BASEL, ALM & CAPITAL MANAGEMENT SEMINAR

23 – 24 FEBRUARY 2015
The Forum At The Campus, Wanderers Building,
Cnr Sloane Street and Main Road, Bryanston, Johannesburg, 2021

INTERNATIONAL GUEST SPEAKER: PROFESSOR MOORAD CHoudhry
Includes a free copy of The Principles of Banking by Moorad Choudhry

ABOUT YOUR FACILITATOR

Professor Moorad Choudhry is at the Department of Mathematical Sciences, Brunel University. He is also Honorary Professor at Kent University Business School and Visiting Teaching Fellow at the Department of Management, Birkbeck, University of London.

Moorad has over 25 years’ experience in banking in the City of London and was latterly Treasurer at Williams & Glyn plc, Royal Bank of Scotland. Prior to that he was Head of Treasury at RBS Corporate Banking, Head of Treasury at Europe Arab Bank, Head of Treasury at KBC Financial Products and vice-president in structured finance services at JPMorgan Chase Bank.

Moorad is a Fellow of the Chartered Institute for Securities & Investment and a member of the Board of Governors of IFS-University College. He is Editor of Review of Financial Markets, and on the Editorial Boards of the Journal of Structured Finance, Qualitative Research in Financial Markets and American Securitization. He is author of The Principles of Banking (John Wiley & Sons 2012).

Moorad is also a highly experienced Facilitator at global conferences and we welcome his unique expertise and extensive hands-on experience.
MORNING SESSION:
Basel III implementation

Strengthening banking regulatory regimes and supervisory practices are core components of the Basel Committee's mandate. Consistency in the adoption and implementation of Basel standards is critical to improving the resilience of the global banking system, promoting public confidence in prudential ratios and encouraging a regulatory level playing field for internationally active banks.

The Basel Committee and its governing body, the Group of Governors and Heads of Supervision, have therefore set as a high priority the full and consistent implementation of Basel standards within the globally-agreed timeframe.

In this Seminar we have selected and will address key aspects of Basel III implementation that we believe deserve specific attention:

- Getting up to speed for LCR and NSFR
- Data management and data analytics
- Balance sheet optimisation for capital and liquidity
- Best practice liquidity risk management

AFTERNOON SESSION:
Strategic ALM and Capital Management

This section of the seminar is intended to engage on high-level principles with senior practitioners and executives who work directly or indirectly with the ALM function and apply ALM principles at the CEO and ALCO level when determining bank strategy.

Asset-liability management and liquidity management are the cornerstones of bank risk management. The premier executive challenge of the Basel III era is integrating these into bank strategy, such that they form an integrated part of every bank’s overall business model and drive customer engagement.

This advanced-level seminar is aimed at senior and experienced bankers and advisors and is of relevance to every member of a bank’s ALCO. It seeks to review key aspects of ALM and present the vital questions of how ALM, liquidity risk and ALCO governance should be set up and implemented at a bank. Delegates will be encouraged to critique different bank operating models and risk governance, with a view to determine collectively what represents business best-practice.

Key features:
- Strategy and capital
- Capital structure and management
- ALM introduction and overview
- Treasury operating model
- NIM and NII: the ALM framework for the Banking Book
- Liquidity risk management and funding policy
- Funds transfer pricing and asset-liability origination
- Liabilities strategy formulation
- Rating agency considerations
- Bank yield curve and asset origination pricing
- Interest rate risk management (Banking Book)
- Corporate governance and ALCO

Who should attend?
ALCO Membership / Treasury Senior Management
CFO / Finance Senior Management / CRO / Risk Senior Management
Heads of Business Lines
External senior Risk advisors / consultants

Copyright Paton Training 2014
All rights reserved
Bank ALCO Governance and Process Best-Practice

The “Dear CEO” letter issued by the UK FSA in January 2011 demonstrated the importance of a bank’s asset-liability committee (ALCO) process and the regard in which it is held by the regulatory authorities. The ALCO is an essential part of effective risk management infrastructure and capability.

This day 2 of the Seminar has been designed to raise awareness and understanding of recommended best-practice principles for ALCO governance and procedure.

Aimed at senior managers and executives in all types of banking institutions, as well as all staff involved in the ALCO process, Moorad presents essential tools and techniques of value in inculcating the right governance culture, as well as a range of templates that can be applied at any bank.

At the end of the day delegates will have an understanding of ALCO terms of reference formulation, a clearer understanding of how to formulate and drive the governance process in the most effective way and possession of a tool-kit of best-practice ALCO templates.

Key features:
- The role of the asset-liability committee in Bank governance and risk management
- Bank risk management operating framework
- Board and ExCo interaction

ALCO Organisation and Operating Framework
- Membership, responsibilities
- The ALCO Terms of Reference: best-practice framework
- Reporting line and Board-delegated authority
- Confirming the timetable and "standing items" diary
- Sub-committee organisation and reporting
  - Balance sheet management committee
  - Products pricing committee

ALM Policy Framework
- Policy approval process
- Appropriate policy-setting procedure: fitting policy in line with the bank operating model
- Hedging policy

Working as part of the Balance Sheet Risk triumvirate
- Effective interaction with CRO and CFO offices and committees
- Managing and driving balance sheet risk culture

The ALCO MI Pack
- Guidelines for constructing a fit-for-purpose MI deck
- Recommended ALCO MI pack template structure

WORKSHOP EXERCISE: Drafting the ALCO Agenda and MI Pack
- Balance sheet review: assessing items for the ALCO agenda
- Datasets for inclusion in MI pack
- Most effective way to communicate risk exposure data and MI
- Forward planning: the year’s schedule, agenda of standing items + schedule

Who should attend?
- All ALCO members
- Board NEDs
- Regulators / Regulatory reporting department
- Compliance and Internal audit
- External ALCO/ALM Consultants
EXCLUSIVE 2-HOUR CLIENT CONSULTING SESSIONS

Our seminar is limited to 2 days on this occasion. However, Moorad has reserved his 3rd day in South Africa for three 2-hour private consulting sessions to be held at Clients. These sessions can be used by Clients to effectively address internal specific company-relevant issues.

How to reserve a Client Consulting Session:
Refer to the Registration Form herein and select “YES” in the section “Attendance – Client Consulting Session”. Return the completed Registration Form to Vrindha@patontraining.co.za. The cost per private consulting session is R 25 000-00 and payment must be made in advance within 5 business days of the e-mailed confirmation by Paton Training of your Request for a Consulting Session, in order to reserve your time.

ABOUT THE BOOK

Professor Moorad Choudhry is author of the acclaimed The Principles of Banking (John Wiley & Sons 2012).

The ultimate guide for bank management: how to survive and thrive throughout the business cycle:
An essential guide for bankers and students of finance everywhere, The Principles of Banking reiterates that the primary requirement of banking – sound capital and liquidity risk management – had been forgotten in the years prior to the financial crash. Serving as a policy guide for market practitioners and regulators at all levels, the book explains the keys to success that bankers need to follow during good times in order to be prepared for the bad, providing in-depth guidance and technical analysis of exactly what constitutes good banking practice.

Accessible to professionals and students alike, The Principles of Banking covers issues of practical importance to bank practitioners, including asset-liability management, liquidity risk, internal transfer pricing, capital management, stress testing, and more. With an emphasis on viewing business cycles as patterns of stable and stressful market behaviour, and rich with worked examples illustrating the key principles of bank asset-liability management, the book is an essential policy guide for today and tomorrow. It also offers readers access to an accompanying website holding policy templates and teaching aids.

- Illustrates how unsound banking practices that were evident in previous bank crashes were repeated during the creation of the 2007-2008 financial market crisis
- Provides a template that can be used to create a sound liquidity and asset-liability management framework at any bank
- An essential resource for the international banking community as it seeks to re-establish its credibility, as well as for students of finance
- Explains the original principles of banking, including sound lending policy and liquidity management, and why these need to be restated in order to avoid another bank crisis at the time of the next economic recession
- Covers topics of particular importance to students and academia, many of which are marginally—if ever—addressed in current text books on finance
- Offers readers access to a companion website featuring invaluable learning and teaching aids
SEMINAR REGISTRATION FORM

Basel, ALM and Capital Management Seminar  
23 - 24 February 2015  
R 9 900 per person (excl. VAT) – 2-days  
Book before the 28th November 2014 and receive a 10% early booking discount = R 8 910 per person (excl. VAT)  
5-9 delegates: R 4 200 per person per day (excl. VAT)  
10+ delegates: R 3 950 per person per day (excl. VAT)  
Prices include a free copy of *The Principles of Banking by Professor Moorad Choudhry*

VENUE:  
The Forum At The Campus, Wanderers Building, Cnr Sloane Street and Main Road, Bryanston,  
Johannesburg, 2021

Please complete the following details and e-mail / fax to Paton Training:  
vrindha@patontraining.co.za or fax: 011 325-5402

<table>
<thead>
<tr>
<th>Delegate Name(s):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Title:</td>
<td></td>
</tr>
<tr>
<td>Company:</td>
<td></td>
</tr>
<tr>
<td>Postal Address:</td>
<td></td>
</tr>
<tr>
<td>Postal Code:</td>
<td></td>
</tr>
<tr>
<td>Physical Address:</td>
<td></td>
</tr>
<tr>
<td>Purchase Order No (if applicable):</td>
<td></td>
</tr>
<tr>
<td>Vat Number:</td>
<td></td>
</tr>
<tr>
<td>Contact Name (payment queries):</td>
<td></td>
</tr>
<tr>
<td>Contact Tel and e-mail:</td>
<td></td>
</tr>
<tr>
<td>Delegate cellphone number:</td>
<td></td>
</tr>
</tbody>
</table>

**Attendance:**

<table>
<thead>
<tr>
<th>Number of Seminar Delegates attending Day 1 &amp; 2:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Seminar Delegates attending only Day 1:</td>
<td></td>
</tr>
<tr>
<td>Number of Seminar Delegates attending only Day 2:</td>
<td></td>
</tr>
</tbody>
</table>

| Client Consulting Session request: | YES / NO |
TERMS AND CONDITIONS

- **Discount Policy:** Kindly note that it is not possible to utilise both group and individual discount structures as only one discount structure can apply.
- **Payment Terms:** Invoices are to be paid in full **6 weeks prior** to course commencement. If payment has not been received, delegates may not attend the Seminar.
- **Postponements:** 50% of the invoiced amount will be invoiced regardless of the notification period. This amount will be held for a period of 6 months in order to cover postponement costs. In the event that another course commences within a 6 month period, this amount will be applied to set-off part of such course cost.
- **Cancellations:** Written cancellation must be received no later than **4 weeks prior** to course commencement date. A 50% cancellation fee will be charged. If this written notification is not received timeously, you will be liable for the full amount. We do accept substitute attendees.
- **Delegate attendance:** We cannot be held responsible for lack of delegate attendance. You will be responsible for the full payment if delegates do not attend the Seminar or Consulting Session.

ATTENDANCE ACCEPTANCE

I ________________________________ Position and Company: ________________________________

____________________________________________________________________________________

Being duly authorised, hereby approve the terms and conditions above

_________________________________________  ________________________________

Signature Date

ABOUT PATON TRAINING

Paton Training provides performance improvement courses that can be customised to match exact client specifications. Using deep technical insight and drawing on an innate understanding of our clients’ goals, culture and priorities, Paton Training is able to provide innovative and relevant training solutions.

OUR COURSES INCLUDE


*Paton Training is a division of Paton Personnel (Pty) Ltd.*