



# Risks and Controls in Securities Operations

**Development for Finance Professionals™**

*A Blended-Learning Program from ACF Consultants*



## Welcome to ACF Academy's Open Enrollment Programs

ACF Consultants have a solid reputation for delivering innovative, top-quality training for some of the largest and most demanding financial institutions in the world. ACF Consultants are global leaders in the creation of cutting-edge financial simulations and interactive eLearning for the global financial markets.

**We are the first premier financial training company to offer open seminars using our uniquely blended learning techniques.**

Blended learning is a fundamental principle of the ACF approach to training. Our seminars offer a fully integrated, multi-faceted learning experience which ensures that knowledge is applied in practice and retained effectively. We limit the numbers attending each program to maximise the benefit for each delegate. Passive learning is kept to a minimum, and the emphasis is on delegates achieving a true understanding of the key concepts, and how they are applied in the real world.



### Blended Learning

Blended learning is at the heart of our training philosophy. A dynamic blend of highly interactive **eLearning** using **Acumen**, top quality **instructor-led training**, and realistic and exciting **simulations** creates the most effective and motivating training methodology available anywhere.

Firm foundations are laid with highly interactive eLearning and dynamic instructor-led training. Hands-on workshops and simulation are then used throughout the programs allowing delegates to put theory into immediate and realistic practice.



### Instructor Led Training

Our instructor-led training is of the highest quality, and we invest heavily in research and development. Our professional written materials complement trainers with first-rate communications skills, an excellent academic background and sound markets knowledge.

Our expert instructors are skilled in the art of transferring knowledge, and we make use of a variety of creative training techniques to maintain energy and focus.

**We are committed to achieving exceptional results.**



## Risks & Controls in Securities Operations

The principal objectives of this one-day seminar, viewed from an operations perspective, are to:

- Identify risks across a broad array of securities operations functions
- Convey a number of 'classic' controls, their benefits and how deployed
- Define numerous detailed controls to address common operational issues
- Absorb methods of problem analysis using realistic scenarios
- Increase problem resolution capability
- Increase awareness of responsibilities in a variety of functions

## Course Outline

### Introduction

- Generic risks and the need for controls
- The value of trades in an investment banking environment
- Monetary loss
- Reputation loss

### Risks in Primary Securities Operations Functions

- Static/Reference Data, including:
  - Inaccurate securities data
  - Inaccurate counterparty SSIs
- The Trade Lifecycle, including:
  - Inaccurate trade capture
  - Trades not received in BO system
  - Differing trading positions between FO and BO
  - Trade detail unconfirmed with counterparty
  - Failed trades
- Securities Borrowing, including:
  - Failure to borrow
  - Unnecessary borrowing
  - Failure to return
- Funding, including:
  - Missed instruction deadlines
  - Errors at weekends & public holidays
- Corporate Actions, including:
  - Inaccurate or incomplete event data
  - Unreconciled books & records (trades and positions)
  - Failing to offer the owner a choice of outcome
  - Missed optional and voluntary event deadlines

### Controls in Primary Securities Operations Functions

- Specific controls to address risks identified in the first section above, including:
  - Subscription to data vendors to address inaccurate securities data
  - Electronic identification of trades failing to reach BO
  - Procedure to identify root cause of trading position breaks




- Risk assessment of unconfirmed trades
- Minimising impact of failed trades
- Avoiding unnecessary securities borrowing
- Safe management of optional and voluntary corporate actions

 Verification

 Reconciliation

- Classic controls (how employed and their effectiveness), including:
  - Verification
  - Four Eyes checking
  - Reconciliation
  - Segregation of Duties
  - Supervision
  - Culture

### Case Study

- Detailed Risk Analysis & Proposed Controls
- Analysis of numerous pre-defined operational problems, in each case:
  1. Stating the specific risks
  2. Identifying the probable causes, and
  3. Defining their ideal controls including precisely how the controls are to operate
-  Examples of pre-defined operational problems:
  - Buy trade in internal books & records shows as open with counterparty, but has in fact settled
  - Trade quantity amended in BO system, without being amended in FO system
  - Correct coupon details in static data overridden incorrectly by incoming data vendor feed

NB All practical sessions are highlighted like this:

 *means a Workshop or Simulation*

 *means a Case study*

# Risks and Controls in Securities Operations



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## Registration Form

Fax to: +44 (20) 7491 3386 or +1 (212) 422 4640

### Contact Information:

eMail: [ACFacademy@acfconsultants.com](mailto:ACFacademy@acfconsultants.com)  
Tel: +44 (20) 7518 9830 + 1 (212) 422-4320  
Fax: +44 (20) 7491 3386 + 1 (212) 422-4640

If you are interested in any financial training seminars, please visit our website(s) at:

[www.acfacademy.com](http://www.acfacademy.com)  
[www.acfconsultants.com](http://www.acfconsultants.com)

**Accreditation:** ACF Consultants Ltd is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

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**Fees:** The fee for each seminar is per participant, inclusive of refreshments, lunches and seminar materials.

Course fees do not include applicable tax, transportation, or hotel accommodation, unless otherwise indicated.

Preferential rates may be available; please mention our seminar when booking with the hotel.

Payment must be received in full at least 30 days prior to the start of the seminar.

### Special prices

(participants are only eligible for one of the following):

- 5% reduction when an individual registers 60 days or more prior to the commencement of a seminar
- 10% reduction when 2 or more individuals from an organization register for the same seminar
- 10% reduction when an individual registers for more than one seminar at a time

### Cancellation Policy:

Cancellations may be made up to 30 days in advance of the seminar, after which date refunds cannot be given.

Notification must be received in writing by letter, fax, or email. In the event of a participant not being able to attend, a substitution may be made at no extra cost. We reserve the right to amend the prices, or cancel a seminar at any time.

**Refund Policy:** For further information on our refund and complaint policy, please contact us.

### I WISH TO ATTEND THE FOLLOWING PROGRAM

- London       Chicago  
 New York     Toronto

Dates: \_\_\_\_\_

*Course Schedule - Classes run from 9am - 5pm. Lunch, and morning and afternoon refreshments are provided daily. Venue details will be provided on receipt of registration form.*

### HOW DID YOUR HEAR ABOUT THE PROGRAM?

- Colleague       Client's Company     Email       Google  
 ACF's Event     ACF's Rep             ACFacademy.com  
 NASBA           Advertising           Financial Times

### DELEGATE DETAILS

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Department: \_\_\_\_\_  
Company: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State/County: \_\_\_\_\_ Zip/Postcode: \_\_\_\_\_  
Country: \_\_\_\_\_  
Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail: \_\_\_\_\_

### ADDITIONAL DELEGATE DETAILS

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Department: \_\_\_\_\_  
Company: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State/County: \_\_\_\_\_ Zip/Postcode: \_\_\_\_\_  
Country: \_\_\_\_\_

### PAYMENT DETAILS

Payment Method:  VISA     Master Card     Invoice me at the address listed above

Card #: \_\_\_\_\_ Expiration: \_\_\_\_\_  
CVC: \_\_\_\_\_

Cardholder Name: \_\_\_\_\_

Signature: \_\_\_\_\_  
(signature required)

