

Basel III

and best practice Risk Management Techniques

The most successful Basel programme in Africa for the past 4 years.

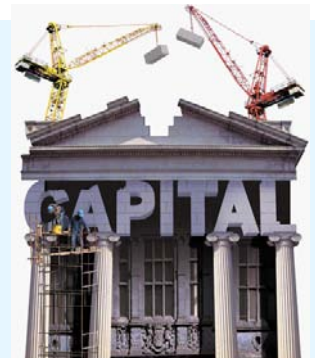
More than 200 satisfied delegates can't be wrong!

What the programme is about:

Understanding the application of the Basel Accord to the day-to-day lives of corporate, investment and retail bankers.

What it is not:

An academic exposé on the respective merits of various statistical techniques or risk models, which are not the main focus of the Basel Accords and of little relevance to most bankers in any case.



Basel III capital ratios need to double, say Bank experts

Financial Times, 28th January, 2011

Share the experience by joining us on

26th - 27th May, 2011 at the Fiesta Royale, Accra



Jean-Charles spent seven years in the Credit, Corporate and Investment Banking divisions of Citibank, including three years in the World Corporation Group in London as Vice-President managing a portfolio of UK multinationals on a worldwide basis.

He subsequently worked as Director of Project Finance and Acquisition Financing for Security Pacific in Frankfurt before returning to South Africa in 1993 as Head of Corporate Banking (Senior Vice-President) for the local operation of ABN-Amro.

Jean-Charles has broad credit experience gained over 20 years as credit analyst, credit officer and credit committee member at Citibank and ABN-Amro,

covering Corporate Banking, Financial Institutions, Structured finance, Leveraged transactions, Asset securitisation and Derivatives.

He provides in house training to international financial institutions such as Barclays, ING, Deutsche Bank, Citibank, Nordea, CIBC, Royal Bank of Scotland, Merrill Lynch and West LB and runs public courses in the UK, Honk Kong, South Africa, Singapore and the Middle East.

He also assists banks with the hands on implementation of the Basel II Accord in a consulting capacity.

He holds an LLB and an LLM in Tax Law from the University of Liège in Belgium.

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applied business knowledge

Programme Fee

**GHS 1500
incl VAT**

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s o l u t i o n s



Bizliteracy is a business training consultancy registered in Ghana and is dedicated to helping organisations create value through people. We are passionate about supporting our clients and their people develop the necessary skills and processes to improve business and personal performance.

OUR PEOPLE :

The Bizliteracy team is made up of experienced consultants with a passion for training and facilitation. Our team has practical experience of working in Strategy, Financial Management, Customer Service, Marketing, HR and Project Management functions within world-class organisations.

HIGH QUALITY TRAINING :

Our programmes are designed to ensure that both you and your organisation get the maximum return on investment. All of our programmes are delivered by a team of highly qualified, experienced and specialist trainers. They share cutting edge experience in the field in which they train and have exemplary presentation skills.

We develop employee training and development solutions with professional account management and a flexible approach to fees to fit your budget.

VALUES:

We have a set of bizliteracy values that underpin the way we work. These are:

Customer focus: we place a premium on adding value to our clients, on meeting their needs and delivering excellent service

Learning: we continue to learn and develop and encourage others to do the same.

Integrity: we keep our promises, are open, honest and fair

Partnering: we place a premium on building close long term relationships that are both supportive and challenging, which provide inspiration and encouragement.

Passion: we work in areas and use approaches that we have energy for and are passionate about, we encourage others to do the same.

Diversity: we work with a diversity of associates, clients and approaches in order to increase the opportunities for creativity. We work from the basis that people generally want to be and do their best.

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Basel III ratios

Capital ratios, per cent

	Common equity	All Tier 1 capital	Total capital
Minimum Conservation buffer	4.5%	6.0%	8.0%
Minimum plus conservation buffer	2.5%		
Countercyclical buffer	7.0%	8.5%	10.5%
	0-2.5%		

Common equity or other fully loss-absorbing capital
Source: BIS

Programme description

The programme provides a comprehensive and critical review of the Basel II Accord and recent Basel III amendments. Beyond the specific provisions of the Accord however the programme is an introduction to the multitude of risks faced by banks and the risk management techniques used to address them.

The approach is practical focusing, through case studies and exercises, on

the implications of the framework on pricing, deal structuring, profitability and ultimately, competitiveness. The primary focus is on Credit Risk but the new Market Risk and Operational Risk Frameworks are also reviewed.

Background and Audience

The Basel II framework was first revised in July 2009 to address the severe problems experienced by banks in their trading books. In December 2010 however international regulators went further by agreeing on new rules to address the fundamental issues of capital adequacy, liquidity and pro-cyclicality.

A new definition of capital, a maximum leverage ratio, restrictions on bonuses and dividends are some of the measures which will have a critical impact on the banking industry in the years to come.

These are essential knowledge not only for compliance staff but for all those involved in the utilisation of the bank's capital and the pricing of transactions such as senior managers, credit and risk personnel as well as transactors and relationship managers.

By attending this programme, delegates will gain an understanding of:

- The Risk issues addressed by the Basel II Framework and the techniques used to mitigate them.
- The practical implications of the Accord in terms of pricing, returns and profitability of business lines and individual transactions such as loans, letters of credit, guarantees or derivative instruments.
- Credit risk mitigation techniques and how they impact capital requirements, returns and deal structuring.

- **The impact of the new set of rules known as Basel III**

Duration: 2 days

Prerequisites: understanding of basic accounting concepts.

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enriched business knowledge

Day One

Thursday 26th May, 2011

Background to the Basel Accord:

- Introduction to Risk Management
 - The leveraged nature of banking
 - Types of risks
 - Capital, Returns and Pricing
- The Basel I Accord-What is left.
 - Background and scope
 - Mechanics-definition of capital, provisions & risk weights
 - Risk weight, Credit Conversion Factors and Return on Equity.
 - Market Risk: the 1996 Amendment.
- Credit Risk management practices at best practice banks.
 - Internal Credit Ratings
 - Economic capital
 - Expected and Unexpected losses
 - RORAC / RAROC concepts
 - Pricing as a credit issue
 - Credit models: KMV Moody's, CreditRisk+ and CreditMetrics.
 - Credit portfolio management.

The Basel II Accord :

- Objectives
- The three pillars system
 - Capital Requirements: Standardised and IRB Approaches
 - Bank supervision
 - Market discipline
- Definition of Capital and Provisions
- **The new Basel III rules**
 - "Going Concern" and "Gone Concern" Capital
 - New definitions of Tier1 and Tier2
 - Maximum leverage ratio and additional capital buffer.
 - Forward looking provisioning
 - Liquidity ratios.

1. Credit Risk The First Pillar- Minimum Capital Requirements

- Analysis of the three Approaches: Standardised, Foundation and Advanced
- The Risk Weight Function, PD, LGD and EAD.
- Practical implications for business lines, capital allocation & pricing of transactions
- Case studies- calculation of capital requirements, pricing and returns.

The second Pillar- Bank Supervision

- The four principles
- Areas not covered in Pillar one.
- The July 2009 amendments

Day Two

Friday 27th May, 2011

The third Pillar

- Disclosure requirements
- The July 2009 amendments

Credit Risk Mitigation

- The use of guarantees, credit derivatives and collateral under the different approaches
- What has changed? Impact on deal structuring

Case studies: Structuring deals to achieve capital relief and maximize returns

Special Credit Exposures

- Specialised lending sub-classes
 - Project finance
 - Object finance
 - Commodities finance
 - Income producing real estate
 - High volatility commercial real estate
- Rules for Equity Exposures
- Rules for Securitisations

Credit Risk Capital requirements for OTC derivatives

- Current Exposure, VaR and IMM methods
- Case studies: capital requirements for OTC derivatives, including credit derivatives.

2. Market Risk

- Banking book and trading book concepts.
- The Standardised Measurement Method and VaR method
- The July 2009 amendments to the trading book rules.
 - Stress VaR
 - Rules for Securitised instruments
 - Rules for non-securitised instruments- The IRC.

3. Operational Risk

- Definitions and issues
- The three approaches
- Basel II requirements for the Standardised Approach
- Basel II requirements for the AMA (Advanced Measurement Approach)
- Operational risk events
- The role of Key risk scenarios
- Mapping operational risk case studies

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registration and further information

GROUP BOOKING DISCOUNTS*

- 3 delegates - 5% discount
- 4 delegates - 8% discount
- 5 delegates - 10% discount

*Available for delegates from one organisation attending the same programme. Not to be used in conjunction with any other discount offer

THIS DISCOUNT IS ONLY VALID FOR PAYMENTS MADE BEFORE THE PROGRAMME.

REGISTRATION

Basel III

26th - 27th May, 2011

Venue: Fiesta Royale, Accra

In order to guarantee a place on the programme delegates are kindly requested to register at least 2 weeks prior to the programme start.

PERSONAL DETAILS

Please print clearly or attach business card

Family Name (Mr/Mrs/Ms)

First Name

Position

Department

Company

Address

Postcode

Country

E-mail

Telephone

Fax

I understand and accept the booking terms & conditions

Signature

Date

METHODS OF PAYMENT

- Please Invoice me/ my institution. Purchase order no. _____
- CHEQUE enclosed with order for GHC _____ made payable to Bizliteracy Solutions

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I would like information on holding this programme in-house

PROGRAMME FEES

Standard delegate fee:

GHS 1500 incl VAT

Fees include all the tuition, full programme documentation, lunches and refreshments for the duration of the programme.

Incidental expenses: Bizliteracy is NOT responsible for covering airfare or other travel costs incurred by registrants. Delegates will be responsible for their own accommodation. Please note that Bizliteracy reserves the right to refuse admission to the training if proof of payment has not been received prior to the start of the programme. An invoice will be sent upon receipt of registration form. Payment must be received in full prior to the programme start.

Enquiries

Call +233 20 211 8000 / +233 24 200 3303.
Send an email to learn@bizliteracy.com

CANCELLATIONS AND TRANSFERS

Delegates unable to attend the programme may send a substitute delegate to the programme. Cancellations received in writing ten working days before the programme will qualify for a 50% refund. Cancellations received in writing with less than 10 working days' notice of the programme will carry the full liability of payment.

A full refund less an administration fee of US\$100 will be given for cancellation requests received up to 10 working days before the event. Cancellations must be made in writing (letter or fax) and reach this office before the 10 working day deadline. Delegates who cancel less than 10 working days before the event, or who don't attend, are liable to pay the full programme fee and no refunds can be given. However, if you wish to attend the next programme, and you have paid your programme fee in full, you will only be invoiced for 25% of that programme fee. Please note that you can transfer once only. Please note that the next programme must take place within 6 months of the initial application.

DISCLAIMER

Trainers and speakers are confirmed at the time of going to press, however, Bizliteracy reserves the right to change or cancel any part of its published programme or teaching faculty due to unforeseen circumstances

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