ELECTIVE PROGRAMME

REGISTRATION FORM

Advanced Risk Governance and Risk Management

FEE: RM5,000

NAME

DESIGNATION

COMPANY

CONTACT TEL. NO. (COMPANY) (PERSONAL)

FAX NO.

EMAIL ADDRESS

NAME OF SECRETARY

CONTACT TEL. NO.

EMAIL ADDRESS

PAYMENT

Fees quoted are exclusive from and subject to Goods and Services Tax ("GST") at the prevailing rate for programmes conducted in Malaysia. Iclif is licenced to collect GST under the laws of Malaysia (Licence No.: 001279590400).

Payment should be made within **30 days** from the invoice date or in advance of the programme date, whichever is sooner. Your place is secured once payment has been received within this period.

☐ **BY CHEQUE** Cheques should be made payable to THE ICLIF LEADERSHIP AND GOVERNANCE CENTRE (Company No. 625729-W). Please indicate the following at the back of your cheque.
- Your Full Name as per registration form
- Contact Number & Email Address
- Name of Programme

☐ **BY TELEGRAPHIC TRANSFER** Kindly remit payment to account number: 5140 1138 4115 at MAYBANK BERHAD KL MAIN BRANCH, 50050 KUALA LUMPUR
- Participants will bear all bank telegraphic transfer charges.
- Once we receive your registration form, we will provide you with an invoice number.
- Please quote our invoice number on the bank-in-slip, and fax to +603 2725 9002 or email to fide@iclif.org

☐ **BY CREDIT CARD**
- Participants can register and pay online through our website: www.iclif.org

TERMS AND CONDITIONS

Terms and conditions apply. Please visit www.iclif.org for our terms and conditions, and additional information.

PERSONAL DATA PROTECTION

The Iclif Leadership and Governance Centre respects your personal data and have taken steps to be fully compliant to the Personal Data Protection Act 2010 (Malaysia). The types of data, purpose of use, and a list of your rights under the Act are explained in our Privacy Policy And Notice. As a participant, we have registered your consent for the use of your personal data for the programme and purposes thereunder.

ELECTIVE PROGRAMME

Advanced Risk Governance and Risk Management

FACULTY

Youssef Nasr

WHO SHOULD ATTEND

Executive & Non-Executive Directors, Chairman of Boards and others who might find the programme useful

www.iclifgovernance.org

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FIDE Financial Institutions Directors' Education Programme

FACULTY

Youssef Nasr joined the HSBC Group in April 1975 and retired in March 2010. During his career in the HSBC Group, he has worked in the New York, Paris, London, Toronto, Vancouver, San Paulo and Dubai offices.

His most recent roles were as President and CEO of HSBC Canada from 1997 to 1999. Thereafter, he served as the President and CEO of HSBC USA and North America. In 2003, he was made the President of HSBC Brazil and the Group General Manager of South America. This was a position he held till 2006. In 2007, he became the Chairman and CEO of HSBC Middle East and North Africa (MENA).

Besides serving in HSBC, Youssef has chaired and served on boards of numerous cultural, medical, professional and educational associations. He currently serves on the boards of various companies in North America in the areas of Private Equity, Infrastructure, Bio Technology, Electricity Generation and Real Estate. Youssef teaches an Executive MBA Programme and does some consulting work.

PROGRAMME OVERVIEW

This two-day programme covers advanced topics in risk governance and risk management. Key areas of discussion will include liquidity and solvency management, internal controls, credit risk, and the role of the Board in identifying and addressing risk factors stemming from organisational design and culture.

This programme will make use of Harvard Business School case studies to provide a highly interactive, deeply engaging learning experience. Throughout the programme, we will identify practical lessons that will be relevant to participants.

PROGRAMME OUTLINE DAY 1

Session 1: Managing assets and liabilities, liquidity, and solvency

Case Study: Banc One Corporation

In this session, we explore the issues of asset liability management, liquidity, and solvency with a case on Banc One Corporation. The bank's share price had fallen due to investor concern about the bank's heavy use of interest rate derivatives, and the company needed to determine a course of action to allay investors' fears. Our discussion will examine how and when derivatives can serve as a useful risk management tool.

Session 2: Leverage policy

Case Study: Diageo plc

This session focuses on best practices for determining the appropriate leverage policy of a firm. Our discussion will be informed by a case that uses Monte Carlo simulation to model the trade-offs between the savings from interest tax shields and the expected costs of financial distress under several sets of leverage policies.

Session 3: Risk governance and credit risk concentration

Case Study: Risk Management at Wellfleet Bank

This case provides an opportunity to discuss risk management in corporate banking, with a detailed look at one of the few American banks that successfully weathered the 2007-2009 credit crisis. Chief Executive Alastair Dawes had to decide if the risk governance process was adequate to cover mega-risks, based on reflections on the risk assessment and sanctioning of a $1 billion credit proposal. With a focus on credit risk concentration, we will explore how risk managers balance model-based assessments with qualitative business judgment.

Session 4: Performance measurement, accountability, and responsibility

Case Study: Kidder Peabody & Co. – Creating Elusive Profits

On April 17, 1994, Kidder, Peabody & Co. announced a $350 million charge against earnings resulting from the discovery of false trading profits. In this session, we will explore the organisational factors and control failures that ultimately led to the downfall of the firm. Particular emphasis will be placed on the role of the Board and the Risk Committee in preventing such failures.

PROGRAMME OUTLINE DAY 2

Session 5: Off-Balance sheet transactions

Case Study: Lehman Brothers and Repo 105

The collapse of Lehman Brothers in 2008 was the largest bankruptcy in US history. The case examines the economics of the off-balance sheet transactions Lehman undertook prior to the collapse, and highlights the corporate governance challenges in situations where firms face capital market pressure and market downturns. In particular, the case examines the financial accounting, auditing and internal management control practices around the Repo 105 transactions, which had a significant effect on the leverage position of the company. Based on the findings of the bankruptcy examiner's report, the case focuses on the role that management, external auditors and the audit committee played in what amounted to a significant control failure.

Session 6: Culture, leadership, and the trust of market participants

Case Study: Barclays and the LIBOR Scandal

In June of 2012, Barclays plc admitted that it had manipulated LIBOR - a benchmark interest rate that was fundamental to the operation of international financial markets and that was the basis for trillions of dollars of financial transactions. In settling with UK and US regulators, the firm agreed to pay $450 million in fines. Within a few days of the settlement, Barclays' CEO, Robert Diamond, resigned under pressure from British regulators. Diamond blamed a small number of employees for the derivative trading related LIBOR rate violations and termed their actions as "reprehensible." This case allows us to explore the consequences of violating the trust of market participants, the role that leadership and culture at the bank and the regulator played in the scandal, and what Boards can do to prevent such crises from occurring.

Session 7: Islamic banking and liquidity management

Case Study: Arcapita – 2002

In 2002, Arcapita Bank, B.S.C., then known as First Islamic Investment Bank, or FIIB, faced a liquidity crunch. Aracapita offered Islamic-compliant private equity, real estate and venture capital products. In the wake of the 9/11 terrorist attack, however, Islamic banking was an endangered species in the US. Should Arcapita change its business model, and how should it finance its growing capital needs?

Session 8: Risk management and internal controls

Case Study: JP Morgan Chase and CIO Losses

On July 13, 2012, JP Morgan Chase & Co. announced a larger than expected loss for the quarter, resulting in part from $4.4 billion of losses on positions held in the Chief Investment Office (CIO). Since the substantial risks in the CIO had first been revealed on April 5, the firm and its CEO, Jamie Dimon, had been the target of intense scrutiny by regulators, legislators, the media, shareholders and analysts. This case provides us with an excellent opportunity to discuss the role of the Board in overseeing risk management and setting internal controls. Our discussion will also examine the role of the Board in responding to and managing a high-profile crisis.