



# REGULATORY RULES MAPPING



Lysis Financial Governance Risk Compliance

## CHALLENGES

Getting and staying ahead of the regulatory landscape is the constant battle risk and compliance managers face on a daily basis.

Lysis Financial helps remove the unknown to equip you with the frameworks and structure to face regulatory challenge without concern.

We deliver clearly defined, tangible results with a known duration and cost

## ARE YOU LOST IN REGULATION?

One of the major challenges faced by regulated firms in the UK Financial Services Sector, is keeping up-to-date with the ever changing regulatory regime.

With an increasing number of regulatory bodies, the changing regulatory landscape and recently the Senior Managers and Certification regime (now under further review), putting managers directly in the firing line, risk and compliance functions are feeling the pressure to ensure they are fully aware of what their firms must do to maintain compliance.

At Lysis we have developed a full set of footprints for each section of the UK regulatory handbooks and guidance. Using these templates, we are working with our clients to map their permissions and business activities directly to these

rules and regulations, giving a complete and clear picture of exactly which regulations do and don't apply.



Mapping a path through regulation

## END TO END MAPPING

Regulatory rules mapping enables the senior managers and the firm to have the assurance needed to demonstrate to stakeholders, including the regulator, that they are fully aware of their regulatory obligations.

Taking the regulatory footprint, we map directly back to the firm's operations and controls environment, creating direct links between what the firm should be complying with and exactly how these obligations are met operationally. This second-tier matrix, maps directly to the controls including policies and procedures in place through the firm's enterprise risk and control framework. The mapping provides clear visibility of governance and ownership with 'line

of sight' precision, enabling the firm to quickly identify any compliance gaps whilst also ensuring that accountability and continuity are fully covered.

The first product of the mapping exercise is a comprehensive breakdown of applicable regulations, highlighting any gaps in awareness and subsequently compliance. It is immediately possible to prioritise the most important areas for attention as well as keeping an open and transparent relationship with the regulator and maintaining clear internal communications.



## REGULATION TO OPERATIONS MAPPING

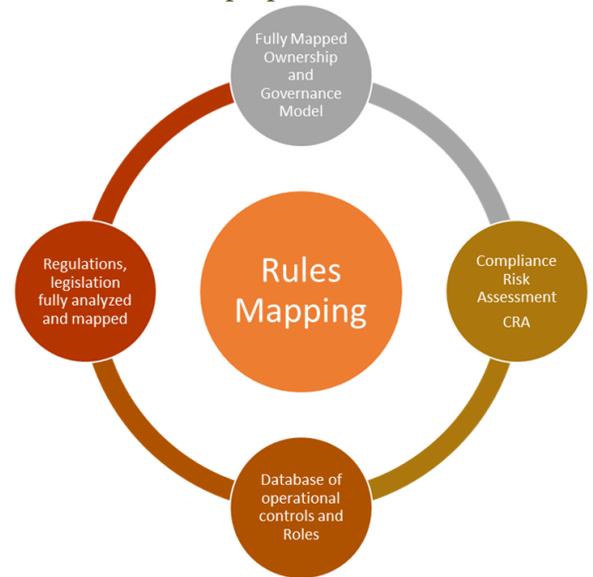
We examine each handbook and each piece of legislation in relation to your organisation and the type of regulated activity being carried out. We work with you to carefully map all the applicable rules and regulations to your firm's operations and governance frameworks.

The level at which the mapping is carried out depends on the complexity of your organisation and also the business requirements of your firm. The result is a reportable set of applicable regulations, linked to your business operations, not only demonstrating compliance, but also providing sound platform for ongoing management and strategy execution.

Following the rules mapping, Lysis will produce a Compliance Risk Assessment (CRA). The purpose of the CRA is to enable the Compliance function to target its activities, focus effectively and demonstrate the rationale for decisions made during the course of those activities. The CRA is an internal management tool to prioritise the Compliance Monitoring Programme (CMP).

The CRA does not take a narrow rules-based approach. Instead it seeks to consider both regulatory requirements and compliance risk to which the business is exposed. The CRA is based upon two initial assessments:

1. The Regulatory Footprint assesses the most important regulatory areas/chapters of the Regulatory Handbook(s) and other applicable regulations that apply to the different business areas of the firm; and
2. The Risk-based Footprint assesses the risks that apply to the different business areas based on intelligence and data from a range of internal and external sources, such as the current business risk assessments.



*“An essential compliance tool”*

Application	Handbook Section	Rule Mapping				Entity		Firm		Permissions	
		Sub-section	Sub-rule	Sub-rule #	Type	Yes	No	Yes	No	Yes	No
Principles	PRN 1	1	1	1	G						
	PRN 1	1	1	2	G						
Licensing and proper conduct in the financial markets	PRN 1	1	1	4	G						
	PRN 1	1	1	5	G						
Management of financial markets in the United Kingdom	PRN 1	1	1	8	G						
	PRN 1	1	1	8A	G						
Consequences of breaching the Principles	PRN 1	1	1	7	G						
	PRN 1	1	1	8	G						

Through the application of the Regulatory and Risk Based Footprints, it can be demonstrated where their constituent requirements impact the firm at differing levels within the organization.

Your Fully reportable database of 'rules to operations' will give you fast access to any section of regulation ensuring that you always have a clear picture of all your obligations, mapped activities and ownership. An essential compliance tool.

## Benefits to You

**A full and detailed analysis of your current regulatory permissions and business activities**

**Stage 1 Regulatory mapping  
Operational analysis**

**Stage 2 Operational mapping  
Full relationship mapping, including governance in a fully reportable solution**

**Compliance Risk Assessment with clear change roadmap**

**Complete peace of mind**

## HOW WE WORK

Our regulatory rules mapping delivers clearly defined, tangible results with a known duration and cost.

Beginning with an initial discovery phase, we work with you, understand and identify the gaps before setting out the steps to build the necessary capability and embedded process for permanent, long-term success.

Each phase is structured to meet key milestones and deliver specified outcomes. Our set programme reduces your risk by removing the open ended doubt that surrounds so many traditional consultancy engagements, which can leave you with little more than a set of questions and a large bill.

Choosing Lysis, you engage specialists to help overcome your challenges without the worry of loosely defined and open-ended contracts.

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*“We enable you to engage specialists to help overcome your challenges without the worry”*

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## ABOUT LYSIS

For the past 15 years, Lysis Financial has helped businesses reduce their operational losses, reduce the cost of borrowing and free up regulatory capital. Lysis embeds a risk-based strategic approach into its projects and operational decision-making, enabling our clients to be assured of sustainable success.

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