



## Press Release

*For Immediate Release*

## Lombard Risk Addresses Broad Reform Of FSA Liquidity Standards (FSA CP08/22, CP08/24, CP09/13, and CP09/14)

**LONDON, United Kingdom. — 29 July, 2009.** Lombard Risk today announced its liquidity risk management and regulatory reporting compliance program to help financial institutions meet the Financial Services Authority's new rules governing liquidity.

### **The FSA requires more shock absorbers to avoid potential liquidity problems.**

The chairman of UK Financial Services Authority (FSA), Lord Adair Turner indicated that the industry must be subject to more regulation and recently stated at the annual British Bankers Association conference that the purpose of the changes is "to create a financial system with more shock absorbers, and the shock absorbers of the banking system are capital and liquidity." The FSA is strengthening its requirements for firms to carry out stress testing and believes that many firms will need to reshape their business models and systems controls as a result.

### **Lombard Risk responds with stress testing and liquidity reporting in one integrated solution.**

The main implications of the requirements include a greater use of stress testing and improvements in the way a firm's liquidity risk tolerance and need for contingency funding plans is established and managed. In addition, the FSA is introducing a new regime for liquidity reporting and will also issue individual liquidity guidance to firms. To comply, financial institutions must capture an ever-increasing amount of data to demonstrate that they are controlling operational processes and measuring, managing and reporting liquidity risk appropriately. "This combination of regulatory reporting and risk management is where Lombard Risk's true strengths lie," said John Wisbey, CEO & Chairman of Lombard Risk.

### **Highly Specialised Risk and Regulatory Expertise Combined**

"We founded Lombard Risk many years ago on the principle that there had to be a better way to manage risk, so we understand the enormity of this challenge. Furthermore, we are the largest provider of regulatory reporting solutions in the UK. We have vast experience in helping our clients manage their risk and complete the reports required by regulators in the shortest amount of time. We are ready to handle the new FSA mandates by the required deadlines with a powerful implementation program and proven liquidity stress testing and regulatory reporting management software. Lombard Risk is uniquely positioned to deliver right now because of our deep risk management domain expertise, large body of regulatory reporting knowledge and strong community of clients to work with," added Wisbey.

### **Lombard Risk delivers a proven solution to meet the required deadlines.**

Robust liquidity stress testing and management reporting requires an emphasis on processing a large amount of data, automatically, and with high data integrity. Nick Davies, Lombard Risk CTO explains "Lombard Risk meets this requirement with ease. Our highly regarded data consolidation tools allow firms to easily capture and normalise the data required from any number of differing sources such as banking systems, treasury systems, risk engines, legacy systems and other data models or spreadsheets that capture transactions such as cash flows, customer static data, collateral information or other data items without significant client IT effort. In addition to our powerful data capture and consolidation capability, our STB-Reporter solution combined with our ScenarioManager solution provides a strong analytical and management framework to satisfy regulatory reporting and liquidity scenario and stress testing as required by the FSA."

## **Lombard Risk makes “Key to Success” delivery program available to clients.**

To reinforce our solution advantages and deliver the new liquidity reports, Lombard Risk has devised a unique “key to success” project delivery approach. “Our program is designed to help our new and existing clients to stay on top of new FSA developments, and more importantly provide support to conduct the detailed data analysis required for their Individual Liquidity Adequacy Assessment and deliver the reports and analysis required to demonstrate that the firm is complying with the new FSA compliance measurements,” Wisbey added further.

For more information about Lombard Risk and solutions, please visit [www.lombardrisk.com](http://www.lombardrisk.com).

### **🔗 About Lombard Risk**

Lombard Risk is the 2nd largest global provider of regulatory compliance and collateralised trading solutions to financial organizations and large corporations around the world. Our award-winning solutions help manage financial and counterparty risk and ensure regulatory compliance so that our clients can stay a step ahead of complex trading demands, changing market conditions, ongoing financial and operational pressures, increasing regulatory demands, and a host of other financial compliance mandates.

Founded in 1989, and headquartered in London, Lombard Risk has worldwide offices in New York, Shanghai, Hong Kong, Singapore and Johannesburg. Our clients include numerous banking businesses including over 20 of the world’s top 50 financial institutions, nearly half of the 340+ banks operating in the UK, as well as several industry leading investment firms, asset managers, hedge funds, fund administrators, and large corporations worldwide.

### **🔗 Enquiries**

#### **Lombard Risk**

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