

**SNL**Center For Financial Education

www.snlcenter.com



11th Annual

# **ANALYST TRAINING**

in the Banking and Insurance Sectors

A comprehensive introduction to the analysis  
of publicly-traded banks, thrifts and insurers

Bank and Thrift program: August 11-13, 2008

Insurance program: August 13-15, 2008

Entire program: August 11-15, 2008

At the Darden School of Business

University of Virginia

Charlottesville, VA

**Note: This brochure is from  
the August 2008 session.  
Agenda, speakers and  
pricing are subject to change.**



**A thorough introduction to analysis in the complex and highly-regulated sectors of banking and insurance**

**Taught by a specially-assembled team of industry practitioners and respected academics**

**Provides the fundamental frameworks and illuminates the current financial environment**

**An unsurpassed opportunity for learning and networking**

**Note: This brochure is from the August 2008 session. Agenda, speakers and pricing are subject to change.**

# Analyst Training in the Banking and Insurance Sectors

Combining fundamental instruction with topical commentary, SNL's Analyst Training is **designed for analysts, investors and industry professionals** seeking an understanding of the analysis of publicly-traded banks, thrifts and insurers in the context of the current volatile financial environment.

## BANK & THRIFT PROGRAM

Monday, 8/11 - Wednesday, 8/13

Introduction to Bank and Thrift Analysis  
Assessing Interest Rate Risk  
Advanced Topics in Interest Rate Risk  
Advanced Bank and Thrift Analysis  
Evaluating Macroeconomic Trends  
Accessing and Managing Capital  
Fundamentals of Bank Valuation  
Advanced Topics in Bank Valuation  
Credit Analysis  
Securitization  
Bank Valuation: A Case Study

## INSURANCE PROGRAM

Wednesday 8/13 - Friday 8/15

Evaluating Property and Casualty Insurers  
Property and Casualty Pricing Cycles  
Evaluating Life and Health Insurers  
Life and Health Product Issues  
Loss Reserves  
Fundamentals of Insurance Valuation  
Advanced Topics in Insurance Valuation  
Capital Management and Credit Ratings  
Evaluating an Insurer: A Case Study

**Note: This brochure is from the August 2008 session. Agenda, speakers and pricing are subject to change.**

**“Great exposure to diverse views and current thinking.”**

S. Agin, Analyst, Investment Banking, Stifel, Nicolaus & Co.

## Past Participating Organizations

A.G. Edwards & Sons  
A.M. Best Company  
ABN AMRO Incorporated  
ACE Limited  
AIG  
Alaska Permanent Capital Management Company  
AllianceBernstein.  
Allied Capital Corporation  
Allstate Insurance Company  
American Express Company  
Aquiline Holdings LLC  
Ariel Capital Management  
Arkansas Insurance Dept.  
Atlantic Equities LLP  
Aon Corp.  
Bank of America Corporation  
Bank of Florida Corporation  
Bank of Scotland  
Bank of the West  
BankAtlantic  
Bank Resources, Inc.  
BankUnited Financial Corp.  
Barclays Global Investors  
Barington Capital Group  
BB&T Corporation  
Bear Stearns & Company  
Bellerophon, LLC  
Belvedere Capital Partners  
BKD Financial  
BNP Paribas  
Boenning & Scattergood  
Boston Consulting Group  
Brahman Capital Corp.  
Bristlecone Value Partners  
Bryn Mawr Capital  
Canyon Partners, Inc.  
Capital Bank Corporation  
Capital One Financial Corp.  
CapitalSouth Bancorp  
Carson Medlin Company  
Carlyle Group L.L.C.  
Century Capital  
Chaffe & Associates  
Chase Investment Counsel  
Chubb Group  
CIBC World Markets  
Cincinnati Financial Corp.  
Citigroup  
CIVC Partners



## Who should attend:

- **Analysts and associates** in equity or fixed income research, asset management or investment banking seeking a comprehensive introduction to the analysis of banks or insurers
- **Financial analysts, corporate development and investor relations professionals** at financial institutions and insurers who want insight into the analysis of their own companies and techniques for evaluating their peers
- **Private equity and other investors** seeking insight into the sectors
- **Consultants and accountants** who advise financial services clients
- **Regulators** responsible for the banking or insurance sectors

## Topics include:

- The fundamental earnings metrics, valuation multiples and accounting adjustments used in **financial statement analysis**
- The effective use of **valuation techniques and analytical tools**
- Identifying and assessing the economic and competitive **forces affecting the sectors**
- Strategies for **accessing capital markets and managing capital**

- ▶ This program presumes familiarity with basic accounting and finance concepts, including financial ratios and discounted cash flow analysis. Prior to the program, participants will receive materials for the program's case studies, as well as reading for participants for who are new to the sector.

**Note: This brochure is from the August 2008 session. Agenda, speakers and pricing are subject to change.**

## Monday, August 11

Registration opens at 7:30 a.m. Program begins at 9:00 a.m.

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### **INTRODUCTION TO BANK AND THRIFT ANALYSIS**

Mr. Scott Siefers, Managing Director, Sandler, O'Neill & Partners

- Overview of the bank and thrift business models
- Identifying sources of revenue and risk
- Interpreting and calculating key performance and financial strength metrics, including efficiency ratio, net interest margin, asset quality and reserve coverage ratios

### **ASSESSING INTEREST RATE RISK**

Dr. William McGuire, President and Chief Executive Officer, McGuire Performance Solutions

- The fundamental concepts of balance sheet behavior and asset-liability management
- Floating versus fixed rate exposures
- Interest rate risk patterns
- Common methods used by financial institutions to measure and manage interest rate sensitivity
- Analyzing bank and thrift interest rate risk data to predict changes in income and equity

Lunch 12:30 p.m.-1:30 p.m.

### **ADVANCED TOPICS IN INTEREST RATE RISK**

Dr. William McGuire, President and Chief Executive Officer, McGuire Performance Solutions

- Significant interest rate risk influences, including embedded options and core deposits
- Strategies for hedging balance sheet risk
- Using interest rate risk disclosures to assess an institution's earnings outlook and quality

### **ADVANCED BANK AND THRIFT ANALYSIS: EARNINGS QUALITY AND RISK**

Mr. Bradley J. Ness, CEO and Portfolio Manager, Choral Capital Management, LLC

- Sources of data critical to analyzing a bank's reported earnings and underlying economic health; deciphering quarterly and annual results
- Assessing earnings quality and capacity: recurring and core earnings
- Techniques for normalizing earnings among companies
- Understanding capital structure and its impact on earnings and return metrics
- Case study: comparing banks

Program ends for the day at approximately 5:00 p.m.. followed by networking cocktail reception.

**“Well organized and informative to any analyst”**

J. Jamison, Equity Research Associate, FTN Midwest Securities

Cohen Bros. & Company  
Comptroller of the Currency  
Cougar Trading LLC  
Countrywide Financial  
Credit Suisse  
D.A. Davidson & Co.  
Deloitte  
Deutsche Bank  
DMCK, Inc.  
Dupont Capital  
East West Bank  
Eaton Vance Corp.  
Edward Jones & Co.  
Employees Retirement  
System of Texas  
Endicott Group  
Endeavour Capital Partners  
Endurance Capital  
Ernst & Webb  
Federal Home Loan Bank  
Federal Reserve Board  
Ferris, Baker Watts  
Fidelity Investments  
Financial Stocks, Inc.  
Fifth Third Bancorp  
First Manhattan Company  
First Southwest Company  
Fitch Ratings  
Fox-Pitt Kelton  
Friedman, Billings, Ramsey  
FTN Financial Securities  
GE Capital Corporation  
Genworth Financial  
Goldman Sachs & Co.  
Great Oak Advisors  
Greenleaf Financial Group  
Greenwich Capital Markets  
Griffin Financial Group, LLC  
Guaranty Bank  
Hales & Company Inc.  
Hanmi Financial Corp.  
Hanover Insurance Group  
Harris Bank  
Harris Nesbitt .  
Hartford Insurance Group  
HBK Investments L.P.  
Helaba  
Hovde Financial, Inc.  
Howe Barnes Investments  
HSBC USA  
IndyMac Bank

## Tuesday, August 12

Program begins at 8:30 a.m.

### EVALUATING MACROECONOMIC TRENDS

Mr. Gerard Cassidy, Managing Director, RBC Capital Markets

- The key macroeconomic conditions influencing performance and valuation
- Understanding previous cycles and their application to current conditions
- Understanding leading and lagging macroeconomic indicators
- How bank managers and investors can maximize profit regardless of operating conditions

### KEYNOTE ADDRESS: STATE OF THE INDUSTRY

Mr. Lawrence Seidman, Manager, Seidman & Associates, LLC

- One of the most well-known and vocal bank investors, and former Director and Chairman of several banks, Mr. Seidman will share his thoughts on the bank sector's current operating, regulatory and investing environment.

Lunch 12:00 p.m-1:00 p.m.

### ACCESSING AND MANAGING CAPITAL

Mr. James C. Mabry, Managing Director, Keefe, Bruyette & Woods

- Types of capital available to banks, their advantages and disadvantages
- Effects on the balance sheet and income statement
- Regulatory capital definitions and requirements
- Capital raising in down market cycles

### FUNDAMENTALS OF BANK VALUATION

Dr. Yiorgos Allayannis, Professor of Business Administration,  
Darden School of Business, University of Virginia

- Fundamental techniques used in valuing banks and thrifts: peer comparables, deal comparables, discounted dividend and discounted cash flow analyses
- Capital Asset Pricing Model and cost of capital
- Key drivers of valuation
- Relative merits of different valuation techniques

OR

### ADVANCED TOPICS IN BANK VALUATION

Mr. Christopher M. Olsen, Vice President, Hovde Financial, LLC

- Techniques for evaluating a potential bank merger or acquisition
- The potential impact of synergies
- Identification and valuation of intangibles
- Economic and accounting accretion/dilution
- Current valuation trends

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## Tuesday, August 12 (cont.)

### CREDIT ANALYSIS

Mr. David A. Hendler, Senior Analyst, CreditSights, Inc.

- Key metrics used to assess a bank's credit quality
- Earnings power, embedded risk, funding and liquidity, and capital adequacy
- Assessing risks: credit, interest rates, market, operational
- Differing views: management, regulators, creditors, and shareholders
- The fixed income investor perspective

Program ends for the day at approximately 5:00 p.m. Choice of evening activities (included with your registration): Tour of Thomas Jefferson's home, Monticello, or vineyard tour and tasting.

## Wednesday, August 13

Program begins at 8:30 a.m.

### SECURITIZATION

Dr. Tayfun Tuzun, Structured Finance Manager, Fifth Third Bank

- The securitization process and assessing risk to issuers and investors
- Public versus private issuances
- Product structuring: excess spread, reserving, subordination and over-collateralization
- Gain-on-sale accounting
- Current market and outlook for securitizing bank assets

### BANK VALUATION: A CASE STUDY

Mr. Michael Rosinus, Managing Partner and Senior Portfolio Manager,  
Rosinus Financial Fund LP

- A hands-on analysis and valuation of a publicly traded financial institution as a potential investment or acquisition target
- Employs the metrics and methods presented in preceding sessions

Program concludes at approximately 12:30 p.m.

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**“Enlightening to learn the intricacies of how Wall Street evaluates our company.”**

M. Rosen, Team Leader, Genworth Financial

Ivory Capital Group LLC  
 JCK Partners  
 JP Morgan Chase & Co.  
 John Hancock Financial Services  
 Juniata Valley Financial  
 Keefe, Bruyette & Woods  
 Kestrel Investment  
 KeyBanc Capital Markets  
 Kingdon Capital  
 Koch Asset Management  
 LaSalle Bank NA  
 Legg Mason  
 Lehman Brothers  
 M&T Bank Corporation  
 ManuLife Financial  
 Margolin & Associates  
 Markel Corporation  
 Marquette Bank  
 Maverick Capital  
 MB Financial Bank  
 McKinsey & Company  
 Mendon Capital Advisors  
 Merrill Lynch & Company  
 Metavante Corp  
 MetLife, Inc.  
 Midwest Banc Holdings  
 Moody's Investors Service  
 Morgan Keegan & Company  
 Morgan Stanley  
 Morningstar  
 Mutual of America Capital Management  
 Navigant Consulting, Inc.  
 New England Research & Management, Inc.  
 Northfield Bank  
 Northern Trust Company  
 Nomura Research Institute of America  
 Office of Thrift Supervision  
 Osprey Partners  
 PartnerRe  
 PICC Property & Casualty  
 Piper Jaffray & Co.  
 PricewaterhouseCoopers  
 Prudential Insurance Co.  
 Prudential Equity Group  
 Raymond James & Assocs.  
 RBC Capital Markets  
 RBC Financial Group

## Wednesday, August 13

Registration opens at 11:30 a.m. Program begins at 1:30 p.m.

### EVALUATING PROPERTY AND CASUALTY INSURERS

Ms. Beth Malone, Managing Director and Senior Research Analyst,  
 KeyBanc Capital Markets

- Understanding the key products and players within the sector
- Financial statements and key performance metrics
- Comparative analysis of insurers

### PROPERTY AND CASUALTY PRICING CYCLES

Mr. Michael Dion, CFA, Co-Director of Corporate Research, UBS Financial Services

- Drivers and stages of P&C cyclicalities: the why and how of hard and soft markets
- How pricing cycles factor into the analysis of a company's strategy and prospects
- Current market condition and how to spot changes in the cycle

Program ends for the day at approximately 5:00 p.m., followed by networking cocktail reception.

## Thursday, August 14

Program begins at 9:00 a.m.

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### EVALUATING LIFE AND HEALTH INSURERS

Mr. E. Stewart Johnson, Portfolio Manager, Philo Smith & Co.

- The strategic issues facing life and health insurers
- Fundamental considerations in analyzing life and health insurers and their financial statements
- Revenue and expense sources and drivers
- Key ratio analysis: valuation multiples, capital ratios
- Deciphering GAAP versus Statutory accounting

### ADVANCED TOPICS IN EARNINGS QUALITY AND ANALYSIS

Mr. E. Stewart Johnson, Portfolio Manager, Philo Smith & Co.

- Macroeconomic and external factors impacting the industry and company values
- Quality of earnings and forward earnings capacity: investment and portfolio income, deferred acquisition costs, reserves, operating and financial leverage
- Product performance and risk: protection versus savings products

Lunch 12:00 p.m.-1:00 p.m.

**“Produces a solid foundation.”**

J. Findley, Analyst, Piper Jaffray & Co.

## Thursday, August 14 (cont.)

### LOSS RESERVES

Mr. Mark Dwelle, CFA, Senior Vice President and Equity Analyst, RBC Capital Markets

- How insurers estimate loss reserves
- How reserve adjustments impact their financial statements
- Unlocking the mysteries of reserve development triangles

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### FUNDAMENTALS OF INSURANCE VALUATION

Mr. John Butler, Principal, Piper Jaffray & Co.

- The principles of insurance valuation
- The metrics and models that have the greatest predictive power
- Non-traditional valuation approaches specific to the insurance industry

OR

### ADVANCED TOPICS IN INSURANCE VALUATION

Mr. Robert Looney, Jr., Managing Director, KeyBanc Capital Markets

- The impact of merger activity and trends on valuation and deal prices
- The subtleties of insurance company valuation, including modeling underwriting and investment income and loss reserve payout patterns

Program ends for the day at approximately 4:30 p.m. Choice of evening activities (included with your registration): Tour of Thomas Jefferson's home, Monticello, or vineyard tour and tasting.

## Friday, August 15

Program begins at 8:30 a.m.

### CAPITAL MANAGEMENT AND CREDIT RATINGS

Mr. Jeffrey S. Berg, Senior Vice President - Regional Credit Officer, Moody's Investors Service

- The methods and models used by rating agency analysts to assess an insurer's financial strength
- Relationship between credit ratings and an insurer's strategic financing options
- The relative merits of various balance sheet management strategies
- The role of risk-based capital in capital management

### EVALUATING AN INSURER: A CASE STUDY

Mr. Steven W. Fickes, Chairman and CEO, Raedel Financial Solutions

- A hands-on analysis and valuation of a publicly-traded insurance company as a potential investment or acquisition target
- Employs the metrics and methods presented in preceding sessions

Program concludes at approximately 1:00 p.m.

Republic Bank & Trust  
Resource America  
RMR Advisors, Inc.  
Robert W. Baird & Company  
Rothschilds, Inc.  
Royal Bank of Scotland  
Safeco Insurance Company  
Sandler, O'Neill & Partners  
Sanford C. Bernstein & Co.  
Scott & Stringfellow  
Scottish Re  
SF Investments  
SFRi, LLC  
Sheffield Asset Management  
Société Générale  
Sovereign Bank  
St. Paul Companies  
Standard & Poor's  
Stanford Washington  
Research Group  
State of Wisconsin  
Investment Board  
Stephens Inc.  
Stifel, Nicolaus & Co.  
SunTrust  
Swiss Re  
T. Rowe Price Associates  
Taconic Capital Advisors  
TCF Financial Corporation  
TD Bank Financial Group  
TIAA-CREF  
Trust Company of the West  
U.S. Bancorp  
UBS  
UMB Financial Corporation  
UnionBanCal Corporation  
Union Bankshares  
Wachovia Corporation  
Wachovia Securities  
Washington Mutual Bank  
Weatherrock Group  
Wedge Capital  
Management  
Wellington Management  
Company  
Wells Fargo Bank  
Wells Fargo Securities  
Wilmington Trust Company  
XL Capital  
Zions First National Bank

## REGISTRATION FEES:

Fee includes breakfast and lunch throughout the program, evening activities and all conference materials. Discounts are available for groups of three or more.

Call (434) 951-7786.

**Bank & Thrift program only (8/11-8/13): \$2,195**

**Insurance program only (8/13-8/15): \$1,695**

**Entire program (8/11-8/15): \$3,395**

## HOW TO REGISTER

on-line: [www.snlcenter.com/at](http://www.snlcenter.com/at)

phone: (434) 951-7786

## PAYMENT

We welcome American Express, MasterCard, Visa and checks. If paying by check, please make payable and remit to:

SNL Center for Financial Education

1 SNL Plaza

PO Box 2016

Charlottesville, VA 22902

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## ABOUT THE VENUE



The 2008 edition of Analyst Training will be held on the campus of the Darden School of Business at the University of Virginia in Charlottesville, VA. Darden's case-style MBA classrooms provide an excellent environment for teaching and learning. We recommend that participants reserve rooms at the Darden Executive Residence Center for their stay.

The Center offers private rooms with a queen-sized bed, bath, telephone, TV and internet access. Valet laundry service is available. The negotiated room rate is \$130/per night, single occupancy. For reservations, call (434) 243-5000.

## GETTING TO CHARLOTTESVILLE, VA

The Charlottesville-Albemarle Airport (CHO) offers 60 daily non-stop flights to and from New York/LaGuardia, Charlotte, Philadelphia, Washington/Dulles, Cincinnati, Detroit and Atlanta. The airport is served by Delta, Northwest, United and US Airways.

Travelers may also elect to drive to Charlottesville from Richmond International Airport (75-minute drive), Washington Dulles International Airport (2-hour drive) or from Reagan National Airport (2.5-hour drive). Charlottesville is also served by Amtrak, making travel by train an additional option for participants along the East Coast.

## CANCELLATIONS

Cancellations received by 7/18/08 are eligible for a full refund, less a \$150 administrative fee. Cancellations received after that date but at least three business days prior to the start of the program receive a credit in the amount of the registration fee (less a \$150 administrative fee) towards attending another SNL CFE program within 13 months. Cancellations received less than 3 business days prior to the start of the program are not eligible for refund or credit. Attendee substitutions from the same company are welcome at any time. For more information regarding SNL CFE's refund, complaint and program cancellation policy, please call us at (434) 951-7786.

## PROFESSIONAL DEVELOPMENT CREDITS



CFA INSTITUTE

As much as 34 hours of Professional Development Credit

CFA Institute members who complete the week-long program are eligible for 34 PD credit hours as granted by CFA Institute (Bank and Thrift program is 18 credits, Insurance program is 16 credits). SNL

Center for Financial Education is registered with CFA Institute as an Approved Provider of professional development programs.



## NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY

As much as 35 hours of CPE Credit

Participants who complete the week-long program qualify for 35 hours of CPE Specialized Knowledge and Applications credit (Bank and Thrift program is 19 credits, Insurance program is 16 credits). Delivery Method: Group Live. Program Level: Intermediate. SNL Center for Financial Education, LLC, is registered with the National Association of State Boards of Accountancy (NASBA), as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 4th Ave N, Ste 700, Nashville, TN, 37219-2417. Website: [www.nasba.org](http://www.nasba.org)

## ABOUT SNLCENTER For Financial Education

For more than 11 years we have been providing sector-specific training and conferences for financial professionals who focus on the financial services, real estate, energy and media sectors. Participants in our programs include securities analysts, asset managers, industry executives, investment bankers, institutional investors, corporate development officers, investor relations professionals and industry regulators. Our content focuses on analytical concepts and tools that can

### **FREE BONUS SESSIONS!**

Throughout the week you'll have the opportunity to attend optional, small-group workshops focusing on SNL Financial data products, including SNLxl for customized reports and templates updated automatically and SNLi for news, data and research.