Duties to clients - extension
Lecture outline

- Duties to Clients – Bankers Trust case study
- MiFID (Markets in Financial Instruments Directive) – European Commission
STANDARDS IN REAL LIFE
– Bankers Trust case study
Bankers Trust

- The clients: Federal Paper Board Company, Gibson Greetings, Air Products and Chemical, and Procter & Gamble
- The charge: misleading with respect to the riskiness and value of derivatives purchased from the bank
- The result: 171 million USD fine and lost reputation costs
- The hardside and softside of solution: policies, limits and systems versus people, culture and incentives
MiFID - Markets in Financial Instruments Directive
MiFID – guest speaker presentation outline

- MiFID – Overview and key changes introduced
- MiFID Topics:
  - Client Classification
  - Investment Services
  - Conflicts of Interest
  - Inducements
  - Best Execution
  - Information to the client
Bibliography

- Regulation (EC) No 1287/2006 of 10 August 2006 – requirements for transactional registers, financial instruments admitted to public trading and market transparency