

“ *The first bad bank loan was no doubt made around the time of the opening of the first bank.* ”

James Grant

LOAN RESTRUCTURING

For Senior SME and Commercial banking professionals with relationship and credit risk management responsibilities.

TRAINING
PROGRAMME

GBRW
learning

OVERVIEW

Advanced four-day blended training workshop, providing a comprehensive understanding of essential loan restructuring concepts, tools, and techniques.

Session I provides the participants an opportunity to discuss an array of restructuring themes, including the objectives of restructuring loans, and why terms and conditions are considered essential restructuring tools, and how they are used effectively.

During Session II participants discuss and apply such restructuring concepts as the asset conversion cycle, lending rationales, and explore how they are used to guide the restructuring process.

During Session III participants explore and apply tools for restructuring short and medium-term loans, and methods to estimate a "Haircut," and how to use cash flow recapture clauses to effectively improve the likelihood of full repayment.

During Session IV, participants are introduced to key workout matters to consider and a pragmatic approach for developing restructuring plans, including customary steps to contemplate, assessing the players' relative strengths, and mitigating lender's weaknesses.

WHO SHOULD ATTEND?

The course has been designed for Senior SME and Commercial banking professionals with relationship and credit risk management responsibilities. The Program also aims to strengthen these experienced banking professionals' abilities to coach and mentor junior staff members. The workshop is also suitable for junior and mid-career professionals seeking to improve their understanding and use of loan restructuring tools and techniques.

The workshop assumes participants have at least five years of work experience in a financial institution, of which two to three years have involved resolving problem loans. Consequently, such topics as financial statement and cash flow analysis and forecasting are presented as a high-level overview or "refresher," not comprehensively.

If you have asked the following questions, then program is definitely for you:

If you have asked any of the following questions, then this program is definitely for you:

- Why restructure a loan? If they didn't pay the original loan, why would they repay the new loan?
- What should be my goals when restructuring a loan and how do I measure success?
- How can I estimate and justify a required "haircut"?
- How can cash flow recapture clauses be used to improve the bank's position?

SHARING KNOWLEDGE, DEVELOPING SKILLS

OUTLINE



OBJECTIVES

At the conclusion of the program participants will be able to:

- Understand and discuss the reasons why lenders restructure loan and the benefit lender realize from restructuring loans.
- Understand, discuss, and apply appropriate strategies and responses when working with problematic borrowers.
- Understand, discuss, and effectively select and apply suitable tools to restructure short and medium-term loans, including permanent working investment.
- Understand, discuss, and be able to estimate required "Haircuts" based on a borrower's debt service ability, and use cash flow recapture clauses to effectively increase the probability of full repayment.
- Understand, discuss, select, and apply suitable workout options and strategies.
- Understand, discuss, and use sensible measures for developing and negotiating restructuring plans.

The format of presentations is designed so that participants can raise and discuss issues of specific interest in a relaxed and informal setting.

COURSE DELIVERY

- This four-day remote training course is delivered in four consecutive remote sessions, each session lasting four hours (**16 hours**).
- The remote sessions, incorporating breaks and breakout activities, are complemented by four (mandatory) self-paced eLearning sessions (**each lasting roughly 90 minutes**) that include videos and quizzes designed to augment participants' understanding and enhance the remote sessions' effectiveness.
- All hand-outs and instruction are in English; thus participants should have a good working knowledge of English.
- The course can be **customised** to the specific needs of the client, to ensure maximum relevance and benefit.
- Because the course involves participative group work on case studies, and considerable interactivity during tutorials, the number of participants is limited to **no more than 20**.

TRAINING SURVEY & POST-TRAINING EVALUATION:

To ensure that participants gain maximum benefit from the course, it is our practice to send a detailed questionnaire to all course sponsors or participants to ensure we fully understand their specific training needs and objectives. The completed questionnaires are analysed by the course instructor who will tailor the course content and style of delivery to the requirements of the participants. Following completion of the course, participants are asked to measure and assess the effectiveness of the training. The results are collated and reviewed, and the analysis shared directly with the relevant client stakeholders.

OUTLINE



Section I

Day One Remote Session

Pre-training eLearning Session

Themes and Essentials of Loan Restructuring

Review of Such Terms and Concepts:

- Big picture: What are we doing?
- Loan Restructuring Objectives.
- The Objectives of Managing Problem Loans.
- Causes of Problem Loans.
- The Process or Steps in Managing Problem Loans
- Stages of a Cash Crisis
- Steps to Getting Paid Out

Section III

Day Three Remote Session

Day Two eLearning Session

Restructuring Application

Review and Apply Tools For:

- Restructuring Short-term Facilities
- Restructuring Medium-term Facilities
- Financing Permanent Working Investment
- Estimating a "Haircut"
- Use of Cash Flow Recapture Clause

Section II

Day Two Remote Session

Day One eLearning Session

Restructuring Tools

Review and Discuss:

- The Use and Benefits of the Asset Conversion Cycle
- How Lending Rationales Guide the Restructuring Process
- Use, Importance and Benefits of Management Analysis
- How Loan Terms and Conditions are used as Restructuring Tools
- Role and Use of Financial Statement Analysis, including Forecasting

Section IV

Day Four Remote Session

Day Three eLearning Session

Workout Considerations and the Restructuring Plan

Review and Apply Pragmatic Approaches For:

- Workout Reasons, Options, Strategies and Alternative Solutions.
- Developing a Restructuring Plan
- Preliminary Considerations
- Assessing the Bank's Relative Strengths and Weaknesses
- Required Preparation
- Steps to Closing the Negotiation

DETAILS



ABOUT GBRW LEARNING

GBRW Learning is the training and knowledge-sharing arm of GBRW Limited. Founded in London in 1995 by a group of senior bankers GBRW's mission is to provide first-class consulting and training to banks and bankers in Emerging Markets, to the same standard as would be expected in developed markets. From our London headquarters and subsidiary offices in Washington DC and Singapore we have served clients in more than 50 countries in Europe, the Middle East, Africa, Asia and the Caribbean. Our clients include banks and other financial institutions, governments, and economic development agencies and institutions.

Through our training programmes we share the experience and knowledge of our experts with bankers in Emerging Markets, supported by high quality materials and taking advantage of the latest technologies. Our courses are all highly inter-active, and make use of carefully designed case studies and simulations. We offer a range of training topics for banks and financial institutions including:

- Strategy & Management – Formulating, Implementing & Monitoring Strategy
- Risk Management – Credit, Market & Operational Risk
- SME Banking – Customer Relationship Management; Credit Risk Management
- Retail Banking – Customer Relationship Management, Distribution Strategy, Product Management, Credit Risk
- Corporate Banking – Customer Relationship Management, Credit Risk Management
- Governance, Regulation & Compliance
- Financial Markets

TOOLS, MODELS & TEMPLATES

Courses are supplemented with a range of practical documented methodologies, models, tools, and templates refined from best practice, and tried and tested in a range of leading banks. Participants can take these back to the workplace to adapt and apply, and wherever appropriate, to make a tangible improvement to policy and practice in their own institution.

THIS COURSE INCLUDES:

- ✓ Tools for estimating the appropriate amount and tenor of a line of credit
- ✓ Tools for estimating debt capacity
- ✓ Tools for estimating a required "haircut"
- ✓ Video clips of the remote sessions

Loan Restructuring Training

INSTRUCTOR



Nate Dickerson
Director,
GBRW Consulting



GBRW Director Nate Dickerson, is a seasoned banking consultant with over thirty-five years of experience within the financial service industry, initially as a commercial lender and subsequently as a consultant and training and development specialist.

As a commercial lender, Nate enjoyed a thirteen-year career with The Chase Manhattan Bank, N.A., where his experiences included commercial lending, credit administration, corporate finance, as well as domestic and international debt restructuring, within the United States and South America. As a banking consultant, he has provided advisory services within the United States, as well as Bosnia and Herzegovina, Cambodia, China, Ecuador, Egypt, Jamaica, Jordan, Kazakhstan, Kenya, Laos, Lebanon, Mauritius, Mexico, Moldova, Mongolia, Nigeria, Panama, Paraguay, Serbia, South Korea, Sri Lanka, Tajikistan, Tanzania, Thailand, Ukraine, Venezuela, and Vietnam.

Nate regularly runs courses on such topics as Problem Loan Management, SME Lending Risk Management, Understanding and Appraising a Business Plan and Strategic Marketing for Senior Management. To find out more about Nate, his credentials, and previous experience, please visit his LinkedIn profile page at:

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FOR MORE INFORMATION REGARDING THIS PROGRAM OR TO ARRANGE A BOOKING, PLEASE CONTACT NATE DICKERSON AT:
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For more information regarding GBRW Learning, visit our website at:
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