

Corporate Governance for Investments, Mergers & Acquisitions



DIFX | Academy
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Mitigate your risk Maximize your return

May 3, 2007
Dubai, U.A.E.



**Offered In Association
With:**

**Hawkamah Institute for
Corporate Governance and
the Institute of International
Finance (IIF)**

Background

Good corporate governance – well-defined shareholder rights, a solid control environment, high levels of transparency and disclosure, and an empowered board of directors – make a company both more attractive to investors and lenders. As more and more companies from the MENA countries engage in cross border investments, particularly in other emerging markets, leading companies have realized that examining good corporate governance practices are key in minimizing the company's risks.

Hawkamah and the Institute of International Finance (IIF) have designed a corporate governance training program for asset managers, recognizing the key role asset managers play in advancing corporate governance and risk management. The main objective of the training program is to educate asset managers on corporate governance, as well as work with firms to develop a corporate governance questionnaire as part of the risk assessment strategy for companies. Building on experiences from emerging markets, the program will take the asset managers through the corporate governance assessment process and eventually work with them to develop an assessment framework suitable for their companies.

Who Should Attend?

- ◆ Asset managers of investment companies
- ◆ Mutual fund managers
- ◆ CEOs/CFOs

Why Attend?

- ◆ Introduce key theories of corporate governance
- ◆ Provide analysts with a framework to assess corporate governance in companies
- ◆ Develop an awareness of practical problems associated with interaction of the board, CEO, management and shareholder in a company
- ◆ Highlight common corporate governance concerns or red-flags in emerging market companies
- ◆ Help analysts develop skills necessary to evaluate the corporate governance of a company from the perspective of an investor or potential investor in the company.
- ◆ Introduce practical solutions to increase net worth of companies through improved corporate governance

Take Away

- ◆ What is corporate governance?
- ◆ Why is it important to analyze corporate governance of a potential acquisition?
- ◆ How should an analyst assess the governance of a potential acquisition or company?
- ◆ What are common corporate governance-related concerns or red-flags in emerging market companies?
- ◆ What corporate-governance related improvements can be introduced by asset managers to increase returns on investments?

The program will run from 08:30 till 16:30 hrs with lunch, snacks, and coffee breaks served in between.



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Program Details: Course Outline

Module 1: Introduction to Corporate Governance

- ◆ What is corporate governance? Why does it matter?

- ◆ Concepts of corporate governance:
 - Fiduciary duty
 - Principle-agent relationship
 - Independence
 - Executive vs. Non-executive directors
 - Outside vs. Inside directors

- ◆ Framework of corporate governance in countries

Module 2: Tenets of Good Corporate Governance

- ◆ Minority shareholder rights:
 - Voting rights
 - Shareholders meeting

- ◆ Structure and responsibilities of the board of directors:
 - Board structure
 - Disclosure
 - Other responsibilities

- ◆ Accounting and Auditing/Financial transparency:
 - Standards
 - Audit Committee

- ◆ Transparency of Ownership and Control

- ◆ Regulatory Environment

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Program Details: Course Outline

Module 3: Corporate Governance concerns in emerging market companies

◆ Family controlled companies:

- One man show – need to change culture
- Lack of independence on board – providing outside opinion
- Experience and skill of directors – directors to be appointed, some countries require genuine independent directors
- Conflicts of interest/ Related party transactions – need to improve financial dealings
- Transfer pricing
- Cross-holdings
- Compensation package – personal expenses
- Off-balance sheet transactions
- 2nd and 3rd generation infighting
- Succession issues

◆ State controlled companies:

- Appointment of senior staff
- Incentive systems
- Conflicts of interest/ Related party transactions
- Succession issues

◆ Complex organization structure – tax benefits, holding company structure

◆ Poor financial disclosure – change financial staff, post acquisition audits,

◆ Lack of MIS/internal audits etc. – establish system

Module 4: Case-study

Participants to evaluate corporate governance in a company using framework provided by IIF and Hawkamah

Module 5: Wrap-up

Develop questionnaire to assess corporate governance in potential target companies



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About the Instructor

Rakhi Kumar, IIF Corporate Governance Advisor

Rakhi has extensive experience in the field of corporate governance (CG) at the country and company level. Rakhi has also conducted CG training for credit analysts and developed modules for director training programs and case studies based on real life examples that deal with corporate governance, finance and mergers & acquisitions. Prior to joining the IIF, Rakhi worked in the Corporate Governance Group at Moody's Investor Service, New York and at the Yale International Institute of Corporate Governance. Rakhi holds an M.B.A. from Yale University and is a member of the Institute of Chartered Accountants of India.

About the IIF

The Institute of International Finance (IIF) is the world's only global association of financial institutions. A major source of data, analysis, and forecasts regarding emerging market economies, the IIF is also engaged in significant policy initiatives in the regulatory sphere and in emerging market finance on behalf of our more than 350 members. More information about the Institute can be found at www.iif.com.

About Hawkamah

Hawkamah Institute for Corporate Governance is an autonomous international association that aims to efficiently coordinate and sequent the designing, planning and implementation of corporate governance reforms and monitoring the outcome of corporate governance policies at the private sector level. Hawkamah assists the countries and companies of the region to develop sound and globally well-integrated corporate governance frameworks. More information about Hawkamah can be found at www.hawkamah.org.



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Other DIFX Academy Programmes

- Islamic Finance: Sukuk
- AAOIFI Shari'ah Standards
- Islamic Accounting Standards
- Islamic Capital Markets: Sukuk Instruments
- Introduction to Islamic Insurance (Takaful)
- Risk Management in Islamic Financial Institutions

Course Registration

Five Easy Ways To Register

By Telephone: + 9714 - 3612230

By Fax: + 9714 - 3612201

By E-mail: academy@difx.ae

By Post: DIFX Academy, Dubai International Financial Exchange, PO Box 53536, Dubai, UAE

By Website: www.difx.ae/academy

Enrolment Policies

Incidental expenses: The DIFX is NOT responsible for covering airfare or other travel costs incurred by delegates.

Cancellation Policy: A full refund of the course fee will be given for cancellations received up to the 10 working days deadline. Cancellation must be made in writing (letter or fax). No refunds will be given for cancellations received less than 10 working days before the event.

Disclaimer: The DIFX reserves the right to alter the contents of this programme and/or the course directors and/or venue due to circumstances beyond its control.

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Registration Form

- I am registering for 'Corporate Governance for Investments, Mergers & Acquisitions'. Fee: AED 5,135 or US\$ 1,395

Payment

Please make cheques payable to: "Dubai International Financial Exchange"

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