



**PENHALLOW ASSOCIATES LIMITED**  
**A Financial Knowledge Company**



## **MiFID/EMIR & Basel 3**

**Virtual Learning or Classroom Training**

**Duration 6 Hours.**

**Course Price: On Request**

**Location: (UK) For Virtual Learning Live Environment via Video Communication.**

***To book, or, require more information. Please contact Alan Penhallow; e-mail: [alanp@penassco.co.uk](mailto:alanp@penassco.co.uk)***

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***This programme may be of interest to your colleagues.***

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### **Introduction:**

Though first implemented in 2007, MiFID is currently undergoing changes with practitioners suggesting that some trading environments are very complex making its implementation more difficult. To overcome weaknesses, the EU Commission are attempting to make the playing-field more level by improving the regulation of financial instruments.

This course will look at the practical implementation issues along with proposed changes.

MiFID – Markets in Financial Instruments Directive. Its implementation will significantly alter financial services regulation in the UK, how firms operate their businesses and the way they interact with their customers. Most FSA-regulated firms carrying on investment business are likely to be affected, whether or not that business falls within MiFID's scope. Implementation is therefore a major challenge, both for us and for industry. Preparing to meet the challenge cannot begin too soon. Significant aspects of the MiFID package have yet to be agreed at European level. So we cannot be certain at this stage about the final detail of the legislative requirements.

## **Agenda**

### **Course Contents:**

#### **EMIR**

- European Market Infrastructure Regulation - overview
- Impact on pension funds, investment funds, corporates and insurance companies
- Definition of a derivative under EMIR
- The Clearing Obligation
- Risk management techniques
- NFC's and rolling average positions
- Clearing Thresholds

#### **Basel 3**

- Introduction to new Basel requirements
- Capital conservative buffer
- Liquidity coverage ratios
- New stable funding ratios

#### **Liquidity Coverage Ratio**

- Definition of the LCR
- Application issues for the LCR
- Contractual Maturity Mismatch
- Concentration of Funding

#### **MiFID 2**

- Extension of MiFID rules
- Exemptions and Upgrades
- Upgrades to the market structure framework;
- Corporate Governance and Investor Protection
- Enhancement of the investor protection framework;
- Amended sanctions powers; and
- Trading in Emission allowances.

## Objective of MiFID

- Single Passports - Barriers to Entry Removed.
- Reduced Regulatory Bureaucracy - Generally firms must only answer to home regulator
- Principle v Rule Based – Can cope with complexity
- Information Sharing – Regulation more Effective

## Who Should Attend

Ideal participants are those new to the subject matter, or needing a full refresher. This course would also be perfect for people in projects and needing to step back and walk through the building blocks and overview of the markets products and processes.

## Trainer Profile



**Cormac Butler** is currently an active equity and options trader and a former consultant with Lombard Risk Systems London and has also worked with Peat Marwick and PricewaterhouseCoopers.

He has considerable international experience as a training consultant in derivative accounting, Corporate Finance and Derivative Mathematics, working with major banks including Banquet BNP Paribas.

He has conducted in-house courses Morgan Stanley, PriceWaterhouseCoopers (Holland), Investec (South Africa) and ABB Switzerland and Asian Development Bank. In addition, he has worked for IIR and Euromoney in Singapore, Hong Kong, Thailand, America and Saudi Arabia.

Cormac graduated from the University of Limerick, Ireland with a degree in Finance He has recently published Mastering Value at Risk (Financial Times Pitman) which is currently on the best sellers list (for Risk Management books) with Amazon.com, Gloriamundi.org and Financial World Bookshop (London). He has also published Accounting for Financial Instruments by Wiley.

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