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LEARNING



## Investment Fund Operations & Administration

Investment Studies Center (ISC) @ Union of Investment Companies in collaboration with Euromoney, is delighted to invite you to a training program on Investment Fund Operations & Administration, according to the following details:

يسر مركز دراسات الاستثمار لدى اتحاد شركات الاستثمار وبالتعاون مع Euromoney الإعلان عن تنظيم برنامج تدريبي ودعوتكم للمشاركة فيه حول عمليات وإدارة صناديق الاستثمار، وذلك وفقاً للتفاصيل التالية:

**Training Program:** Investment Fund Operations & Administration البرنامج التدريبي:

**Instructor:** Faris Saah المحاضر:

**Dates:** (Monday - Wednesday) 27<sup>th</sup> – 29<sup>th</sup> May 2024 التاريخ:

**Timing:** 09:00AM - 04:00PM الوقت:

**Language:** English لغة البرنامج:

**Venue:** In-person @ UIC premises المكان:

**Course Details, Registration & Fees in link below** تفاصيل البرنامج، التسجيل والرسوم في الرابط أدناه

<http://unioninvest.org/upcomingevents.aspx>

Registration is open according to availability

**Discounted Fees for UIC Members** KWD 850 الرسوم بعد الخصم لأعضاء الاتحاد

**Non-Members** KWD 1,100 غير أعضاء الاتحاد

## Investment Fund Operations & Administration

### Course Overview

This is a 3-day program designed to provide a fundamental understanding of alternative assets such as hedge funds, pension funds, '40 Act Funds and Unit Trusts. We will touch on portfolio construction, management, risk management and internal/external fund administration.

#### Primary Topics:

- ❖ Overview of Alternative and Traditional Assets
- ❖ Comparison of fund types and their structures
- ❖ Understanding benchmarks, mandates, investment objectives and constraints
- ❖ Pricing and valuation reporting & compliance – valuation, reconciliation and settlement
- ❖ Registrar and transfer agency services
- ❖ International client services
- ❖ Client reporting: customized reporting, multi-currency/instrument reporting, and tax reporting Compliance, tax and anti-money laundering issues

#### Why Attend

- ❖ Equip yourself with a clear understanding of how and why funds are established, the nature and impact of investment decisions, pricing and valuation, related activities such as portfolio balancing and performance measurement and how these processes affect operational, compliance, reporting, and other administration procedures.
- ❖ Examine a wide range of fund types, their characteristics, operation and administration features, including mutual funds and unit trusts, pension fund, hedge funds and FOFs, real estate funds, venture capital funds, money market funds.
- ❖ Enhance your market knowledge not only of traditional investment products such as bonds, equities and money market products, but also of more complex products such as derivatives, CDOs, structured products, exchange traded funds, real estate, private equity, commodities and any related structures such as SPVs, SIVs etc.
- ❖ Increase your confidence in controlling fund administration procedure, accurate pricing, valuation and best execution skills,

- ❖ Reassure your skills in the correct legal and compliance procedures, and confidence in liaising with fund managers, investors, sponsors, fund services providers, custodians, and regulators.

### Who should attend?

- ❖ Operations supervisor or manager
- ❖ Audit and supervision
- ❖ Hedge fund administrator Software provider or consultant
- ❖ Compliance manager
- ❖ Risk manager
- ❖ Fund services relationship manager
- ❖ Fund administrator
- ❖ Custodian
- ❖ Finance and administration

### Day 1

Explanation of the course team exercise – analyzing the impact of a new fund business proposal on the administration provider Introduction to Investment & Investment Funds

#### Investing Fundamentals and Asset Classes

- ❖ Understanding the investment environment:
  - Introduction to investing
  - Modern portfolio theory
  - Asset characteristics and asset allocation (Securities, Derivatives, etc.)
- ❖ Current investment environment – trends, economic environment, etc.
- ❖ Fund types – alternative investment funds (property, hedge, private equity)

#### Various Fund Types

- ❖ Retail and non-retail funds
- ❖ Regulated and unregulated funds

#### Setting up a Fund

- ❖ Key stages and requirements in setting up a fund.
- ❖ Key players and their roles - Promoters - Investment managers and advisers - Management companies - Governance - Secretary - Custodian/depositary - Administration



- ❖ The Offering documents.
- ❖ Overnight Exercise – creating a portfolio and offering documents.

### **Regulatory Considerations**

- ❖ The regulatory environment for investment funds
- ❖ Regulatory environment

## **Day 2**

### **High Level Overview of The Fund Process**

#### **Operation of the Fund – Part 1 -The transfer agency role**

- ❖ Dealing with investors
- ❖ Offering documents
- ❖ Subscription and redemption process
- ❖ KYC and AML checks
- ❖ Notifications
- ❖ Potential problems

#### **Operation of a Fund – Part 2-operations team**

- ❖ Role of the operations team
- ❖ Communication with the investment manager and broker/prime broker/advisers
- ❖ Communications with the Custodian/Depository
- ❖ Communication with the valuation & accounting team
- ❖ Stages in the portfolio process
  - Transaction capture
  - Validation - Posting
  - Reconciliations - Position management
  - Cash flows
  - Corporate actions
  - Margin calls
  - Collateral management
- ❖ Potential problems

## Day 3

### Administration and Operation of the Fund – Part 3 Valuation

- ❖ Trade Processing
  - Subscriptions
  - Redemptions
  - Underlying Fund Investments
  - Trade Errors
- ❖ NAV Calculation
  - NAV Calculation Process
  - Other Income
  - Performance Reporting
  - Borrowing
  - Payment of Expenses
  - Cash Management
- ❖ Reconciliation Procedures
- ❖ Valuation
  - Policies
  - Relevant Regulatory, Industry and Accounting Standards
  - Price Information and Ascertainment
  - Transparency and Disclosure
- ❖ Managing Service Providers
  - Administrators
  - Custodian Banks and Administrator Relationships
  - Auditors
  - Lawyers
- ❖ Operational Risk Management
  - People
  - Processes/Controls
  - Risk Review
  - Policy Setting
  - Investment Restrictions
- ❖ Information Systems and Business Continuity
  - Information Systems
  - Disaster Recovery
  - Business Continuity Plan



#### ❖ Bookkeeping

- Accounting Principles
- General Ledger
- Tax – including withholding tax (WHT)
- Financial statements and management reporting

#### **Operation of the Fund – Part 4 Risk and Compliance**

##### ❖ Role of Compliance – in the fund

- Regulatory Internal policies
- Role of compliance in fund administration
- Regulatory
- Internal policies
- Service provision
- Procedure documentation and audit trails
- Role of risk management for the fund and administrator
- Market risk
- Counterparty/credit risk
- Operational risk
- Risk management frameworks
- Identifying risk
- Measuring risk
- Control framework
- KRIs & KPIs
- Structure of a risk event
- Managing a risk event
- Problems and impacts



## Expert's Profile: Faris Saah – Biography

Faris has over 20 years of first-hand global financial markets experience. Over the span of his career, Faris has been actively involved in professional training including both in-house instructor roles at Accenture, Morgan Stanley and Blackstone as well as designing and teaching classroom-based courses for GLG, Moody's Analytics, Fitch, Columbia Business School, MIT, Harvard Business School and Harvard School of Arts and Sciences where Faris has been a Senior Lecturer since 2013.

Faris has designed and delivered many courses in finance to students ranging from entry-level Analysts and Associates to CEOs and Executive Chairmen. Specific professional courses Faris has taught include: Financial Analysis and Model Construction, Financial Statement Analysis, Corporate Credit Analysis, Portfolio Theory, Construction, Measurement and Management, and Structured Credit. Additional specialized courses include Alternative Asset Management, Leveraged Finance/LBO Analysis, Acquisition Finance, Property Finance and Debt Capital Market Instruments.

Faris has extensive knowledge of global capital markets and has delivered training to audiences of all levels in North America and Europe. Faris has actively engaged with budget bracket banks, international commercial banks and leading universities by providing engaging classroom-based courses on the practical application of corporate finance concepts using spreadsheets and advanced Excel techniques. Faris' ability to simplify and illustrate even the most complex of topics has resulted in positive feedback from clients.

Over his career, Faris has worked in the alternative asset management and leveraged finance industries at the Blackstone Group (GSO Capital), Pequot Capital Management, Morgan Stanley and JP Morgan. He specializes in the valuation and management of leveraged loans, high yield securities and structured credit assets. At GSO Capital, Faris was the Head of US Credit Research for the firm's CLOs, BDCs, SMAs and Closed End ('40 Act) Funds. As a banker, he has advised clients on their creditworthiness in debt capital markets transactions, including obtaining initial credit ratings and advising on the capital structure and credit rating implications of various strategic transactions such as acquisitions, LBOs and share buybacks.

Faris holds an MS in Finance from the MIT Sloan School of Management and a BS in Industrial Engineering and Operations Research from Virginia Tech. Faris serves on the MIT Education Council and is an active advocate of the Martin Trust Center for MIT Entrepreneurship. Faris speaks many languages including French, Arabic, and Mandarin.