AGENDA Q4 2016
RISK & REGULATORY ACADEMY
Professional development is an absolute necessity for all professionals within Reply, including all of us at Avantage Reply and Xuccess Reply who specialise in Risk and Finance within asset management, banking, and insurance.

The globalisation of financial markets, the dynamic nature of regulations, market disruptions such as the recent credit crisis and the regular introduction of new and complex financial products have dramatically elevated the role of compliance, finance (incl. treasury) and risk management in an organisation.

As professionals, we are responsible for understanding, assessing and determining how financial concepts, theories and regulatory initiatives might impact our clients. We must then evaluate the effectiveness and efficiency of our clients’ compliance, finance, and risk management systems and their capacity to keep pace with the fast paced and ever-changing environment.

The Avantage Reply Risk & Regulatory Academy offers Avantage Reply and Xuccess Reply staff members and, upon request, our clients, the opportunity to broaden their knowledge, to support the certification obligations of junior consultants, to provide expert briefings on emerging regulatory topics and finally promote thought leadership. Our programs are interactive, high-quality, practical and developed by experienced practitioners.

The remainder of this document aligns these components to the annual plan.
All young graduates participating on the Career Accelerator Programme (CAP) will be expected to complete the following certifications:

- Entry level SAS certification in Data Management.
- Plus one of the following:
  - Professional Risk Manager (PRM) certification, OR
  - Associate PRM exam and Local Compliance Certification.

To support these requirements, the following courses can be offered:

- Introduction to SAS (classroom or remote training courses).
- PRM Exam Workshop (2 day internal course).
- Introduction to Compliance (Compliance courses to be requested locally).

The Academy will aim to offer the above courses once a year.
B. Broadening Knowledge

The following one-day courses will enable junior staff to learn and mid-level staff to broaden their exposure.

- Introduction to Market Risk.
- Introduction to Credit Risk.
- Introduction to Operational Risk.
- Introduction to Liquidity Risk.
- Introduction to Counterparty Risk.

Other "Introduction to X" courses can be added to the list if required.

C. Regulatory Briefings

A series of periodic regulatory briefings to inform both mid-level staff and invited clients regarding regulatory developments. The core activities to be covered here include:

- Monthly regulatory briefing covering EU-wide topics only lasting one hour (based on the current calls but enhanced).
- Quarterly regulatory update lasting 2 hours (which can be taped and kept for access on demand).
- Specific videos available on demand for specific topics.

Suggested focus items include:

- Mifid.
- Basel IV and SREP.
- Recovery & Resolution.
- FRTB.
- Shadow Banking.
D. Thought Leadership

An opportunity for Avantage to present itself as a Thought Leader in selected topics.

Topics under consideration for 2017 include:

- Brexit
- Fintech
- Business Model analysis
- The viability of a Financial Markets business.
Career Accelerator Programme Induction Week in Cambridge

**A week of training** in our Cambridge Risk and Regulatory Academy Center with colleagues from our 14 offices

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**GET EXPERIENCED**

**BUILD YOUR NETWORK**

**PAVE THE WAY FOR YOUR FUTURE**
Introduction to Operational Risk (Ariane Chapelle), Brussels

ORM Certificate: This will be led by our Senior Advisor, Dr. Ariane Chapelle, and is designed to provide participants with a complete overview of Risk Governance and Operational Risk, in keeping with the PRMIA Operational Risk certification programme.

We are offering our consultants and a very limited number of clients the opportunity to attend the session, at a substantial discount to the official rate, i.e. € 1250.

Key Learning Objectives

• Gain an appreciation for the role of risk management in the post crisis financial services industry.
• Gain an appreciation for the role of corporate governance in an organization and of the participants, elements and relationships within risk management governance.
• Gain an understanding of the different roles in risk governance and the place of reporting and the use of various elements of a risk framework.
• Gain an understanding of the theory and process of risk management and the expected results from a successful risk management process.
• List and discuss a set of developments in the governance of risk management, with an introduction to the area of risk culture.
• Describe the elements of a risk management framework and choose the elements to implement in their own workplace.
• Manage an operational risk assessment program and apply it in their workplace.
• Understand how to capture, report and investigate operational risk events, how to produce meaningful Risk MI including Key Risk Indicator (KRI) data and trend analysis, and how to implement operational risk appetite.
• Be able to recognize how operational risk management can assist the overall business and add value.

Instructor: Dr Ariane Chapelle, Operational Risk Expert, Executive Trainer
Fee: External EUR 1250.
Registrations: o.mccarthy@reply.eu

See also: http://www.prmia.org/
Introduction to Market Risk in Brussels

Following the successful implementation of this training programme with a major client, Avantage Reply offers its consultants and clients the opportunity to benefit from the same.

- **Financial markets and Risk identification**: understand the typical market risk profile of a typical commercial Bank.
- **Governance**: how market risk is managed from the Boardroom.
- **Valuation and P&L analysis**: understand the key concepts of trading book accountancy, and how this reflects earnings volatility and risk.
- **Risk and sensitivity analysis**: overview of the ‘greeks’: Delta, Gamma, Vega etc.
- **Value at Risk**: what it is, what it means, and what it doesn’t do.
- **Market Risk Management**: understand how market risk is managed, both by traders and by risk managers.
- **Capital & regulation**: an overview of Basel regulations, up to and including the Fundamental Review of the Trading Book (FRTB).
- **Stress testing**: understand the different approaches to stress testing a trading book, to reflect different types of market stress.
- **Case Study**: conclude the day with a case study of one of the largest ever trading losses.

**Instructor**: Dr Oscar McCarthy, Associate Partner with Avantage Reply, and Editor of the Professional Risk Manager’s Handbook (Market Risk).

**Fee**: External EUR 500, Internal EUR 400.

**Registrations**: v.seivert@reply.eu.
December

Regulation & Supervision Briefing in Brussels

This one day Briefing is intended to provide participants with an extensive overview of the nature and impact of key regulatory initiatives.

- Regulatory Overview
  - Basel IV: a complete overhaul of risk weighting
  - IFRS 9 and AnaCredit
  - Shadow Banking

- ECB Supervision
  - ECB Priorities
  - Supervisory Review and Evaluation Process (SREP)

- Recovery & Resolution
  - Resolution planning
  - TLAC/MREL: The Bail-in Regime

Instructor: Dr Oscar McCarthy, Associate Partner in the Amsterdam Office of Avantage Reply.

Fee: External EUR 500, Internal EUR 400.

Registrations: v.seivert@reply.eu.
PRM Exam Workshop in London

The learning objectives for the PRM designation are to demonstrate knowledge and understanding of:

- The classic finance theory underpinning risk management.
- Financial instruments and their associated risks and uses.
- The daily form and function of trading markets.
- The foundations of risk measurement.
- Risk management best practices.
- Best practices of governance, conduct and ethics.
- Lessons learned from failed systems and practices and major risk events.

To achieve the PRM, four exams must be taken:

- Exam IV: Risk Practice - Ethics, Case Studies.

This 2-day workshop is designed for people who are preparing to take some or all of the PRM Exams.

In each session, we will test your knowledge with some sample questions, identify areas of common concern, and provide you with tips for success!

Instructor: Dr Oscar McCarthy, Associate Partner with Avantage Reply, and Editor of the Professional Risk Manager’s Handbook (Market Risk).

Ram Ananthapadmanaban, Senior Manager with Avantage Reply and Head of the Quant Group.

Fee: The workshop is 4 half-day sessions. Each session is EUR 250 for External members, EUR 200 for Internal members.

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