

Wallstreet Suite

Comprehensive, cross-asset investment and debt management solutions for financial institutions and corporations

www.wallstreetsystems.com



FACT SHEET: THE SOLUTION FOR SARBANES OXLEY IN TREASURY



Complying with Sarbanes Oxley can be a pain for any organization unless you have the appropriate technology in place. Wallstreet Suite is an integrated solution that reduces the pain of SOX compliance quickly and cost effectively.

BUSINESS CHALLENGES

Section 404 of The Sarbanes Oxley Act requires companies to have a framework for proper internal controls in place that can ensure efficient operations, reliable financial statements and compliance within laws and regulations. Since The Sarbanes Oxley Act came into force, treasurers have been looking for system support to put such a framework in place and meet the necessary requirements.

KEY FEATURES



To ensure compliance, organizations must define a framework for control, the most common of which is the COSO Internal Control which consists of five inter-related components. These are derived from the way management runs a business and are integrated within the management process. The components are:

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring

Wallstreet Suite covers all components within its framework.

CONTROL ENVIRONMENT

“The control environment sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure.”¹

In Wallstreet Suite the control environment is built into the system from the outset. Changes in the system are logged and an audit trail exists for all entries. There are flexible and configurable rules enabling you to configure, manage and control virtually any process and change within the system.

RISK ASSESSMENT

“Risk assessment is the identification and analysis of relevant risks to achievement of the objectives, forming a basis for determining how the risks should be managed.”¹

By using Wallstreet Suite’s valuation engine, you can measure the risks that your financial positions carry, as well as seeing the risk in real-time in Treasury Monitor. This gives you the choice of more than 300 risk figures in real time. The real-time engine is especially important in the financial market where volatility is high and prices change by the second.

Wallstreet Suite lets you evaluate the common instruments as well as taking advantage of our complete rate of instruments to accurately measure the risk of all products including structured products and complex derivatives. Furthermore, Wallstreet Suite lets you stress test positions by changing the market prices and allowing you to observe the effect on the positions. This enables you to test all of your worst-case scenarios. Wallstreet Suite also calculates Value-at-Risk in real-time allowing you to see your Value-at-Risk change when market rates change, and when you add new transactions to the position.

CONTROL ACTIVITIES

“Control activities are the policies and procedures that help ensure management directives are carried out.”¹

Within Wallstreet Suite, there are many possibilities to authorize, verify, reconcile, review performance, secure your assets and segregate duties. The advanced rules engine lets you build your own rules, workflows, and verification processes, for example, you can define how many approval levels a transaction must go through, or determine who has access rights on a portfolio. Application access rights e.g. read/update, are also controlled using the same flexible rules. In essence, the rules let you secure the segregation of duties and let you define the four eyes or six eyes principles as required.

Limit Monitor lets you control limits in real-time. You can define your own limits including counterparty limits, country limits, issuer limits, settlement limits, or dealer limits in order to maintain a tight control. Furthermore, Wallstreet Suite lets you produce daily activity reports to check that all activities have been executed.

Wallstreet Suite lets you reconcile your transactions and positions with your counterparty's positions. For example, you can reconcile your banks' statements with your payments or the security positions with your own records. You can also automate the process so that you only need to deal with the exceptions.

Wallstreet Suite's Performance Monitor lets you compare your position and performance against your own pre-defined benchmarks or industry benchmarks.

INFORMATION AND COMMUNICATION

“Pertinent information must be identified, captured and communicated in a form and timeframe that enable people to carry out their responsibilities... There also needs to be effective communication with external parties, such as customers, suppliers, regulators and shareholders.”¹

Wallstreet Suite's real-time reporting contains all information necessary to perform daily tasks. You can customize the menu from the outset to guide the user's daily tasks and ensure tasks are not forgotten. You can also make users aware of their duties using the Event Diary Report, which lists events that need to be completed in the near future, such as interest fixings or corporate actions.

Within the transaction flow, Document Manager can send messages to third parties both internally and externally thus ensuring people receive the required information in a timely manner. At the same time, you can produce customized management reports to keep the top management informed about the positions and risks.

Through Wallstreet Suite's accounting solution, you can transmit accurate, compliant and auditable information about your financial position to external parties, such as investors, banks and lenders. You can also compile and aggregate data to generate compliance reports for various authorities to meet these requirements.

MONITORING

“Internal control systems need to be monitored – a process that assesses the quality of the system's performance over time.”¹

Wallstreet Suite enables you to monitor the compliance and internal control system. By reporting on positions overtime, you can see if there has been any significant development in the positions. Furthermore, you can customize reports to give you running statistics, for example, you can see statistics for the number of failed trades, trades not settled or not confirmed in time for a specific period. You can also list the breaches of limit overtime to control whether the number of breaches is constant or if there has been any development in limit breaches. This could indicate the start of a compliance problem.



BUSINESS CHALLENGE

A FRAMEWORK FOR
INTERNAL CONTROLS TO
COMPLY WITH SECTION
404 OF THE SARBANES
OXLEY ACT

WALLSTREET SUITE SOLUTION

- ▶▶ Wallstreet Suite solution lets you become Sarbanes-Oxley Act compliant with minimal effort, as the system has been designed from the start by experts with everything you need to build a control environment that can measure your risk and control your activities. Wallstreet Suite helps your employees to understand and execute their job roles and daily functions accurately and serves as an efficient communication tool. Ultimately, Wallstreet Suite helps monitor the quality of the controls overtime.

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