

Spring 2009—Albany, New York

(Crowne Plaza Albany; Albany, New York)

Module 1: May 5-6

Module 2: June 2-3

Module 3: June 23-24

Commercial Credit Fundamentals:

A comprehensive curriculum - Making the Commercial Credit Decision

Introduced to strong praise in 2007, the Commercial Credit Fundamentals curriculum consists of three two-day modules focusing on the commercial credit decision-making process. The curriculum is designed to build skills, increase confidence and enhance awareness of fundamental commercial financial and credit analysis tools.

Benefits: Using this program provides your bank with the opportunity to promote from within and build a credit staff that understands your unique mission and culture. Classroom sessions are highly interactive and include small group exercises to apply and reinforce all concepts. The course also includes two self-paced online courses—*Overview of Financial Statements* and *Fundamentals of Small Business Banking*—to ensure that all students have a common knowledge base coming into the class.

Designed for: New commercial lenders and credit analysts (typically 1 to 5 years experience), small business relationship officers and branch managers seeking to build credit skills.

Instructor: Jeff Judy, Jeff Judy & Associates, has over 30 years of experience in banking and credit training, and now heads his own consulting practice focusing on credit administration, credit training, sales training and culture. He has held a variety of credit-related positions and offers the expertise that only hands-on experience can provide. He is a long-time instructor at several national banking schools, including the ABA Commercial Lending School, and has designed and developed credit training curricula for all levels of experience.

Student comments from NYBA's 2007-2008 Commercial Credit Fundamentals classes:

"I have been to many training classes and this stands out as one of the very best. Jeff Judy has a talent for teaching and engaging an audience. He made clear concepts I had been struggling with for some time. All newer loan officers should take this class."

"Jeff has an excellent grasp of the materials and has a broad base of experience; his real-world examples added a lot to the course. The pace was fast-moving and the material was relevant to my job."

"This course was extremely beneficial to me as a new lender. I now approach my customers with far more confidence. I am able to drive the interview and extract needed information. I also find it easier to communicate with our credit analysts and loan committee."

Module 1: Assessing the Numbers and Individual Creditworthiness (2 days)

Accounting Review—discussion of accounting and financial statements issues related to the bank's use of financial information for credit evaluation purposes.

- Cash versus Accrual
- Balance Sheet Construction
- Income Statement Construction
- Common Size Calculation
- Ratio Calculation
- Case Studies and Exercises

Assessing the Individual Borrower—discussion of tools for assessing the individual as a commercial borrower and/or guarantor.

- Personal Financial Statement Analysis
- Individual Tax Return Analysis
- Personal Cash Flow Analysis
- Role of Guarantor and Assessment
- Case Study and Exercises

Module 2: Assessing Business Performance (2 days)

Business Financial Statements—focuses on the financial statement analysis framework and its use in performing credit analysis.

- Common Size Analysis
- Ratio Analysis/Interpretation
- Balance Sheet/Income Statement Linkage and Analysis
- Use of Cash Cycle Analysis to Identify Short Term Needs
- Use of Cash-to-Cash Cycle for Discussing Cash Impact by Type of Business
- Case Study and Exercises

Qualitative Analysis—provides tools to move from financial to credit analysis.

- Industry and Business Risk Analysis
- Management Analysis

Cash Flow Analysis—addresses key cash flow types (FASB, UCA, Traditional, Personal, and EBIT) and how each is used in the credit analysis process.

- Types of Cash Flow Analysis and their Use in Assessing Risk

Module 3: Assessing the Future/Structuring the Loan and Communicating the Decision (2 days)

Cash Flow Analysis—continued

- The Mechanics of each Cash Flow Type to Understand Information Source and Use in Assessment
- Manual Calculation of each Cash Flow Type to Understand Where and How Information is Obtained
- Case Study and Exercises

Loan Structure—focuses on approaches and tools for managing the credit risk.

- Types of Loan Structures
- Loan Management Tools, including Covenants, Collateral, Pricing
- Loan Monitoring, Credit Deterioration, Problem Loan Awareness

Communicating and Documenting the Loan Decision—focuses on activities related to tying the assessment together into a completed loan package.

- Loan Write-Up
- Legal Issues, including Lender Liability, Environmental Issues, Business Organization, and Loan Documentation
- Capstone Case Study

Getting the Most Out of Your Training Experience

This curriculum is built on the premise that learning takes place both inside and outside of the classroom. In addition to interactive classroom instruction, **participants are required to complete the following:**

Two Online Courses

Participants will be enrolled in two ABA eLearning courses—*Overview of Financial Statements* (balance sheet, income statement and cash flow statement) and *Fundamentals of Small Business Banking* (small business legal structures, the business operating cycle and life stages of a typical business).

Case Studies / Mentors

Each bank should assign a senior lender to serve as a mentor while the bank's employee is enrolled in this Commercial Credit curriculum. Following each session, participants will be assigned a project and/or case study to complete and review with their bank-assigned mentor. Mentors are encouraged to use this discussion as an opportunity to review and reinforce the classroom experience and relate it to internal policies and procedures.

Evening Work

In order to maximize the learning experience, participants will be required to complete a short exercise following the first day of each two-day module.

Registration Fees

Three modules and two online courses

\$1,535 members; \$1,700 non-members

Includes program materials, refreshments, lunch and online courses.

Dates and Location—Albany, NY

Module 1—May 5-6 2009

Module 2—June 2-3, 2009

Module 3—June 23-24, 2009

Location: Crowne Plaza Albany, State & Lodge Streets, Albany, New York.

Hotel Reservations: Call 518-462-6611 for reservations; mention NYBA meeting for group rate --\$169/night.

Schedule: Day One: 9 am—4:30 pm; Day Two: 8:30 am—4 pm

For More Information:

Please contact Elisa R. Legg, NYBA, at 212-297-1679, or elegg@nyba.com.

New York Bankers Association
99 Park Avenue, New York, NY 10016
www.nyba.com

REGISTRATION



Registrant Information – Commercial Credit Fundamentals

(please copy this form for additional registrants)

May—June 2009

Credit Fundamentals Curriculum (three modules/two online courses) \$1,535 NYBA members; \$1,700 non-members

Full Name _____

Title _____ Badge Name _____

Bank/Firm _____

Street Address _____ City _____ State _____ Zip _____

Email _____ Telephone _____ Fax _____

Fee Summary

\$ _____ total fee for this registration.

Cancellation Policy: Registrations cancelled by April 15, 2009, will be refunded in full. Registrations cancelled by April 24, 2009, will receive a 50% refund. Registrations cancelled within three days of the start of the session will not be refunded. Substitutions are permitted.

Method of Payment

Check payable to New York Bankers Association

Charge fees to credit card:
 MasterCard Visa

Card # _____ Exp. _____

Cardholder Sign _____ V-code _____

Name on Card _____

Return form to:

Commercial Credit Fundamentals
New York Bankers Association
99 Park Avenue, 4th Floor
New York, NY 10016
Fax: 212-297-1683

See back side of form for recommendations on developing and maintaining credit skills throughout your career.

NYBA USE ONLY		
Date Received	Check #	
CC Proc	Confirm Sent	eLearning Enroll

Bank Officer Approving Registration

Name _____

Title _____

Mailing Address _____

Phone _____ Fax _____

Email _____

I understand that employees registering for the full curriculum must complete one self-paced online course and three case study assignments in order to receive a certificate of completion.

Signature _____

I will serve as the registrant's Mentor.

Mentor, if different from above:

Mentor Name _____

Title _____

Phone _____ Fax _____

Email _____

Build Credit Knowledge for Career Advancement

Beyond the Basics

Designed for lenders who have a working knowledge of the material covered in the Credit fundamentals curriculum and wish to continue their credit training and development.

Central Atlantic School of Commercial Lending (1 Week)

State College, Pennsylvania—July 12-17, 2009
\$1,850 members, includes housing/\$350 single room

ABA National Commercial Lending School (1 Week)

Southern Methodist University, Dallas, Texas
April 18-24, 2009
\$2,195 ABA members; \$3,195 non-members, plus housing
Financial Statement Analysis pre-course—\$745 ABA members

Intermediate to Advanced Development

Designed for lenders with five or more years of experience who wish to enhance portfolio management and credit leadership skills.

ABA Graduate Commercial Lending School (1 Week)

Southern Methodist University, Dallas, Texas
April 18-24, 2009
\$2,195 ABA members; \$3,195 non-members, plus housing

All prices are subject to change.

Call 212-297-1679 for more information on any of these programs.

Suggestions for Learning Reinforcement and Extension

Bankers wishing to build an even stronger foundation in credit fundamentals may wish to enroll in an **AIB Online Course**.

These instructor-led online courses are offered throughout the year and are available 24/7 to accommodate all schedules.

Relevant courses include:

- Commercial Lending (\$385 member; \$485 non-member)
- General or Financial Accounting (\$485; \$605)
- Analyzing Financial Statements (\$485; \$605)
- Problem Loan Workouts (\$315; \$395)
- Understanding Your Construction Borrower (\$405; \$505)

For more information, go to:

www.nyba.com/education/aib_online.html

AIB Diplomas and ICB Certification offer career goals.

AIB Commercial Lending Diploma

www.nyba.com/education/aib_dipcert.html

ICB Certified Lender Business Banker

www.nyba.com/education/continuing.html

GSB Online Seminars: Advanced Management Training

The GSB Online Classroom is a convenient and cost-effective way to participate in advanced loan training. All sessions are delivered **LIVE** over the internet by leading industry professionals.

Sessions are presented by John Barrickman, New Horizons Financial Group; Richard Hamm, Advantage Consulting & Training; and Tom Farin, Farin & Associates and offered twice annually. Topics include:

- Tools for Managing Portfolio Credit Risk
- Best Practices in Credit Risk Management
- Business Cash Flow Concepts
- Predicting Portfolio Credit Quality
- Advanced Cash Flow & Loan Structure Analysis
- Pricing Loans for Improved Profits
- Commercial Real Estate Appraisals
- Analyzing Cash Flow from Income-Producing or Rental Real Estate

For more information: www.nyba.com/education/gsb_online.html



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