



جامعة الجميع الذكية
EVERYONE'S SMART UNIVERSITY

Everyone's Smart University

Assignment 1 (Spring 2021)

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The National Commercial Bank

What is the risk?	Why is this a risk?	What type of risk is it?	likelihood of the risk, impact?	strategy or policy to manage the risk
Fluctuation of Exchange Rates	Exchange rates changes very quickly based on many factors, Holidays, Bad News (war)	Opportunity Risk	Could happen on hourly, daily or monthly basis based on the frequent of the deal when buying the currency. It could impact the bank in millions either in profit or loss.	Some currency are bought in advance with fixed rate to mitigate or avoid the fluctuation.
Integration between NCB and Samba Bank	While integration is in process third party companies were assigned to integrate which is an exposure to both banks classified documents.	Hazard Risk	Exposure of both banks most classified cases could impact the customer's loyalty to the bank which could result in losing customers.	Segregation of duties to the third party companies would mitigate some of the risk rather than exposing all to one company.
Integration between NCB and Samba Bank's Customer accounts	Customers and both banks have a binding agreements to certain rates on loans, dividends, loyalty programs which will change due to the Integration	Control Risk	It is very likely to loose customers who will be losing more money due to increases in loans rates or less dividends or simply less rewards in loyalty programs	Setting a clear marketing campaign to the customers that loans rates, dividends, loyalty programs will not be impacted negatively
Integration between NCB and Samba Bank's Contract Agreements	Contracts between NCB or Samba with International or local entity could vary in terms of compliance terms and conditions	Compliance Risk	Some Contracts could be amended or addendum as per mutual agreement if applicable, if not losing potential, existing customers or profits is very likely to happen	Renegotiation of all the contract between the bank and its business partner before integration could make compliance requirements much easier to move after integration.