

# Executive Education Masterclasses: Compliance & Regulation for Senior Managers



A series of one-day Masterclasses delivering essential understanding of compliance, regulatory and governance obligations for senior managers in financial services organisations.

28 September 2010 – Introduction to Regulation for Senior Managers

14 October 2010 – Understanding the ARROW Process

28 October 2010 – Approved Persons Responsibilities and Obligations

# Compliance & Regulation for Senior Managers

## Introduction

Recent events have focused the government's, regulator's, media's and general public's attention on the knowledge, skills and competency of financial services leaders and their ability to effectively run institutions within boundaries of a complex regulatory regime. This increased attention, combined with the regulatory reform proposed by the new government, looks likely to result in an even more stringent regulatory environment with increased responsibility on senior managers to ensure their organisations are fully compliant with the law.

While the FSA will cease to exist in a few years time, the regulation it manages and enforces will clearly remain and this regulation sets a considerable standard by which senior management are judged and an equally high standard for the way they operate their businesses.

This series of Masterclasses is designed for all senior managers in the financial services industry and in particular those in Significant Influence Functions as identified by the regulator. Participants will gain an essential understanding of the current and developing regulatory landscape, their legal obligations within it and of the processes used by regulators to assess their individual and organisation's compliance.

## Who should attend?

- Senior Managers, particularly those falling within the FSA definition of Significant Influence Function
- Firms likely to receive an FSA ARROW visit during the next 6 months
- Approved persons experiencing the UK environment for the first time

The programmes will also be useful for those advising senior management on compliance and regulatory risk such as:

- Compliance Officers
- Risk Managers
- Internal auditors and advisers

# Introduction to Regulation for Senior Managers

28 September 2010

9:30am – 5:00pm

Peninsular House, London

## Overview

A position in senior management of a regulated firm brings specific responsibilities and liabilities. It is also essential for somebody in such a position to understand the regulatory environment in which he or she works.

This one-day Masterclass is designed to introduce new senior managers (and others new to the regulatory environment) to the UK regulatory regime and the way in which the Financial Services Authority authorises, supervises and takes enforcement action against regulated firms. The Masterclass will include practical tips and real-life examples of what being regulated really means for senior managers.

## Learning outcomes

As a result of this Masterclass, participants will be able to:

- understand what it means to be authorised
- appreciate the way in which the regulator will supervise their firm
- learn the key aspects of the FSA Handbook in terms of capital, liquidity, dealing rules, approved persons and market conduct
- receive some practical tips to maintain constructive regulatory relations

## Programme agenda

- Authorisation. What do we mean by “threshold conditions”?
- Once authorised – what are the firm’s obligations?
- How the FSA communicates with firms
- The rulemaking process
- A broad outline of capital requirements
- The important issue of liquidity
- The Code of Market Conduct – the risks of market abuse
- Dealing rules
- Approved persons – requirements and expectations
- Maintaining a constructive relationship with your regulator

# Understanding the ARROW Process

14 October 2010

9:30am – 5:00pm

Peninsular House, London

## Overview

The UK's Financial Services Authority is famous for its world-leading, risk-based approach to supervising firms. Despite the damage to its reputation following the failure of Northern Rock and the changes to the UK regulatory structure proposed by the government, the FSA's approach to regulatory risk assessment is still regarded as effective and many regulators around the world have adopted similar approaches.

This practical, one-day Masterclass explains the regulator's approach to risk assessment and how it affects all FSA regulated firms and their management.

## Learning outcomes

**As a result of this Masterclass, participants will be able to:**

- recognise how the UK regulatory framework has developed
- understand the regulator's approach to risk assessment
- appreciate the impact that ARROW has on regulated firms
- identify the key elements in the ARROW process which firms need to address in order to enjoy a constructive regulatory relationship
- handle an ARROW visit
- manage the risk mitigation programme which follows the ARROW visit

## Programme agenda

- An outline of the ARROW theory and approach
- What that approach means to the FSA and to the regulated firm
- The dividend of good control: How the regulator rewards a well run and low risk firm
- How to handle an ARROW visit
- Understanding the different risks to your firm and how to address them
- Achieving senior management buy-in
- The benefits of robust management information
- How to handle the risk mitigation programme
- Next steps: the important messages to take back to your firm

# Approved Persons Responsibilities and Obligations

28 October 2010

9:30am – 4:00pm

Peninsular House, London

## Overview

One of the cornerstones of the UK regulatory regime for the past twenty years has been the ability of the regulator to take action against certain individuals. Through the approved persons regime, the FSA can hold individuals personally accountable for the failure of their regulated firms. Whether individuals are in positions of seniority, newly arrived in the UK for the first time or simply doing their best to achieve their revenue targets for the year whilst ensuring a fair deal for their customers, it is essential for approved persons to understand their responsibilities and their liabilities.

This practical Masterclass is designed to clarify this picture for approved persons and to demonstrate constructive techniques to ensure that individuals manage their responsibilities appropriately and reduce their regulatory risk.

## Learning outcomes

As a result of this Masterclass, participants will be able to:

- appreciate what it means to be an Approved Person
- understand the different types of Approved Person
- explain the requirements which apply to Approved Person
- appreciate the latest developments in the FSA's thinking towards Approved Persons

## Programme agenda

- The FSA Approved Persons regime
- What it means to be an Approved Person
- Your obligations, responsibilities and liabilities
- Statements of Principle for Approved Persons
- The latest regulatory developments for Approved Persons
- The position of non-executive directors
- Approved Persons regime and overseas management

# About your Masterclass leader...

## Peter Haines



**Peter Haines** is a chartered accountant with experience as a regulator with the London Stock Exchange, The Securities Association and the Securities and Futures Authority and as a senior Compliance Officer and Money Laundering Reporting Officer with blue-chip American, European and Japanese institutions. Peter is now a leading compliance consultant and works with regulated firms of all sizes in providing training and other advisory and review services to assist them in managing their regulatory and reputational risk.

## Location

**ifs School of Finance**, 8th Floor, Peninsular House, 36 Monument Street, London EC3R 8LJ, United Kingdom

## How to book

The Masterclasses are available to book singularly or as a package at a discounted rate. Organisations may also book a 'company pass' for the whole series, enabling them to benefit from the reduced price whilst allowing different relevant representatives to attend each session. Please see the attached registration form for more details.

Please return your completed registration form to the Events team, **ifs School of Finance**, 8th Floor, Peninsular House, 36 Monument Street, London EC3R 8LJ, United Kingdom.

Alternatively please contact +44 (0) 20 7337 6286, email [executiveeducation@ifslearning.ac.uk](mailto:executiveeducation@ifslearning.ac.uk) or book online at [www.ifslearning.ac.uk/executiveeducation](http://www.ifslearning.ac.uk/executiveeducation).



# Compliance & Regulation for Senior Managers

Founded in 1879 as the Institute of Bankers, the *ifs School of Finance* is a registered educational charity incorporated by Royal Charter. During the past two decades the *ifs* has evolved into a 'business school for finance', thus extending its 130-year-old remit to provide the financial services industry with a skilled, effective and competent workforce.

The *ifs School of Finance* is also in the vanguard of promoting a better understanding of finance among consumers in the UK. Its provision includes formal qualifications ranging from financial capability for the 14–19 age group to Masters level, and Continuing Professional Development (CPD) through executive education programmes.

*ifs School of Finance*

8th Floor, Peninsular House  
36 Monument Street,  
London EC3R 8LJ  
United Kingdom

**T** +44 (0)20 7444 7111

**F** +44 (0)20 7444 7115

**E** [customerservices@ifsllearning.ac.uk](mailto:customerservices@ifsllearning.ac.uk)

**W** [www.ifsllearning.ac.uk](http://www.ifsllearning.ac.uk)