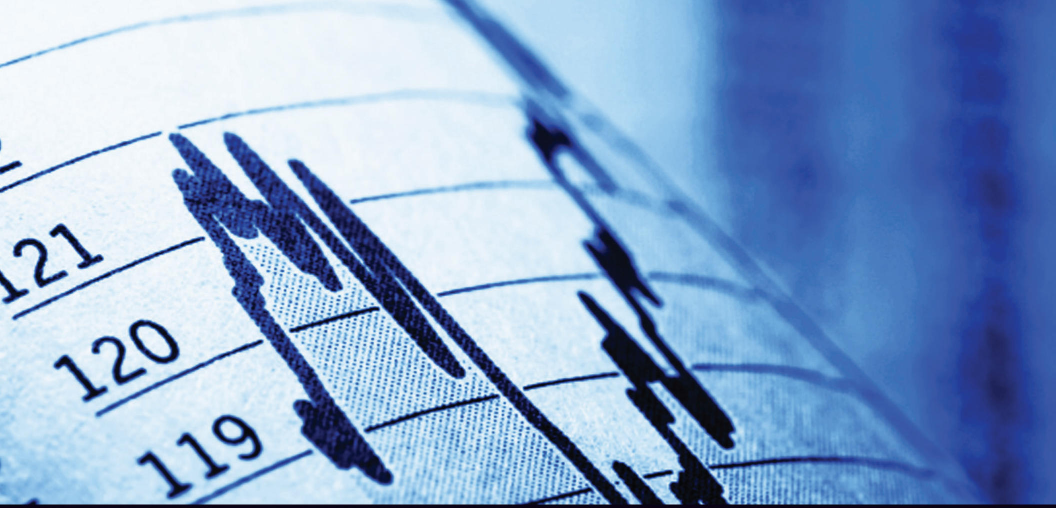

Fundamentals of

Derivatives for Commercial Banks

June 26-27, 2012 • ATLANTA, GA
October 23-24, 2012 • NEW YORK, NY

A comprehensive introduction to the instruments banks and their customers use to manage risk and enhance profitability.

PRESENTED BY:
SNL Center for Financial Education

As clear and complete an introduction as you'll find

Topics include:

- Defining derivatives, the major products and relationships between them, and their risk/reward profiles
- The basic types of options and option combinations
- Option payoff profiles and developing pricing options using the Black-Scholes model
- Accessing, interpreting and applying information from the major futures and options exchanges
- How banks construct, trade and market derivatives, and the impact that these products have on a bank's financial statements, income, risk profile and customers
- How derivatives can be used, both by banks and their customers, for hedging, trading and speculation

Instructor

David Levow

Owner and Founder, Levow Information Systems

David is a bank consultant and former vice president of Chase Manhattan Bank with more than 30 years of banking experience, encompassing international banking, treasury services, foreign exchange, and commercial lending systems.

His teaching experience includes the Graduate School of Retail Bank Management at the University of Virginia, the New York State Bankers Association School for Management Development, and Johns Hopkins School of Advanced International Studies.

He has consulted with banks and bank vendors, taught banking, and appeared as a speaker at banking conferences in countries on six continents including China, Korea, Singapore, Australia, South Africa, Chile, Mexico, Brazil, Colombia, Venezuela, United Kingdom, France, Switzerland, Turkey, and Canada.

Fundamentals of Derivatives for Commercial Banks

Jun. 26-27, 2012 Atlanta, GA

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Fundamentals of Derivatives for Commercial Banks provides a foundational knowledge of the derivative instruments most frequently employed by banks and their commercial customers; particularly options, futures and forwards. Each instrument is defined and discussed in the context of equity, interest rate, currency, index, credit and commodities products.

You'll leave with a clear understanding of the risk/return characteristics of options, futures, forwards and credit default swaps, as well as how they can be used for hedging and speculation. In the process, you'll come to better understand the nature of your own balance sheet and how derivatives can be used by your commercial customers to manage risk.

Who Attends

Fundamentals of Derivatives for Commercial Banks is appropriate for banking professionals with little or no understanding of the instruments covered. No prior derivative experience or knowledge is assumed and the program is entirely self-contained. Please note that this program does not cover tax or accounting aspects of these products.

Participants are encouraged to bring their laptops in order to replicate the instructor's access of the various exchanges and products as well as explore them on their own (wireless internet access will be provided).

Attendees include:

- Financial analysts and accounting professionals at commercial banks
- Back-office and middle-office personnel including HR, IT and Operations looking to better understand the complex world of derivatives
- Banking regulators
- Commercial loan officers looking to expand their product knowledge
- Junior analysts at investment banks, asset managers, and broker/dealers

Register at www.snlcenter.com/derivatives or (434) 951-7786

Agenda

DAY ONE

7:30·····Registration and continental breakfast

8:30·····Program begins

Topics:

- **Options**
  - Defining calls and puts
  - Types of underlying products: equity, interest rate, currency, index, credit, commodity
- **Option risk-reward characteristics and payoff profiles**
  - American, European, Bermudan, Asian
  - Physical vs. cash settlement
  - Payoff profiles of long and short puts and calls, straddles, collars and other combinations
  - Option problems
- **Option pricing**
  - Factors affecting option prices
  - Volatility, the VIX and the Greeks
  - Black-Scholes option pricing model
- **Navigating the CBOE website and analysis of products**
- **Convertible bonds**
- **Warrants**
- **Exotic options**
  - Binaries, outperformance, barrier, chooser, etc.

5:00·····Wrap-up

DAY TWO

7:30·····Continental breakfast

8:30·····Program begins

Topics:

- **Futures and forwards**
  - Equity, interest rate, currency, index, credit, commodity futures/forwards
  - Applications for banks and bank customers
  - Characteristics of futures and forwards
  - Physical vs. cash settlement
  - Hedging strategies
  - Counterparty risk and ISDA
- **Understanding futures contract specifications**
- **Futures exchanges and their characteristics**
- **The clearinghouse and performance bonds/margin**
- **Navigating the websites of CME Group, DubaiMerc, etc.**
- **How futures prices are determined**
- **Futures spreads**
- **Swaps**
  - Interest rate, currency, equity, commodity, total return, credit swaps
  - Applications for banks and bank customers
  - Forward Rate Agreements
  - Computation of swap price
- **Credit derivatives**
- **Structured products**

5:00·····Wrap-up

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The Essentials

When and Where

June 26-27, 2012
Atlanta, GA

October 23-24, 2012
New York, NY

Venue details online at
www.snlcenter.com/derivatives/location.asp

How to Register

Online: www.snlcenter.com/derivatives
By Phone: (434) 951-7786

Pricing

$2,195
Discounts available for groups of three or more.
Please call us.

Your registration includes:

All program materials
Continental breakfast both days
Lunch both days

Cancellation Policy

Cancellations for this program are eligible for a full refund, less a $150.00 administrative fee, if received at least 15 business days prior to the start of the program. Cancellations received after that date but at least 5 business days prior to the start of the program receive a credit in the amount of the registration fee, less a $150.00 administrative fee, to attend another SNL CFE program within 13 months. Due to commitments and expenses, cancellations received fewer than 5 business days prior to the start of the program are not eligible for a refund or credit.

Attendee substitutions from the same company are welcome at any time. For more information regarding our refund, complaint and program cancellation policy, please call us at (434) 951-7786.

Continuing Education Credits

CFA Institute
15 Professional
Development Credit Hours

National Association of
State Boards of Accountancy
17.5 CPE Credit Hours

Complete details on continuing education credits are available at: www.snlcenter.com/derivatives

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SNL Center for Financial Education

An affiliate of SNL Financial, CFE is the leading producer of conferences and training seminars for professionals who focus on banking, insurance, energy, real estate and media. CFE programs are content-heavy and focus on providing analytical tools and concepts attendees can put to immediate use. Speakers for our events are drawn from the ranks of acknowledged experts so that program participants are exposed to the latest "street-proven" perspectives and methodologies.

Also of interest:

Fundamentals of Bank Valuation
March 7-8 | Atlanta, GA
September 13-14 | New York, NY
December 3-4 | San Francisco, CA
www.snlcenter.com/bankerm

Community Bankers Conference
May 3-4 | Saddlebrook Resort
Tampa, Florida
www.snlcenter.com/cbc

"An excellent intro to derivatives and how they can be used by commercial banks."

– Supervisory Financial Analyst, Federal Reserve Board

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