are good generalist problem-solvers but often they lack the deep knowledge and the specialized expertise that clients are demanding.
- Trainers and Consultants often are “product-focused” rather than “solution-focused”. They have ready products to sell, whatever is your problem. They are often obliged to sell hardware and software – the products of their company or holding company.
- Some experts are very good to sell training and consulting services. Once the contract is signed, these experts usually go to sell another project. Less experienced consultants are in fact responsible for the implementation.
- Consultants often try to find evidence (or “killer findings”) in order to cut the loyalty bond between the client and their people. This is a way to make the client dependent on them.
- When a consulting firm is known to be coming into a company, there is a considerable concern and alarm amongst the company’s employees because they are afraid that one of the results will be that many people will lose their jobs.

Well, we are different!

- You hire specific persons, not “trainers” or “consultants”. If you trust one of us, we will write his name in the contract. He/She will deliver the project, nobody else.
- We never recommend firing your employees. We believe that you must train them and trust them. Your people will make the difference for your company, not consultants and providers.


- Our policy: Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.). There is no exception – you know exactly the cost. Consulting or training, it will never cost more.
- **Example - My fee for training (Europe, Asia, America):**
- US\$ 9,800 for 1 day
- US\$ 11,800 for 2 days
- US\$ 13,800 for 3 days
- US\$ 15,800 for 4 days
- US\$ 17,800 for 5 days
- **This is the final cost. This fee includes tax, expenses, hotels, flights, everything.**
- 50% due 20 days before the first day of the class / event and 50% due the last day
- **For other trainers, consultants and attorneys the fee may be different.**

We are compliance experts and we offer only compliance consulting and training.

Thank you again for your time. I look forward to meeting you, in order to discuss your compliance needs. We will do our best to meet your expectations.

Sincerely,

George Lekatis
 General Manager and Chief Compliance Consultant
 Compliance LLC

Compliance LLC 

Our Policy

Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price. Consulting or training, it will never cost more.

Detailed course comprehensively covered in a practical manner.
Continually strived to relate to the real world and avoid over focus on
purely the accord.

Ronan Dodgson
COO, HSBC
Cayman Islands

Excellent knowledge of the topic

Eduardo Silva
Managing Director
Sul America International Bank
President of Cayman Islands Banking Association

Mr. Lekatis is a good presenter. He possesses a vast knowledge of the
topics discussed. The examples were applicable to the topics. His sense
of humor made the sessions light-hearted.

Judith Bennett
Financial Controller, Caledonian Bank & Trust
Cayman Islands

I enjoyed the course and believe the information is very useful. The most
positive area was the regulators standpoint on Basel ii and the roles of
the Boards of Directors and Senior Management

Christopher Bryan
Senior Analyst - Banking Supervision
Cayman Islands Monetary Association

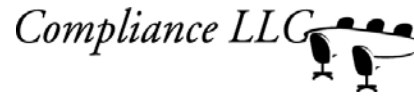
Thank you for your lessons at Heythrop Park.

Adrian van Reijn
Security Systems Specialist
Bank Sarasin & Cie AG"

The instructor is simply superb. The topics are very well covered and his
depth of knowledge on the subject areas is excellent. George Lekatis is
an outstanding instructor.

Shafqat Anwar
Group Head of Operations
Ahli United Bank, Bahrain

C. Basel ii and Sarbanes-Oxley Implementation and Compliance Training and Presentations



Course 1

Course Title

The New Basel Capital Accord (Basel II): Implementation and Compliance Training

3 days

Objectives:

The seminar has been designed to provide with the knowledge and skills needed to understand and support Basel II compliance.

Target Audience:

This course is intended for IT and risk managers and professionals from Banks, Financial Institutions, Multinational Corporations, Supervisory Agencies.

This course is recommended for all managers and professionals who need to understand and speak the specialized language of Basel compliance, which must become the common language throughout their organization.

This course is highly recommended for:

- C – Level Executives and Boards of Directors
- IT and Information Security Directors, Managers and Professionals
- Chief Risk and Compliance Officers
- IT and Security Process Owners
- Network, System and Security Administrators
- IT Auditors
- IT, Security and Management Consultants

Duration:

3 Days, 09:00 to 17:00.

Course Synopsis:

- **The Bank for International Settlements (BIS)**
- The Basel Committee on Banking Supervision
- From the Young Plan (1930) to Basel II
- Regulatory supervision of internationally active banks
- The failure of the Bankhaus Herstatt and the crisis of confidence

- **First Basel Capital Accord**
- Formulating broad supervisory standards and guidelines
- Regulatory and economic capital
- Important objectives
- 1980s: The capital ratios of the main international banks are deteriorating
- Credit Risk
- Assets are weighted by factors
- On-balance sheet engagements
- Off-balance sheet engagements
- Examples of capital requirements
- December 1987: The Basel Capital Accord approved by the G10
- Basel I amendments

- **The New Basel Capital Accord (Basel II)**
- Realigning the regulation with the economic realities of the global banking markets
- New capital adequacy framework replaces the 1988 Accord
- Improving risk and asset management to avoid financial disasters
- "Sufficient assets" to offset risks
- The technical challenges for both banks and supervisors
- How much capital is necessary to serve as a sufficient buffer?
- The three-pillar regulatory structure
- Purposes of Basel II
- Scope of the application
- Pillar 1: Minimum capital requirements
- Credit Risk – 3 approaches
- The standardized approach to credit risk
- Claims on sovereigns
- Claims on banks
- Claims on corporates
- The two internal ratings-based (IRB) approaches to credit risk
- Some definitions: PD - The probability of default, LGD - The loss given default, EAD - Exposure at default, M – Maturity

- 5 classes of assets
- Pillar 2: Supervisory review
- Key principles
- Aspects and issues of the supervisory review process
- Pillar 3: Market discipline
- Disclosure requirements
- Qualitative and Quantitative disclosures
- Guiding principles
- Employees Affected
- Effective Dates

- **Framework for internal control systems in banking organizations - Basel Committee on Banking Supervision**
- The 13 Principles for the Assessment of Internal Control Systems
- The 13 Principles and COSO
- The control environment
- Risk assessment
- Control activities
- Information and communication
- Monitoring
- Types of control breakdowns typically seen in problem bank cases
- The objectives and role of the internal controls framework
- The major elements of an internal control process
- Evaluation of internal control systems by supervisory authorities
- Role and responsibilities of external auditors
- Supervisory lessons learned from internal control failures

- **Operational Risk**
- What is operational risk
- Legal risk
- Information Technology operational risk
- Operational, operations and operating risk
- The evolving importance of operational risk
- Quantification of operational risk
- Loss categories and business lines
- Operational risk measurement methodologies
- Identification of operational risk
- The Delphi method

- **Operational Risk Approaches**
- Basic Indicator Approach (BIA)

- **Standardized Approach (SA)**
- **Alternative Standardized Approach (ASA)**
- **Advanced Measurement Approaches (AMA)**
- **Internal Measurement Approach (IMA)**
- **Loss Distribution (LD)**
- **Standard Normal Distribution**
- **“Fat Tails” in the normal distribution**
- **Expected loss (EL), Unexpected Loss (UL)**
- **Value-at Risk (VaR)**
- **Value-at Risk and Basel I amendment, 1996**
- **Value-at Risk and Basel II**
- **Calculating Value-at Risk**
- **Monte Carlo simulations**
- **Monte Carlo limitations**
- **Extreme Value theory**
- **Scoreboards**
- **Stress Testing**
- **Stress testing and Basel**
- **(AMA) Advantages / Disadvantages**
- **Recognition of the firms’ own modeling of operational risk losses**
- **“Weak banks”, internal and external audit and sound practices for operational risk**
- **Self assessment**
- **Key Risk Indicators**
- **Operational Risk Measurement Issues**
- **The game theory**
- **The prisoner’s dilemma – and the connection with operational risk measurement and management**
- **Operational risk management**
- **Operational Risk Management Office**
- **Key functions of Operational Risk Management Office**
- **Key functions of Operational Risk Managers**
- **Key functions of Department Heads**
- **Internal and external audit**
- **Operational risk sound practices**
- **Operational risk mitigation**
- **Insurance to mitigate operational risk**

- **Third-party service providers and vendors**
- **Redefining outsourcing**
- **Outsourcing services and Basel II compliance**

- The new definition of outsourcing
- Outsourcing after Basel II
- Offshore outsourcing is also redefined
- Key risks of outsourcing
- What is needed from vendors and service providers
- **Basel II and other regulations**
- Basel and other regulations
- Governance issues
- Capital Requirements Directive (CRD)
- Markets in Financial Instruments Directive (MiFID)
- What will be the impact of MiFID to EU and non EU banks?
- Aligning Basel II operational risk and Sarbanes-Oxley 404 projects
- Common elements and differences of compliance projects
- New standards
- Disclosure issues
- Multinational companies and compliance challenges


Cost - Fixed fee

Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

Consulting or training, it will never cost more

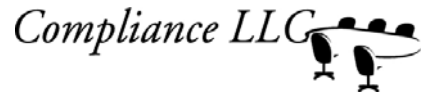
Example: Fees for George Lekatis, General Manager and Chief Compliance Consultant of Compliance LLC.

Training: US\$ 13,800 for 3 days (and \$ 2,000 for each additional day) - final cost (most places in Europe, Asia or America, for teams from 2 to 50), includes tax, expenses, hotels, flights, everything.

Compliance LLC 

Sarbanes Oxley and Basel II...
...engaged in both projects?

Course 2



Course Title

**Sarbanes Oxley and Basel II Compliance Training:
Impact on IT and Information Security**

5 days

Objectives:

The seminar has been designed to with the knowledge and skills needed to understand and support Sarbanes Oxley *and* Basel II compliance.

Target Audience:

This course is recommended for all managers and professionals who need to understand and speak the specialized languages of Sarbanes Oxley and Basel compliance, which must become the common language throughout their organization.

This course is highly recommended for:

- C – Level Executives
- IT and Information Security Directors, Managers and Professionals
- Risk and Compliance Officers
- IT and Security Process Owners
- Network, System and Security Administrators
- IT Auditors
- IT, Security and Management Consultants

Duration:

5 Days, 09:00 to 17:00.

Course Synopsis:

- **The Sarbanes Oxley Act**
- The Need
- US federal legislation: Financial reporting or corporate governance?

- The Sarbanes-Oxley Act of 2002: Key Sections
- SEC, EDGAR, PCAOB, SAG
- The Act and its interpretation by SEC and PCAOB
- PCAOB Auditing Standards: What we need to know
- Management's Testing
- Management's Documentation
- Reports used to Validate SOX Compliant IT Infrastructure
- Documentation Issues
- Sections 302, 404, 906 and the three certifications
- Sections 302, 404, 906: Examples and case studies
- Management's Responsibilities
- Committees and Teams
- Project Team – Section 404: Reports to Steering Committee
- Steering Committee – Section 404: Reports to Certifying Officers and cooperates with Disclosure Committee
- Disclosure Committee: Reports to Certifying Officers and cooperates with Audit Committee
- Certifying Officers and Audit Committee: Report to the Board of Directors
- Control Deficiency
- Deficiency in Design
- Deficiency in Operation
- Significant Deficiency
- Material Weakness
- Is it a Deficiency, or a Material Weakness?
- Reporting Weaknesses and Deficiencies
- Examples
- Case Studies
- Public Disclosure Requirements
- Real Time Disclosures on a rapid and current basis?
- Whistleblower protection
- Rulemaking process
- Companies Affected
- International companies
- Foreign Private Issuers (FPIs)
- American Depository Receipts (ADRs)
- Types of ADR programs
- Employees Affected
- Effective Dates

- [The Bank for International Settlements \(BIS\)](#)

- The Basel Committee on Banking Supervision
- From the Young Plan (1930) to Basel II
- Regulatory supervision of internationally active banks
- The failure of the Bankhaus Herstatt and the crisis of confidence

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- 1980s: The capital ratios of the main international banks are deteriorating
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- Assets are weighted by factors
- On-balance sheet engagements
- Off-balance sheet engagements
- Examples of capital requirements
- December 1987: The Basel Capital Accord approved by the G10
- Basel I amendments

- **The New Basel Capital Accord (Basel II)**
- Realigning the regulation with the economic realities of the global banking markets
- New capital adequacy framework replaces the 1988 Accord
- Improving risk and asset management to avoid financial disasters
- "Sufficient assets" to offset risks
- The technical challenges for both banks and supervisors
- How much capital is necessary to serve as a sufficient buffer?
- The three-pillar regulatory structure
- Purposes of Basel II
- Scope of the application
- Pillar 1: Minimum capital requirements
- Credit Risk – 3 approaches
- The standardized approach to credit risk
- Claims on sovereigns
- Claims on banks
- Claims on corporates
- The two internal ratings-based (IRB) approaches to credit risk
- Some definitions: PD - The probability of default, LGD - The loss given default, EAD - Exposure at default, M – Maturity
- 5 classes of assets
- Pillar 2: Supervisory review

- Key principles
- Aspects and issues of the supervisory review process
- Pillar 3: Market discipline
- Disclosure requirements
- Qualitative and Quantitative disclosures
- Guiding principles
- Employees Affected
- Effective Dates

- **Framework for internal control systems in banking organizations - Basel Committee on Banking Supervision**
- The 13 Principles for the Assessment of Internal Control Systems
- The 13 Principles and COSO
- The control environment
- Risk assessment
- Control activities
- Information and communication
- Monitoring
- Types of control breakdowns typically seen in problem bank cases
- The objectives and role of the internal controls framework
- The major elements of an internal control process
- Evaluation of internal control systems by supervisory authorities
- Role and responsibilities of external auditors
- Supervisory lessons learned from internal control failures

- **Internal Controls - COSO**
- The Internal Control — Integrated Framework by the COSO committee
- Using the COSO framework effectively
- The Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring
- Effectiveness and Efficiency of Operations
- Reliability of Financial Reporting
- Compliance with applicable laws and regulations
- IT Controls
- Program Development and Program Change
- Deterrent, Preventive, Detective, Corrective, Recovery, Compensating, Monitoring and Disclosure Controls

- Layers of overlapping controls
- **Operational Risk**
 - What is operational risk
 - Legal risk
 - Information Technology operational risk
 - Operational, operations and operating risk
 - The evolving importance of operational risk
 - Quantification of operational risk
 - Loss categories and business lines
 - Operational risk measurement methodologies
 - Identification of operational risk
 - The Delphi method
- **Operational Risk Approaches**
 - Basic Indicator Approach (BIA)
 - Standardized Approach (SA)
 - Alternative Standardized Approach (ASA)
 - Advanced Measurement Approaches (AMA)
 - Internal Measurement Approach (IMA)
 - Loss Distribution (LD)
 - Standard Normal Distribution
 - “Fat Tails” in the normal distribution
 - Expected loss (EL), Unexpected Loss (UL)
 - Value-at Risk (VaR)
 - Value-at Risk and Basel I amendment, 1996
 - Value-at Risk and Basel II
 - Calculating Value-at Risk
 - Monte Carlo simulations
 - Monte Carlo limitations
 - Extreme Value theory
 - Scoreboards
 - Stress Testing
 - Stress testing and Basel
 - (AMA) Advantages / Disadvantages
 - Recognition of the firms’ own modeling of operational risk losses
 - “Weak banks”, internal and external audit and sound practices for operational risk
 - Self assessment
 - Key Risk Indicators
 - Operational Risk Measurement Issues

- The game theory
- The prisoner's dilemma – and the connection with operational risk measurement and management
- Operational risk management
- Operational Risk Management Office
- Key functions of Operational Risk Management Office
- Key functions of Operational Risk Managers
- Key functions of Department Heads
- Internal and external audit
- Operational risk sound practices
- Operational risk mitigation
- Insurance to mitigate operational risk

- **COBIT - the framework that focuses on IT**
- Is COBIT needed for compliance?
- COSO or COBIT?
- Corporate governance or financial reporting?
- Executive Summary
- Management Guidelines
- The Framework
- The 34 high-level control objectives
- What to do with the 318 specific control objectives
- COBIT Cube
- Maturity Models
- Critical Success Factors (CSFs)
- Key Goal Indicators (KGIs)
- Key Performance Indicators (KPIs)
- How to use COBIT for Sarbanes Oxley and Basel II compliance

- **Scope of Sarbanes Oxley and Basel II Projects**
- The most important challenge: The scope
- Discussing the scope with the external auditors
- Assumptions
- In or out of scope?
- Is it relevant?
- Using compliance as an excuse
- Computer Forensics Investigation?
- Business Intelligence?
- Business Continuity and Disaster Recovery?

- **Meeting the Information Security Requirements of Sarbanes Oxley and Basel II**
- Information security principles and best practices
- Classification, Sarbanes Oxley and Basel II
- IT and the changes demanded by the business
- Capturing, analyzing, integrating and reducing risk
- Evaluating current systems and processes
- Change and configuration management
- Common risk indicators

- **Software and Spreadsheets**
- Is software necessary?
- Is software needed?
- When and why
- How large is your organization?
- Is it geographically dispersed?
- How many processes will you document?
- Are there enough persons for that?
- Selection process
- Spreadsheets
- It is just a spreadsheet...
- Certain spreadsheets must be considered applications
- Development Lifecycle Controls
- Access Control (Create, Read, Update, Delete)
- Integrity Controls
- Change Control
- Version Control
- Documentation Controls
- Continuity Controls
- Segregation of Duties Controls
- Spreadsheets – Errors
- Spreadsheets and material weaknesses

- **Third-party service providers and vendors**
- Redefining outsourcing
- Outsourcing services and compliance
- The new definition of outsourcing
- Outsourcing after Sarbanes Oxley and Basel II
- Offshore outsourcing is also redefined
- Key risks of outsourcing
- What is needed from vendors and service providers

- SAS 70
- Type I, II reports
- Advantages of SAS 70 Type II
- Disadvantages of SAS 70 Type II
- Working with vendors and service providers

- **Aligning Basel II and Sarbanes-Oxley projects**
- The general expectations around Sarbanes Oxley and Basel
- From ensuring the overall safety and soundness of banks (Basel) to restoring investor confidence (Sarbanes Oxley)
- From the “under construction since the 1998” approach (Basel II) to the Sarbanes Oxley deadlines
- From the choice of risk management sophistication (Basel) to the specific SEC and PCAOB rules (Sarbanes Oxley)
- There is only one Sarbanes Oxley act but there are many different Basel II frameworks – the issue of discretion to individual jurisdictions for Basel II implementation
- Multinational companies and compliance issues
- US federal legislation and state law. The US constitutional challenges
- From the 1929 Companies Act (UK) to the 1933 Securities Act (USA) to Sarbanes Oxley: The need to avoid a federal intrusion into state reserved matters
- Auditing in the USA and auditing in UK: Very important differences
- Capital Requirements Directive (CRD)
- Markets in Financial Instruments Directive (MiFID)
- What will be the impact of MiFID to EU and non EU banks?
- MiFID (Markets in Financial Instruments Directive) and Sarbanes Oxley and Basel
- Board review and approval
- Management responsibility
- Control objectives
- Risk identification and assessment
- Risk monitoring
- Risk mitigation
- Risk reporting
- Continuity plans
- Sufficient public disclosure
- Documentation challenges
- Effectiveness – design and operation

- Connecting the dots
- Common elements and differences of compliance projects
- New standards


Cost - Fixed fee

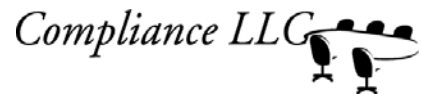
Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

Consulting or training, it will never cost more

Example: Fees for George Lekatis, General Manager and Chief Compliance Consultant of Compliance LLC.

Training: US\$ 17,800 for 5 days (and \$ 2,000 for each additional day) - final cost (most places in Europe, Asia or America, for teams from 2 to 50), includes tax, expenses, hotels, flights, everything.

Compliance LLC 



Course 3

Course Title

Sarbanes-Oxley: Implementation and Compliance Training 2 days

Objectives:

The seminar has been designed to provide with the knowledge and skills needed to understand and support Sarbanes-Oxley compliance.

Target Audience:

This course is recommended for all managers and professionals who need to understand and speak the specialized language of Sarbanes Oxley compliance, which must become the **common language** throughout their organization.

This course is highly recommended for:

- C – Level Executives
- IT and Information Security Directors, Managers and Professionals
- Chief Risk and Compliance Officers
- IT and Security Process Owners
- Network, System and Security Administrators
- IT Auditors
- IT, Security and Management Consultants

Duration:

2 Days, 09:00 to 17:00 each day.

Course Synopsis:

- **The Sarbanes Oxley Act**
- The Need
- US federal legislation: Financial reporting or corporate governance?
- The Sarbanes-Oxley Act of 2002: Key Sections
- SEC, EDGAR, PCAOB, SAG

- **The Act and its interpretation by SEC and PCAOB**
- **PCAOB Auditing Standards: What we need to know**
- **Management's Testing**
- **Management's Documentation**
- **Reports used to Validate SOX Compliant IT Infrastructure**
- **Documentation Issues**
- **Sections 302, 404, 906 and the three certifications**
- **Sections 302, 404, 906: Examples and case studies**
- **Management's Responsibilities**
- **Committees and Teams**
- **Project Team – Section 404: Reports to Steering Committee**
- **Steering Committee – Section 404: Reports to Certifying Officers and cooperates with Disclosure Committee**
- **Disclosure Committee: Reports to Certifying Officers and cooperates with Audit Committee**
- **Certifying Officers and Audit Committee: Report to the Board of Directors**
- **Control Deficiency**
- **Deficiency in Design**
- **Deficiency in Operation**
- **Significant Deficiency**
- **Material Weakness**
- **Is it a Deficiency, or a Material Weakness?**
- **Reporting Weaknesses and Deficiencies**
- **Examples**
- **Case Studies**
- **Public Disclosure Requirements**
- **Real Time Disclosures on a rapid and current basis?**
- **Whistleblower protection**
- **Rulemaking process**
- **Companies Affected**
- **International companies**
- **Foreign Private Issuers (FPIs)**
- **American Depository Receipts (ADRs)**
- **Types of ADR programs**
- **Employees Affected**

- Effective Dates
- **Internal Controls - COSO**
- The Internal Control — Integrated Framework by the COSO committee
- Using the COSO framework effectively
- The Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring
- Effectiveness and Efficiency of Operations
- Reliability of Financial Reporting
- Compliance with applicable laws and regulations
- IT Controls
- IT Controls and Sarbanes Oxley Act Relevance
- Program Development and Program Change
- Deterrent, Preventive, Detective, Corrective, Recovery, Compensating, Monitoring and Disclosure Controls
- Layers of overlapping controls
- **Scope of Sarbanes Oxley Project**
- The most important challenge: The scope
- Discussing the scope with the external auditors
- Assumptions
- In or out of scope?
- Is it relevant to Sarbanes Oxley?
- Using SOX as an excuse
- Computer Forensics Investigation?
- Business Intelligence?
- Business Continuity and Disaster Recovery?
- **Third-party service providers and vendors**
- Redefining outsourcing
- Outsourcing services and Sarbanes Oxley compliance
- The new definition of outsourcing
- Outsourcing after Sarbanes Oxley
- Offshore outsourcing is also redefined

- Key risks of outsourcing
- What is needed from vendors and service providers
- SAS 70
- Type I, II reports
- Advantages of SAS 70 Type II
- Disadvantages of SAS 70 Type II
- Working with vendors and service providers
- Sarbanes Oxley and other compliance projects
- European answer to SOX
- Integrating SOX IT security with other regulations
- Aligning Basel II operational risk and Sarbanes-Oxley 404 projects
- Common elements and differences of compliance projects
- New standards
- Multinational companies and compliance issues
- US federal legislation and state law. The US constitutional challenges
- From the 1929 Companies Act (UK) to the 1933 Securities Act (USA) to Sarbanes Oxley: The need to avoid a federal intrusion into state reserved matters
- Auditing in the USA and in UK: Very important differences


Cost - Fixed fee

Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

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Training: US\$ 11,800 for 2 days (and \$ 2,000 for each additional day) - final cost (most places in Europe, Asia or America, for teams from 2 to 50), includes tax, expenses, hotels, flights, everything.

Compliance LLC 

Course 4

Course Title

Sarbanes-Oxley Compliance Training: Impact on IT and Information Security
1 day

Prerequisite:

Course 3: Sarbanes-Oxley Implementation and Compliance Training, 2 days

Objectives:

The seminar has been designed to provide with the knowledge and skills needed to understand and support Sarbanes-Oxley compliance.

Target Audience:

This course is recommended for all managers and professionals who need to understand and speak the specialized language of Sarbanes Oxley compliance, which must become the **common language** throughout their organization.

This course is highly recommended for:

- IT and Information Security Directors, Managers and Professionals
- Chief Risk and Compliance Officers
- IT and Security Process Owners
- Network, System and Security Administrators
- IT Auditors
- IT, Security and Management Consultants

Duration:

1 Day, 09:00 to 17:00

Course Synopsis:

- **COSO Enterprise Risk Management (ERM) Framework**
- Is COSO ERM needed for compliance?
- COSO AND COSO ERM
- Internal Environment

- Objective Setting
- Event Identification
- Risk Assessment
- Risk Response
- Control Activities
- Information and Communication
- Monitoring
- The two cubes
- Objectives: Strategic, Operations, Reporting, Compliance
- ERM – Application Techniques
- Core team preparedness
- Implementation plan
- Likelihood Risk Ranking
- Impact Risk Ranking

- **COBIT - the framework that focuses on IT**
- Is COBIT needed for compliance?
- COSO or COBIT?
- Corporate governance or financial reporting?
- Executive Summary
- Management Guidelines
- The Framework
- The 34 high-level control objectives
- What to do with the 318 specific control objectives
- COBIT Cube
- Maturity Models
- Critical Success Factors (CSFs)
- Key Goal Indicators (KGIs)
- Key Performance Indicators (KPIs)
- How to use COBIT for Sarbanes Oxley compliance

- **The alignment of frameworks**
- COSO and COBIT
- COSO ERM and COBIT
- ITIL and COBIT
- ISO/IEC 17799:2000 and COBIT
- ISO/IEC 15408 and COBIT
- COSO, COBIT and Sarbanes-Oxley Sections 302 and 404

- **Software and Spreadsheets**
- Is software necessary?

- Is software needed?
- When and why
- How large is your organization?
- Is it geographically dispersed?
- How many processes will you document?
- Are there enough persons for that?
- Selection process
- Spreadsheets
- It is just a spreadsheet...
- Certain spreadsheets must be considered applications
- Development Lifecycle Controls
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- Documentation Controls
- Continuity Controls
- Segregation of Duties Controls
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Compliance LLC 

Thank you very much for your training. It was very informative and helpful

Minako Bowden

Enterprise Services Delivery, Solutions Delivery Group

Fujitsu Asia Pte Ltd, Singapore

(Sarbanes Oxley class, Singapore)

George Lekatis is a great instructor, the best I have ever seen

Ram Herkanaidu

Kaspersky Lab UK

(Sarbanes Oxley class, London, UK)

Very much enjoyed the course. It was well presented and it met my expectations exactly.

Lynn Kimberley

Xansa, UK

(Sarbanes Oxley class, London, UK)

I would like to express my pleasure and satisfaction for all your excellent efforts & good work in the SOX Training

Vikas Leekha

CCNA , CCSA, CCSE, CISSP, BS7799 Lead Auditor, Senior IT Security Specialist

Philips Morris International

(Sarbanes Oxley class, Singapore)

Course 5

Course Title

Basel ii: Due Diligence for Directors and Executive Management
Half day

Overview:

After the Sarbanes Oxley Act and the Basel ii Accord, there is a lot of discussion in the corporate world about the new liabilities of the CEOs and the CFOs. Today we understand that many organizations have underestimated the vital role of directors, who have to know what is changing and which are the best practices, in order to be able to review and approve corporate actions. More than ever, financial organizations need directors who are aware of the risks and prepared to take on the duties and functions of the boardroom.

After a legal action, the directors have to prove that they exercise due diligence. They have to learn all material information reasonably available before making a business decision (there is “good faith” only in case of an informed decision).

Risks to a serving director or a C – level executive are real and must be managed. These risks have risen exponentially after the new Basel Capital Accord and the Sarbanes Oxley Act. The best way to protect yourself and your organization’s reputation and wealth is to be aware of these risks and to perform your duties according to the highest principles and implementation practices.

Objectives:

This course has been designed to provide board members and executive management with the knowledge and skills needed not only to understand the Basel ii Accord, but also to use Basel ii as a competitive advantage

Target Audience:

This course is intended for potential, new and sitting directors and executive management. It is highly recommended for management consultants.

Duration:

4 Hours. It can be tailored to your needs.

Course Synopsis

- From Basel i to Basel ii.
- Basel ii, executive management and the board of directors.
- Changes in the structure of the organization - the new Operational Risk Management Office
- Case Studies.
- Approaches, national discretions, options and levels of freedom.
- Basic or Advanced approach? When?
- Advantages and disadvantages.

We will discuss how countries and firms use compliance as a competitive advantage. This is a very important part of this presentation.

The presentation can be customized to meet specific needs.


Cost - Fixed fee

Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

Consulting or training, it will never cost more

Example: Fees for George Lekatis, General Manager and Chief Compliance Consultant of Compliance LLC.

Training: US\$ 9,800 (and \$ 2,000 for each additional day) - final cost (most places in Europe, Asia or America, for teams from 2 to 50), includes tax, expenses, hotels, flights, everything.

Compliance LLC 

Very enthusiastic. Great knowledge of the topic. How it relates to the business world (rather than just theory). Opinions are unbiased and honest. My understanding of the topic was greatly enhanced. Practical solutions suggested to any questions.

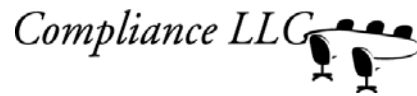
**Richard Johnson
Risk Analyst
Butterfield Bank, Cayman Islands**

Extremely useful. Dispelled some of the myths! The presentation was excellent - very interesting and somewhat entertaining too!

**Emma Floyd
Finance Manager
First Caribbean Bank**

A very pragmatic and enlightening approach to Basel ii. Quite practical. Highly insightful. The mystery has been removed.

**Joannie Worrel
Head of Regulatory Affairs
First Caribbean Bank**



Course 6

Course Title

Sarbanes-Oxley: Due Diligence for Directors and Executive Management

Half day

Objectives:

This course has been designed to provide board members and executive management with the knowledge and skills needed to understand the new environment and their new responsibilities in order to protect their reputation and wealth and their organization. They must not only be able to understand what is needed and what is just "nice to have", but also how to **use compliance as a competitive advantage**

Target Audience:

This course is intended for potential, new and sitting directors and executive management. It is highly recommended for management consultants.

Duration:

4 Hours. It can be tailored to your needs.

Course Description:

We will start from the key elements of widely accepted and long-established corporate governance principles that guide the actions of the directors and executive management.

We will discuss the changes, challenges and new standards after the need to implement the Sarbanes Oxley Act in an organization, and the specific difficulties for board members and executive management.

We will understand what is necessary and what is out of the scope of Sarbanes Oxley

We will discuss how some countries and some firms use compliance as a competitive advantage. This is a very important part of this presentation.

At the end of this course you will have a much better understanding of the new trends, challenges and opportunities, coming from the Sarbanes Oxley Act and the new standards.


Cost - Fixed fee

Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

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Compliance LLC 

Course 7

Course Title

Basel ii: The new challenges for the Banking Supervisors
1 - 5 days

Objectives:

This course has been designed to help professionals working for regulatory bodies and supervisory agencies understand their new challenges and responsibilities after Basel ii

Target Audience:

This course is intended for regulatory bodies and supervisory agencies. It is highly recommended for the board of directors and executive management of banks and financial organizations, in order to understand what they will have to prove to their supervisors.

Duration:

From one to five days, 09:00 to 17:00.

Course Synopsis:

- The management's and the board's responsibility: Basel ii and the new supervisory review process
- Core Principles for Effective Banking Supervision
- Analysis of the twenty five basic principles for a supervisory system to be effective
- Lessons learned
- The framework of objectives and responsibilities for the agencies involved in banking supervision
- The licensing process, the ownership structure and the scope of business of banks and banking groups
- Identification of the various types of risk confronting a bank, and ways of ensuring that these risks are properly monitored and controlled
- Quantitative and qualitative supervisory guidelines
- On- site examinations

- Investigation of specific areas, review of operations, assessment how an institution is managed and controlled
- Adequacy of systems of internal control.
- Off-site reviews
- Meetings
- Co-operation with internal and external auditors
- Analysis of reports and returns from banks and their affiliated entities, on a consolidated and individual basis
- Supervisory power for corrective actions if banks fail to meet the standards
- The roles of home and host supervisors
- Supervision on a global consolidated basis - sharing information with other supervisors
- Core Principles for Effective Banking Supervision and supervisory self assessments
- Self Assessment: Examples
- Implications for a country's credit rating (and the cost of funding on international markets)
- Pillar 2: Supervisory Review Process
- Supervisory Review Process Principles
- Pillar 3: Disclosures
- Practical Application of Basel II Accord

The presentation can be customized to meet specific needs.


Cost - Fixed fee

Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

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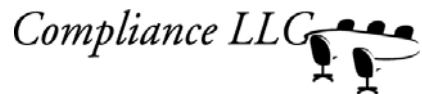
Compliance LLC 

I enjoyed the course and believe the information is very useful. The most positive area was the regulators standpoint on Basel ii and the roles of the Boards of Directors and Senior Management

Christopher Bryan

Senior Analyst - Banking Supervision

Cayman Islands Monetary Association



Course 8

Course Title

**Basel ii and Capital Requirements Directive Training:
The new Basel Accord (Basel ii) and the implementation in the
European Union via the Capital Requirements Directive (CRD)
5 days**

Objectives:

The seminar has been designed to provide with the knowledge and skills needed to understand and support Basel II compliance in EU.

Target Audience:

This course can be customized to meet the needs of:

- C – Level Executives and Boards of Directors
- IT and Information Security Directors, Managers and Professionals
- Chief Risk and Compliance Officers
- IT and Security Process Owners
- Network, System and Security Administrators
- IT Auditors
- IT, Security and Management Consultants

Duration:

5 Days, 09:00 to 17:00.

Course Synopsis:

- **From The Bank for International Settlements (BIS) to the Capital Requirements Directive**
- The Bank for International Settlements (BIS)
- The Basel Committee on Banking Supervision
- Regulatory supervision of internationally active banks
- From the failure of the Bankhaus Herstatt and the crisis of confidence to the Basel i and ii frameworks
- From the Basel ii framework to the Capital Requirements Directive
- Too many levels of freedom, too many challenges and difficulties for the national supervisors

- **The First Basel Capital Accord**
- Assets are weighted by factors
- On-balance sheet
- Off-balance sheet
- Examples of capital requirements
- Basel I amendments

- **The New Basel Capital Accord (Basel II)**
- Realigning the regulation with the economic realities of the global banking markets
- How much capital is necessary to serve as a sufficient buffer?
- Improving risk and asset management
- The technical challenges for both banks and supervisors
- The three-pillar regulatory structure
- Purposes of Basel II
- Scope of the application
- **Pillar 1: Minimum capital requirements**
- Credit Risk – 3 approaches
- The standardized approach to credit risk
- Claims on sovereigns
- Claims on banks
- Claims on corporates
- The two internal ratings-based (IRB) approaches to credit risk
- Some definitions: PD - The probability of default, LGD - The loss given default, EAD - Exposure at default, M – Maturity

- 5 classes of assets
- **Pillar 2: Supervisory review**
- Key principles
- Aspects and issues of the supervisory review process
- **Pillar 3: Market discipline**
- Disclosure requirements
- Qualitative and Quantitative disclosures
- Guiding principles
- Employees Affected
- Effective Dates

- **Framework for internal control systems in banking organizations - Basel Committee on Banking Supervision**
- The 13 Principles for the Assessment of Internal Control Systems
- The 13 Principles and COSO
- The control environment
- Risk assessment
- Control activities
- Information and communication
- Monitoring
- Types of control breakdowns typically seen in problem bank cases
- The objectives and role of the internal controls framework
- The major elements of an internal control process
- Evaluation of internal control systems by supervisory authorities
- Role and responsibilities of external auditors
- Supervisory lessons learned from internal control failures

- **Operational Risk**
- What is operational risk
- Legal risk
- Information Technology operational risk
- Operational, operations and operating risk
- The evolving importance of operational risk
- Quantification of operational risk
- Loss categories and business lines
- Operational risk measurement methodologies

- Identification of operational risk
- The Delphi method
- **Operational Risk Approaches**
- Basic Indicator Approach (BIA)
- Standardized Approach (SA)
- Alternative Standardized Approach (ASA)
- Advanced Measurement Approaches (AMA)
- Internal Measurement Approach (IMA)
- Loss Distribution (LD)
- Standard Normal Distribution
- “Fat Tails” in the normal distribution
- Expected loss (EL), Unexpected Loss (UL)
- Value-at Risk (VaR)
- Value-at Risk and Basel I amendment, 1996
- Value-at Risk and Basel II
- Calculating Value-at Risk
- Monte Carlo simulations
- Monte Carlo limitations
- Extreme Value theory
- Scoreboards
- Stress testing and Basel ii
- (AMA) Advantages / Disadvantages
- Recognition of the firms’ own modeling of operational risk losses
- Self assessment
- Operational Risk Measurement Issues
- The game theory
- The prisoner’s dilemma – and the connection with operational risk measurement and management
- Operational risk management
- Operational Risk Management Office
- Key functions of Operational Risk Management Office
- Key functions of Operational Risk Managers
- Key functions of Department Heads
- Internal and external audit
- Operational risk sound practices

- Operational risk mitigation
- Insurance to mitigate operational risk

- **Third-party service providers and vendors**
- Redefining outsourcing
- Outsourcing services and Basel II compliance
- The new definition of outsourcing
- Outsourcing after Basel II
- Offshore outsourcing is also redefined
- Key risks of outsourcing
- What is needed from vendors and service providers

- **Capital Requirements Directive (CRD)**
- Harmonizing Europe with Directives

- **Directive 2006/48/EC**
- Subject matter, scope and definitions
- Requirements for access to the taking up and pursuit of the business of credit institutions
- Provisions concerning the freedom of establishment and the freedom to provide services
- Relations with third countries
- Principles and technical instruments for prudential supervision and disclosure
- Provision against risks
- Calculation of requirements
- Minimum own funds requirements for operational risk
- Large exposures
- Qualifying holdings outside the financial sector
- Disclosure by credit institutions
- Powers of execution
- Transitional provisions

- **Directive 2006/49/EC**
- Subject matter and scope
- Initial capital
- Trading book

- Own funds
- Provisions against risks
- Application of requirements on a consolidated basis
- Calculation of consolidated requirements
- Monitoring and control of large exposures
- Valuation of positions for reporting purposes
- Risk management and capital assessment
- Reporting requirements
- Competent authorities
- Supervision
- Powers of execution

- **Home and Host Supervisors**
- Cross-border challenges
- The Accord Implementation Group
- Implementing Basel II Across Countries
- Differences: The European Union and the USA, Middle East, Pacific Rim, Caribbean
- The implementation of Basel II around the globe
- Markets in Financial Instruments Directive (MiFID)
- From Basel ii to MiFID
- The impact of MiFID to EU and non EU banks
- Aligning Basel II operational risk and Sarbanes-Oxley 404 projects
- Common elements and differences of compliance projects
- New standards
- Disclosure issues
- Multinational companies and compliance challenges

The course can be customized to meet specific needs


Cost - Fixed fee

Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

Consulting or training, it will never cost more

Example: Fees for George Lekatis, General Manager and Chief Compliance Consultant of Compliance LLC.

Training: US\$ 17,800 for 5 days (and \$ 2,000 for each additional day) - final cost (most places in Europe, Asia or America, for teams from 2 to 50), includes tax, expenses, hotels, flights, everything.

Compliance LLC 

George kept the topic interesting and kept me interested throughout the duration

Philip Hughes
Internal Audit
Caledonian

Extremely in depth informative course. George had an unbiased approach

Margaret Thompson
Financial Control
Vontobel Bank

Very enthusiastic. Great knowledge of the topic. How it relates to the business world (rather than just theory). Opinions are unbiased and honest. My understanding of the topic was greatly enhanced. Practical solutions suggested to any questions

Richard Johnson
Risk Analyst
Butterfield Bank, Cayman Islands

I wish once again to express my deep appreciation for your extremely informative and insightful Basel II and Sarbanes-Oxley courses

Toyin omo Adalakun
Security Practice Manager
SunGuard Availability Services
United Kingdom

Thanks so much for your excellent delivery of the course last week, it was a pleasure to be with you; it certainly met my needs

Norrie Allan MSc
Principal Infosec Consultant
Echelon Consulting Ltd

Thanks again for the one of the best workshops I ever had

Borut Znidar

Infrastructure IT Architect

I want to thank you for the excellent course in Milan.

Your experience and your courtesy is unusual

Claudio Lupi

Business Compliance & Risk Management IT Security

IT Security Architect

Global Value Services

Thanks for your support and efforts.

Parsa Dargahi

MAERSK DATA TRANSPORT

Thank you for your assistance during the course

Bhavin Desai

Security Practice

LogicaCMG CLEF

Thanks for running an informative and interesting course.

Nigel Wheatley

Axisis Consultants Ltd

**Thanks for guiding our group and for keeping us focused till the last day
of the training**

Rob Augustinus

Eindhoven, Netherlands

Many thanks for putting up with us all last week.

Steve Bernhardt

IT Security Architect

Synetrix Limited

Keele Staffordshire

Excellent instructor

Harpal Singh

Emirates Bank Group

Excellent knowledge of subject and presentation skills

Rohit Kumar Goel

Emirates Airlines

Great course. Dealt specifically with the area of the subject I was interested in.

Sean Harrington

Associate Director, Compliance

CIBC

Exhibited thorough knowledge of the topic. Honest, unbiased opinions. Maintained enthusiasm.

Wayne Yeend

Internal Audit

Butterfield Bank, Cayman Islands

It was a very clear and easy to follow course.

Vanessa Godfrey-Banks

COO

Vontobel Bank

The course content gave me a good overall understanding of Basel ii and its ramifications.

Rosalie Jamieson

Head of Financial Control

Bank Austria (Cayman Islands)

Course 9

Course Title

From SOX to J-SOX: Lessons Learned from the Implementation of Sarbanes Oxley Act in the USA and the World
5 days

Objectives:

The seminar has been designed to provide with the knowledge and skills needed to understand and support J-SOX and Sarbanes Oxley compliance.

Target Audience:

This course is recommended for all managers and professionals who need to understand and speak the specialized language of compliance, which must become the common language throughout their organization.

This course is highly recommended for:

- C – Level Executives
- IT and Information Security Directors, Managers and Professionals
- Chief Risk and Compliance Officers
- IT and Security Process Owners
- Network, System and Security Administrators
- IT Auditors
- IT, Security and Management Consultants

Duration:

3 Days, 09:00 to 17:00 each day

Course Synopsis:

- **The Sarbanes Oxley Act**
- The Need
- US federal legislation: Financial reporting or corporate governance?
- The Sarbanes-Oxley Act of 2002: Key Sections
- SEC, EDGAR, PCAOB, SAG

- **The Act and its interpretation by SEC and PCAOB**
- **PCAOB Auditing Standards: What we need to know**
- **Management's Testing**
- **Management's Documentation**
- **Reports used to Validate SOX Compliant IT Infrastructure**
- **Documentation Issues**
- **Sections 302, 404, 906 and the three certifications**
- **Sections 302, 404, 906: Examples and case studies**
- **Management's Responsibilities**
- **Committees and Teams**
- **Project Team – Section 404: Reports to Steering Committee**
- **Steering Committee – Section 404: Reports to Certifying Officers and cooperates with Disclosure Committee**
- **Disclosure Committee: Reports to Certifying Officers and cooperates with Audit Committee**
- **Certifying Officers and Audit Committee: Report to the Board of Directors**
- **Control Deficiency**
- **Deficiency in Design**
- **Deficiency in Operation**
- **Significant Deficiency**
- **Material Weakness**
- **Is it a Deficiency, or a Material Weakness?**
- **Reporting Weaknesses and Deficiencies**
- **Examples**
- **Case Studies**
- **Public Disclosure Requirements**
- **Real Time Disclosures on a rapid and current basis?**
- **Whistleblower protection**
- **Rulemaking process**
- **Companies Affected**
- **International companies**
- **Foreign Private Issuers (FPIs)**
- **American Depository Receipts (ADRs)**
- **Types of ADR programs**
- **Employees Affected**
- **Effective Dates**

- **The J-SOX: Financial Instruments and Exchange Law**
- **The Need**
- **Key Sections**

- The interpretations
- From the Securities Act and Securities Exchange Act to Sarbanes Oxley in the United States
- From the Securities and Exchange Law to the Financial Instruments and Exchange Law in Japan
- Similarities and Differences between SOX and J-SOX
- Lessons learned from the implementation of Sarbanes Oxley in the USA
- Lessons learned from the implementation of Sarbanes Oxley in the world

Internal Controls Framework in the USA - COSO

- The Internal Control — Integrated Framework by the COSO committee
- Using the COSO framework effectively
- The Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring
- Effectiveness and Efficiency of Operations
- Reliability of Financial Reporting
- Compliance with applicable laws and regulations
- IT Controls
- IT Controls and Sarbanes Oxley Act Relevance
- Program Development and Program Change
- Deterrent, Preventive, Detective, Corrective, Recovery, Compensating, Monitoring and Disclosure Controls
- Layers of overlapping controls

Internal Controls Framework in Japan

- COSO and J-SOX
- Differences in the compliance frameworks between Japan and the USA
- The “Evaluation and Auditing Standards for Internal Control for Financial Reports” (December 2005)
- Four high level objectives:
 - (1) effectiveness and efficiency of operations
 - (2) reliable financial reports
 - (3) compliance with laws and regulations
 - (4) preservation of assets

- Six areas:
 - (1) control environment
 - (2) risk assessment
 - (3) control activities
 - (4) information and communication
 - (5) monitoring
 - (6) IT support
- Differences in the compliance frameworks between Japan and the USA

Compliance Challenges

- Scope of Sarbanes Oxley Project
- Discussing the scope with the external auditors
- Assumptions
- In or out of scope?
- Is it relevant to Sarbanes Oxley?
- Using SOX as an excuse
- Computer Forensics Investigation?
- Business Intelligence?
- Business Continuity and Disaster Recovery?

Third-party service providers and vendors

- Redefining outsourcing
- Outsourcing services and Sarbanes Oxley compliance
- The new definition of outsourcing
- Outsourcing after Sarbanes Oxley
- Offshore outsourcing is also redefined
- Key risks of outsourcing
- What is needed from vendors and service providers
- SAS 70
- Type I, II reports
- Advantages of SAS 70 Type II
- Disadvantages of SAS 70 Type II
- Working with vendors and service providers
- Sarbanes Oxley and other compliance projects

From SOX to J-SOX

- Multinational Enterprises (MNEs) and Compliance
- Common elements and differences of compliance projects
- New standards and Due Diligence challenges
- Internal and External auditors, SOX and J-SOX

- The board of Directors, SOX and J-SOX
- From Sarbanes Oxley to J-SOX

Cost - Fixed fee


Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

Consulting or training, it will never cost more

Example: Fees for George Lekatis, General Manager and Chief Compliance Consultant of Compliance LLC.

Training: US\$ 13,800 for 3 days (and \$ 2,000 for each additional day) - final cost (most places in Europe, Asia or America, for teams from 2 to 50), includes tax, expenses, hotels, flights, everything.

Training in Japan: US\$ 13,800 for 3 days (and \$ 2,000 for each additional day) - final cost

Compliance LLC 

Course 10

Course Title

The Financial Instruments and Exchange Law (Japanese Sarbanes-Oxley, J-SOX) and the Board of Directors

Half day

Objectives:

This course has been designed to provide board members and executive management with the knowledge and skills needed to understand J-SOX

Target Audience:

This course is intended for potential, new and sitting directors and executive management. It is highly recommended for management consultants.

Duration:

4 Hours. It can be tailored to your needs.

Course Description

- Lessons learned from the implementation of Sarbanes Oxley in the USA
- Lessons learned from the implementation of Sarbanes Oxley in the world
- From Sarbanes Oxley to J-SOX
- Similarities and Differences between SOX and J-SOX

- The six areas of compliance:
 - (1) control environment
 - (2) risk assessment
 - (3) control activities
 - (4) information and communication
 - (5) monitoring
 - (6) IT support

- Differences in the compliance frameworks between Japan and the USA
- Multinational Enterprises (MNEs) and Compliance

Cost - Fixed fee


Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)


Consulting or training, it will never cost more

Example: Fees for George Lekatis, General Manager and Chief Compliance Consultant of Compliance LLC.

Training: US\$ 13,800 for 3 days (and \$ 2,000 for each additional day) - final cost (most places in Europe, Asia or America, for teams from 2 to 50), includes tax, expenses, hotels, flights, everything.

Training in Japan: US\$ 17,800 for 3 days (and \$ 2,000 for each additional day) - final cost

Compliance LLC 

Compliance LLC 

Course 11

Course Title

Sarbanes Oxley / Basel ii Sales Training:
A new market for vendors, suppliers and service providers
1-5 Days. This seminar will be tailored to your needs

Objectives:

Participants will develop the ability to understand the challenges executive managers face. They will be able to speak their customers' language, and this has the potential for immediate impact. Sales and marketing managers can apply the skills and knowledge gained in the program immediately.

Target Audience:

- Marketing, sales and presales directors, managers and professionals.
- New and experienced pre or post sales people working for IT suppliers and service providers.

Duration:

1-5 Days, 09:00 to 17:00 each day. This seminar will be tailored to your needs

During the course we will cover:

- Position your company's value in terms of solutions to issues that C-level executives face
- IT Controls and Sarbanes Oxley / Basel ii Relevance
- Business Continuity and Disaster Recovery
- Documentation Issues
- Compliance and Monitoring
- Records Retention
- Disclosure
- Continuous Compliance
- Opportunities for deals
- Gain immediate credibility with C-level Executives
- Identify C-level Executives' critical needs
- Outsourcing services and Sarbanes Oxley / Basel ii compliance

Cost - Fixed fee

Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

Consulting or training, it will never cost more

Example: Fees for George Lekatis, General Manager and Chief Compliance Consultant of Compliance LLC.

Training: US\$ 13,800 for 3 days (and \$ 2,000 for each additional day) - final cost (any place in Europe, Asia or America, for teams from 2 to 50), includes tax, expenses, hotels, flights, everything.

D. MiFID, 8th Company Law Directive (European Sarbanes-Oxley), Solvency ii, UCITS iii and the EU Financial Services Action Plan - Implementation and Compliance Training and Presentations

The Financial Services Action Plan (FSAP)

A single market. A harmonised market in banking, investment, insurance, derivatives, commodities. **This is a top priority for the European Union.**

The Financial Services Action Plan (FSAP), launched in 1999 and almost completed by 2004, is a huge and ambitious project.

There are 42 original measures in the FSAP. Some are non-legislative, a few are regulations, and **there are almost 30 directives. Over 20 of the original measures are likely to affect the financial sector.**

The most important measures are:

D1. The Capital Requirements Directive

DIRECTIVE 2006/48/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions (recast)

DIRECTIVE 2006/49/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 June 2006 on the capital adequacy of investment firms and credit institutions (recast)

The Capital Requirements Directive (CRD) is the common framework for the implementation of Basel ii in EU.

Capital Requirements Directive Training

Courses designed to provide with the knowledge and skills for the implementation of Basel ii in the European Union
www.capital-requirements-directive-training.com

D2. The 8th Company Law Directive

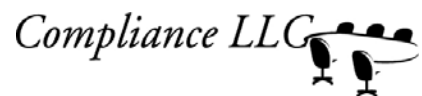
DIRECTIVE 2006/43/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 May 2006 on statutory audits of annual accounts and consolidated accounts

The 8th Company Law Directive is similar to the US Sarbanes Oxley Act. This directive is called the European Sarbanes Oxley. In fact, there are similarities and differences.

8th Company Law Training

Even when the 8th Company Law Directive of the European Union and the Sarbanes-Oxley Act of the USA look similar, they are different.

www.8th-company-law-training.com



Course 12

Course Title

**The European Union's Sarbanes-Oxley Act (E-SOX)
The 8th Company Law, the Market Abuse and the Transparency
Directives: Implementation and Compliance Training**

2 days

Overview:

After the passage of the US Sarbanes-Oxley Act in 2002, US and non-US companies listed in a US stock exchange have the difficult task to comply with the Sarbanes-Oxley Act.

After the passage of the European Union's 8th Company Law Directive on Statutory Audit (Directive 2006/43/EC), European and non-European companies listed in any country of the EU have to comply with the 8th company law directive.

EU Member States must comply with this Directive before 29 June 2008.

The 8th directive is considered the European post Sarbanes-Oxley regulatory retaliation. And, like in the US SOX, there are extremely important extraterritorial consequences. The Offshore Financial Centers (OFCs) for example must immediately enact legislation to prove that they have an “equivalent level of regulation”, to protect their auditors that audit offshore companies with EU listings from being subject to a tough European oversight regime. Otherwise, auditors and audit firms from ‘third countries’ have to be registered in the EU and to be subject to oversight, quality assurance and sanctions.

Companies listed in EU are directly affected. From the changes in the audit committee and the role of the board of directors to the new internal controls requirements, professionals in EU listed companies will face the same or similar challenges with their American colleagues that have to comply with the US SOX. The European SOX (E-SOX) and the Japanese SOX (J-SOX) definitely create a new flat world in the financial markets.

Objectives:

The seminar has been designed to provide with the knowledge and skills needed to understand and support compliance with the above important directives of the European Union’s Financial Services Action Plan.

Target Audience:

This course is intended for audit committees and boards of directors, senior managers and executives, internal and external auditors and management consultants.

The course is highly recommended to managers and professionals from:

- Internal Audit
- Internal Controls
- Compliance
- Operations
- Risk
- IT
- Legal

Duration:

2 Days, 09:00 to 17:00

Course Synopsis:

Introduction

- From the Sarbanes Oxley Act of 2002 to the European Union's equivalent regulatory vehicles
- Restoring investor confidence in the EU
- The European Unions Financial Services Action Plan (FSAP)
- From the Eighth Directive of 1984 (Directive 84/253/EEC) to the 8th Company Law Directive on Statutory Audit (Directive 2006/43/EC)
- From the Consolidated Admissions and Reporting Directive (CARD) to the Transparency Directive (Directive 2004/109/EC)
- From the Insider Dealing Directive (Directive 1989/592/EEC) to the Market Abuse Directive (Directive 2003/6/EC)

The 8th Company Law Directive on Statutory Audit

The Directive

- New Definitions
- Approval, continuing education and mutual recognition of statutory auditors and audit firms
- Registration of statutory auditors and audit firms
- Professional ethics, independence and objectivity
- Confidentiality and professional secrecy
- Auditing standards
- Statutory audits of consolidated accounts
- Audit reporting
- Quality assurance systems
- Auditors' liability
- Public oversight and regulatory arrangements between member states
- Mutual recognition and designation of competent authorities
- Application to non-listed public-interest entities
- The Audit Committee
- Similarities and differences with the US Sarbanes-Oxley Act

The 8th Company Law Directive and Corporate Governance

- The impact on corporate governance
- The role of the board of directors and executive management
- Internal controls and external auditors

The 8th Company Law Directive: Committees and Interpretations

- From the US Public Company Accounting Oversight Board (PCAOB) to the European Group of Auditors' Oversight Bodies (EGAOB)
- The three new bodies established in the EU
- The Audit Regulatory Committee (AuRC)
- The European Group of Auditors' Oversight Bodies (EGAOB)
- The European Forum on Auditors' Liability

The 8th Company Law Directive and the World

- Approval of auditors from third countries
- Registration and oversight of third-country auditors and audit entities
- The 8th Company Law Directive and the European Union (EU)
- Requirements applicable to the auditors of companies incorporated outside of the European Union (EU)
- The 8th Company Law Directive and countries outside the European Economic Area
- The importance of Articles 45 and 46
- The 8th Company Law Directive and the Offshore Financial Centers (OFCs)
- The 8th Company Law Directive and the USA
- The “post-Sarbanes-Oxley regulatory retaliation” opinion and the EU Financial Services Action Plan (FSAP)
- Derogation in the case of equivalence
- Cooperation with competent authorities from third countries

The Transparency Directive

- The harmonisation of transparency requirements with regard to information about issuers whose securities are admitting to trading on a regulated market
- Annual financial reports
- Half-Yearly financial reports
- Transparency and information for holders of securities

- Important disclosures
- Major Holdings
- Third countries
- International Accounting Standards

The Market Abuse Directive

- Insider dealing
- Market manipulation
- Competent authorities with “investigatory powers”
- How the directive is implemented under the Lamfalussy process

Interaction between these directives and other regulatory initiatives

- The three directive and the Financial Services Action Plan
- How to comply with both the 8th Company Law Directive and the Sarbanes Oxley Act
- The 8th Company Law Directive and the Financial Conglomerates Directive
- The 8th Company Law Directive and the Savings Tax Directive
- Compliance in the post-Parmalat EU and the post-Enron USA


Cost - Fixed fee

Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

Consulting or training, it will never cost more

Example: Fees for George Lekatis, General Manager and Chief Compliance Consultant of Compliance LLC.

Training: US\$ 11,800 for 2 days (and \$ 2,000 for each additional day) - final cost (most places in Europe, Asia or America, for teams from 2 to 50), includes tax, expenses, hotels, flights, everything.

Compliance LLC 

Course 13

Course Title

The 8th Company Law Directive: Due Diligence for Directors and Executive Management
Half Day

Objectives:

This course has been designed to provide board members and executive management with the knowledge and skills needed **not only to understand the 8th Company Law Directive, but also to use compliance as a competitive advantage**

Target Audience:

This course is intended for potential, new and sitting directors and executive management. It is highly recommended for management consultants.

Duration:

4 Hours. It can be tailored to your needs.

Course Synopsis:

- From the Sarbanes Oxley Act of 2002 to the European Union's equivalent regulatory vehicles
- Restoring investor confidence in the EU
- Statutory auditors and audit firms in the European Economic area (EEA)
- Statutory audits of consolidated accounts
- The Audit Committee: Similarities and differences with the US Sarbanes-Oxley Act
- **The 8th Company Law Directive and Corporate Governance**
- The impact on corporate governance
- The role of the board of directors and executive management
- Internal controls and external auditors
- **The 8th Company Law Directive and the World**
- Requirements applicable to the auditors of companies incorporated outside of the European Union (EU)

- The 8th Company Law Directive and countries outside the European Economic Area - The importance of Articles 45 and 46
- The 8th Company Law Directive and the Offshore Financial Centers (OFCs)
- The 8th Company Law Directive and the USA
- The “post-Sarbanes-Oxley regulatory retaliation”

We will discuss how countries and firms use compliance as a competitive advantage. This is a very important part of this presentation.

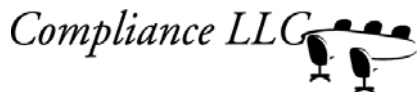
Cost - Fixed fee

Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

Consulting or training, it will never cost more

Example: Fees for George Lekatis, General Manager and Chief Compliance Consultant of Compliance LLC.

Training: US\$ 9,800 (and \$ 2,000 for each additional day) - final cost (most places in Europe, Asia or America, for teams from 2 to 50), includes tax, expenses, hotels, flights, everything.



D3. The Markets in Financial Instruments Directive (MiFID)

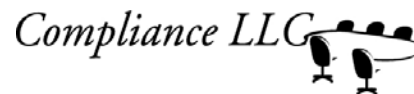
DIRECTIVE 2004/39/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 21 April 2004 on markets in financial instruments

The Investment Services Directive has been replaced by MiFID that reflects developments in financial services and markets and extends the scope of the passport to cover commodity derivatives, credit derivatives and financial contracts for differences for the first time.

MiFID Training

MiFID Training and Presentations. From the four-level approach (the Lamfalussy process) to the MiFID implementation, the differences and the opportunities for competitive advantage in EU and offshore.

www.mifid-training.net



Course 14

Course Title

Markets in Financial Instruments Directive (MiFID): Due Diligence for Directors and Executive Management
Half Day

Objectives:

This course has been designed to provide board members and executive management with the knowledge and skills needed not only to understand MiFID, but also to use MiFID as a competitive advantage

Target Audience:

This course is intended for potential, new and sitting directors and executive management. It is highly recommended for management consultants.

Duration:

4 Hours. It can be tailored to your needs.

Course Description

A. Overview

- From the Investment Services Directive (ISD) to the Markets in Financial Instruments Directive (MiFID)
- From Know Your Customer (KYC) to Client Classification (CC)
- Best Execution
- Suitability and Appropriateness
- Transaction Reporting

B. Challenges

- Conflicts of interest
- Conduct of Business (COB) obligations
- Obligation to execute orders on terms “most favourable” to the client
- The impact of MiFID on corporate governance
- The role of the board of directors and executive management

C. Opportunities

- Freedom to provide investment services and activities in all the countries of the EEA using a single "passport"
- The new role of a branch and the new access rules to regulated markets
- Systematic Internalisers: Should we become a stock exchange?

D. MiFID and the World

- MiFID and the [European Economic Area \(EEA\)](#)
- MiFID and countries [outside the European Economic Area](#)
- MiFID and the [Offshore Financial Centers \(OFCs\)](#)
- MiFID and the [USA](#)
- MiFID and the [Reg NMS](#): Similarities and differences between the Regulation for National Market System (Reg NMS) in the United States and the MiFID in EU

E. MiFID and Alternative Investments

- MiFID and Hedge Funds
- Sophisticated onshore and offshore legal structures
- Minimizing regulatory, operational and compliance risks

We will discuss how countries and firms use compliance as a competitive advantage. This is a very important part of this presentation.


Cost - Fixed fee

Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

Consulting or training, it will never cost more

Example: Fees for George Lekatis, General Manager and Chief Compliance Consultant of Compliance LLC.

Training: US\$ 9,800 (and \$ 2,000 for each additional day) - final cost (most places in Europe, Asia or America, for teams from 2 to 50), includes tax, expenses, hotels, flights, everything.

Compliance LLC 

Course 15

Course Title

Markets in Financial Instruments Directive (MiFID): Implementation and Compliance Training
3 days

Objectives:

The seminar has been designed to provide with the knowledge and skills needed to understand and support MiFID compliance

Target Audience:

This course is intended for managers and professionals from:

- Compliance
- Operations
- Risk
- IT
- Legal
- Internal Audit
- Internal Controls
- Trading
- Portfolio Management
- Hedge Funds and Alternative Investments
- IT, Security and Management Consultants

This course is recommended for the directors, managers and professionals who require a clear understanding of MiFID and the changes in financial markets after MiFID

Duration:

3 Days, 09:00 to 17:00

Course Synopsis:

Introduction

- European Union's legislation: Directives and Regulations
- The European Unions Financial Services Action Plan (FSAP)

- **Markets in Financial Instruments Directive (MiFID):** A major step leading to the creation of a single European Market in Financial Services
- **The Investment Services Directive (ISD)** that has been replaced by MiFID
- **From the ISD to MiFID: What is different now**
- **From “core” and “non-core” investment services to “investment services and activities” and “ancillary services”**

MiFID and the Lamfalussy process

- **Level 1: Framework Principles**
- **Level 2: Implementation of Principles. Detailed Technical Measures**
- **Level 3: Strengthening Cooperation Among Regulators**
- **Level 4: Enforcement**

MiFID: An Overview

- **From Know Your Customer (KYC) to Client Classification (CC)**
- **Best Execution and Information to Clients**
- **Order Handling**
- **Suitability**
- **Extended Passport: Services across Europe**
- **Conduct of Business**
- **Stock Exchanges compete with Trading Platforms and Investment Firms**
- **Systematic Internalisers**
- **Transaction Reporting across the EEA**

Definitions and Scope

- **How MiFID extends the coverage of the Investment Services Directive**
- **Exemptions and Optional exemptions**
- **Definitions**
- **MiFID and options, futures, swaps, forward rate agreements, and any other derivative contracts and “other derivative contracts relating to assets, rights, obligations, indices and measures”**

Authorisation

- **Requirements and Scope**
- **Relations with third countries**

Operating Conditions for Investment Firms

- On-going supervision
- Conflicts of interest
- Conduct of Business (COB) obligations
- Obligation to execute orders on terms “most favourable” to the client
- Client order handling rules
- Tied agents
- Transactions executed with eligible counterparties
- Obligation to uphold integrity of markets, report transactions and maintain records
- Monitoring of compliance
- Obligation to make public firm quotes
- Pre-trade transparency requirements
- Post-trade disclosure and transparency requirements

Rights of Investment Firms

- Freedom to provide investment services and activities
- Establishment of a branch
- Access to regulated markets

Regulated Markets

- Organisational requirements
- Admission of financial instruments to trading
- Suspension and removal of instruments from trading
- Monitoring of compliance
- Pre-trade and Post-trade transparency requirements

Competent Authorities

- Designation of competent authorities
- Administrative sanctions
- Extra-judicial mechanism for investors' complaints
- Professional secrecy
- Relations with auditors

Cooperation between Competent Authorities

- Obligation to cooperate
- Exchange of information
- Powers for Host Member States
- Exchange of information with third countries

MiFID and Corporate Governance

- The impact of MiFID on corporate governance
- The role of the board of directors and executive management

MiFID: The Interpretations

- From the Directive to the Interpretations and the Technical Measures
- CESR: The Committee of European Securities Regulators
- CESR - MiFID Level 2 Expert Group
- CESR - MiFID Level 3 Expert Group
- Level 4 challenges

MiFID and the World

- MiFID and the European Economic Area (EEA)
- MiFID and countries outside the European Economic Area
- MiFID and the Offshore Financial Centers (OFCs)
- MiFID and the USA
- MiFID and the Reg NMS: Similarities and differences between the Regulation for National Market System (Reg NMS) in the United States and the MiFID in EU

MiFID and other Directives

- Interaction between MiFID and other regulatory initiatives
- MiFID, Basel ii and the Capital Requirements Directive
- MiFID and the 8th Company Law Directive
- MiFID and the Financial Conglomerates Directive
- MiFID and UCITS iii
- MiFID and the 3rd Anti Money Laundering Directive of the EU
- Using MiFID data for compliance with other directives

MiFID and Alternative Investments

- MiFID and Hedge Funds
- New challenge for Hedge Fund managers
- Sophisticated onshore and offshore legal structures
- A new pressure for Transparency
- Minimizing regulatory, operational and compliance risks
- MiFID and Mutual Funds
- MiFID and mutual recognition of alternative investment products authorised under different regimes
- Management and Administration of Alternative Investments inside and outside the European Union

MIFID: Tomorrow

- Increased competition
- Pre- and post-trade transparency
- New risks and opportunities
- Hedge Funds and Alternative Investments after MiFID
- The “Fund of Funds” opportunity for regulators


Cost - Fixed fee

Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

Consulting or training, it will never cost more

Example: Fees for George Lekatis, General Manager and Chief Compliance Consultant of Compliance LLC.

Training: US\$ 13,800 for 3 days (and \$ 2,000 for each additional day) - final cost (any place in Europe, Asia or America, for teams from 2 to 50), includes tax, expenses, hotels, flights, everything.

Compliance LLC 

D4. UCITS iii Directive

What we can do for you:

In-company Awareness, Training and Presentations. The first choice for many companies. Fully tailored training, presented exclusively for your own people. We will work on your premises or at a venue of your choice, on a fixed fee per day, for teams from 2 to 50.

1. Presentations for the Board of Directors and Executive Management

60 - 180 minutes

2. Overview of the directives and the new challenges and opportunities

One day

3. Tailor made presentations and training

Let us know what you need

Modules:

- European Union's legislation: **Directives and Regulations**
- The **Financial Services Action Plan (FSAP)** of the European Union
- **Markets in Financial Instruments Directive (MiFID):** The difficult passport
- From “core” and “non-core” investment services to “investment services and activities” and “ancillary services”

- UCITS iii: **The easier passport**
- UCITS iii - **The Management Directive** (Directive 2001/107/EC)
- Relations with **third countries**
- The right of establishment and the **freedom to provide services**
- Operating conditions
- The **simplified prospectus**
- UCITS iii - **The Product Directive** (Directive 2001/108/EC)
- A **wider range** of financial instruments
- UCITS iii **and other Directives**

- Management companies
- Governance
- Risk Management

- UCITS iii and the **European Economic Area (EEA)**
- UCITS iii and countries **outside the European Economic Area**

- UCITS iii and the **Offshore Financial Centers (OFCs)**
- UCITS iii and the **USA**
- UCITS iii, MiFID and the **Reg NMS: Similarities and differences between the United States and the European Economic Area / European Union**
- **UCITS iii compliant funds**
- **Sophisticated UCITS**
- **UCITS iii and Alternative Investments**
- **MiFID and Hedge Funds**
- **Onshore and offshore legal structures**
- **UCITS iii and alternative investment products authorised under different regimes**
- **Hedge Funds and Alternative Investments after UCITS iii**


Cost - Fixed fee

Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

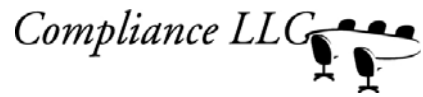
Consulting or training, it will never cost more

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Compliance LLC 

D5. Solvency ii and the Reinsurance Directives



Course 16

Course Title

Preparing for the Solvency ii and the Reinsurance directives: Implementation and Compliance Training 3 days

Objectives:

The seminar has been designed to provide with the knowledge and skills needed to understand and support compliance with both, the Solvency ii and the Reinsurance directives

Target Audience:

This course is intended for managers and professionals from:

- Compliance
- Legal
- Risk Management
- Internal Audit
- Errors and omissions avoidance
- Clients
- Advisers
- Underwriters
- IT
- Risk and Management Consultants

This course is recommended for the directors, managers and professionals who not only require a clear understanding of Solvency ii and the Reassurance directives, but also want to discuss how to use these obligations as opportunities and competitive advantage.

Duration:

3 Days, 09:00 to 17:00

Course Synopsis:

Introduction - From Solvency i to Solvency ii

- The current **Solvency I** framework and the calculation of capital requirements
- Too simple, no risk sensitive
- **Differences** across Europe
- Lessons learned from 2002 – 2003 and from insurance company failures
- Need for better risk management

Solvency ii: An Overview

- **DIRECTIVE .../.../EC** of [...] on the taking-up and pursuit of the business of Insurance and Reinsurance
- **General rules** on the taking-up and pursuit of direct insurance and reinsurance
- **Subject matter, scope and definitions**
- Scope and exclusions from scope
- **Non-life, life, reinsurance**
- Authorisation
- Supervisory authorities and powers
- **Group supervision:** Definitions, cases of application, scope and levels
- Supervision of **group solvency**
- Public disclosure
- Report on solvency and financial condition
- Competencies of the supervisory authorities of the **host member state**
- Insurance and reinsurance undertakings in **difficulty or in an irregular situation**

Right of establishment and freedom to provide services

- Provisions specific to **non-life** insurance
- Provisions specific to **life** insurance

Solvency ii: Corporate Governance

- Responsibility of the **administrative or management body**
- System of governance
- General governance **requirements**
- **Risk management**
- Own risk and solvency assessment

- Internal control
- Internal audit, duties of auditors
- Pursuit of life and non-life insurance activity
- Separation of life and non-life insurance management
- Risk management and internal control
- Mixed-activity insurance holding companies
- Intra-group transactions

Solvency Capital Requirement, valuation and calculations

- Rules relating to the valuation of assets and liabilities, technical provisions, own funds, solvency capital requirement, minimum capital requirement and investment rules
- Valuation of assets and liabilities
- Own funds
- Determination and classification of own funds
- Solvency Capital Requirement
- Requirement using the standard formula or an internal model
- Calculation of the solvency capital requirement
- Value-at-risk measure, with a 99.5% confidence level, over a one year period
- Capital requirement for operational risk
- Minimum capital requirement
- Calculation of the basic solvency capital requirement
- Calculation of the non-life underwriting risk module
- Calculation of the life underwriting risk module
- Calculation of the special health underwriting risk module
- Calculation of the market risk module

Solvency ii and third countries

- Parent undertakings outside the community: verification of equivalence
- Parent undertakings outside the community: absence of equivalence
- Parent undertakings outside the community: levels
- Cooperation with third countries supervisory authorities

Final provisions and Transposition

The Reinsurance Directive: An overview

- Directive 2005/68/EC of 16 November 2005 on reinsurance

- Reinsurance, Captive Reinsurance Undertakings, Finite Reinsurance
- Authorisation
- Principles and methods of financial supervision
- Competent authorities
- Supervision of **branches established in another Member State**
- Duties of **auditors**
- Rules relating to the **solvency margin and to the guarantee fund**
- Required solvency margin for **non-life** reinsurance activities
- Required solvency margin for **life** reinsurance activities
- Reinsurance undertakings in **difficulty or in an irregular situation** and withdrawal of authorisation
- **Special purpose vehicles**
- Reinsurance undertakings **not complying** with the legal provisions
- Principle and conditions for conducting reinsurance business
- **Third countries**
- **Committee procedure - The European Insurance and Occupational Pensions Committee**
- Reinsurance supervision in the EU
- Calculation of the adjusted solvency of insurance undertakings and reinsurance undertakings
- Transposition

Solvency ii - The Interpretations

- The Lamfalussy Process
- From Level 1 to Level 2
- EIOPC - The Level 2 Committee
- CEIOPS - The Level 3 Committee
- Level 4 challenges

Insurance and Reinsurance in the EEA and the World

- Solvency ii, the Reinsurance Directive and countries of the **European Economic Area**
- Solvency ii, the Reinsurance Directive and countries **outside the European Economic Area**
- Solvency ii, the Reinsurance Directive and the **Offshore Financial Centers (OFCs)**
- Solvency ii, the Reinsurance Directive and **the USA**

Solvency ii and the Reinsurance Directive, and other Directives

Tomorrow

The course can be tailored to meet specific needs


Cost - Fixed fee

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Compliance LLC 

D6. Financial Conglomerates Directive

DIRECTIVE 2002/87/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 16 December 2002 on the supplementary supervision of credit institutions, insurance undertakings and investment firms **in a financial conglomerate**

The Financial Conglomerates Directive tries to introduce **supplementary supervision** of financial conglomerates on a **group-wide basis**, in addition to both the prudential supervision of regulated entities on a standalone basis and consolidated supervision on a sectoral basis.

Financial Conglomerates Directive training and Presentations

We can help your organization understand better the Financial Conglomerates Directive in the context of the Financial Services Action Plan of the European Union.

In-company Awareness, Training and Presentations. The first choice for many companies. Fully tailored training, presented exclusively for your own people. We will work on your premises or at a venue of your choice, on a fixed fee per day, for teams from 2 to 50.

1. Presentations for the Board of Directors and Executive Management

60-90 minutes

2. Overview of the Financial Conglomerates Directive

One day

3. Tailor made presentations and training

Let us know what you need


Cost - Fixed fee


Fixed fees, fixed terms. You know the exact final cost. Everything is included in this price (expenses, flights, tax etc.)

Consulting or training, it will never cost more

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Compliance LLC 

Compliance LLC 

Compliance LCC

HQ: 1220 N. Market Street Suite 804, Wilmington, DE 19801, USA

Mail: 1200 G Street NW Suite 800, Washington, DC 20005, USA

Tel: +1 (302) 342-8828

Web: www.compliance-llc.com

Lyn Spooner: +1 (302) 342-8828 Ext. 1
Email : lyn@compliance-llc.com

George Lekatis: +1 (302) 342-8828 Ext. 5
Email: lekatis@compliance-llc.com

