



**MONTANA  
BANKERS  
ASSOCIATION**  
Leadership & Advocacy Since 1904

# COMMERCIAL LENDING SCHOOL

**February 15-19, 2010**

Great Northern Hotel  
835 Great Northern Blvd.  
Helena, MT 59601  
406/457-5500

**An Extra Day  
of Cash Flow  
Analysis!**

**Only 16  
Openings  
Available!**

## The Art of Commercial Lending "ANALYZE FROM THE TOP DOWN OR FAIL?"

Registration deadline of January 20 allows for ample time for homework materials to be completed and be returned no later than February 1, 2010. **However, registrations will remain open until all 16 spots are filled.**

### **Attendee Equipment and Background Requirements:**

- ◆ Your laptop must have a 3.5" floppy or CD drive and Windows 95 or a better Operating System. MS Word will also be required. It cannot be a MAC.
- ◆ Wireless Internet connectivity will be provided.
- ◆ Working knowledge of personal and business financial statements
- ◆ Working knowledge of basic accounting & basic analysis

### **Instructor:**

#### **William (Bill) D. Edwards**

Mr. Edwards brings over 30 years of contemporary commercial lending experience to the students and situations presented. Mr. Edwards has been involved locally and nationally in commercial lending as a commercial lender, president of several community banks, CFO of a multi-state manufacturing company and as a consultant to businesses seeking commercial loans.

This experience, in both good times and bad, provides Mr. Edwards with a vast reserve of commercial loan examples and situations that provide invaluable insight and perspective to the attendees of his seminars.

He keeps the attendees involved and enjoying their assignments through a combination of ratio analysis, analytical challenges, written and verbal communication exercises and a witty sense of humor.

### **What is Expected:**

Attendees should have some lending or analyzing experience, accounting experience and a basic knowledge of ratios.

### **What to Expect:**

The MBA Commercial Lending School is a communications class which gives participants the chance to expand upon their knowledge of ratios and cash flow(s). The course will give each student the background and opportunity to communicate with the borrower, as well as their peers and a loan committee. This is not a lecture-series, but rather an interactive course which encompasses the whole loan process from the time the borrower provides a financial statement to the Loan Officer to the end of the process when the loan documents are signed.

**2010 MBA COMMERCIAL LENDING SCHOOL**  
**February 15<sup>th</sup> & 16<sup>th</sup>, 2010**

**“ANALYZE FROM THE TOP DOWN OR FAIL?”**

**February 15, 2010**

9:15 a.m.	Registration and Light Breakfast
9:45 a.m.	Introductions
10:00 a.m.	What we expect to cover The Lending Process Analysis Process What has happened to the process of Analyzing Credits? <i>RMA Article 4-6-2006 (Work Book)</i> Customer Risk
11:00 a.m.	The Loan Officers Roll What is Cash Flow What are the Cash Flows
11:45 a.m. - 1:10 p.m.	Lunch Break
1:15 p.m. - 3:00 p.m.	Pool & Tub Source & Application Exercise (Cash Flows Statement) Global Cash Flow What do you look for in the Cash Flows Spreads & Ratios -Trends -Weaknesses -Strengths -Mismatched Assets/Liabilities -Variance to Industry Averages (RMA, Sageworks) How do Cash Flows and Traditional Cash Flow mesh?
3:00 p.m. - 3:15 p.m.	Break
3:15 p.m. - 5:00 p.m.	Lecture & Discussion The UCA Cash Flow Statement Report Bottom-Up vs. Top-Down EBITDAR Exercise How did we get here?

**February 16, 2010**

7:45 a.m.	The Skills of a Commercial Loan Officer Financial Statements & Tax Return Discussion Homework Review & Discussion
10:00 a.m. - 10:15 a.m.	Break  Review of Pre-assigned Company Spreads Discussion of Ratio Calculations The skill of doing Projections
11:45 a.m. - 1:15 p.m.	Lunch (Speaker to be determined)
1:15 p.m. - 3:00 p.m.	Due Diligence – The Business Call Ratio & Cash Flows Discussion The discussion of Global Cash Flow Statements in your Analysis Analysis Discussion, (Company, Ownership & Financials)
3:00 p.m. - 3:15 p.m.	Break
3:15 p.m. - 5:00 p.m.	Loan Structuring Credit Request Format – What Does It Accomplish? UBD Format (Workbook)
5:00 p.m.	Adjourn

**2010 MBA COMMERCIAL LENDING SCHOOL**  
**February 17<sup>th</sup> to the 19<sup>th</sup>, 2010**

**“ANALYZE FROM THE TOP DOWN OR FAIL?”**

**February 17, 2010**

7:30 a.m. Discuss & Review Assigned Company Loan Files  
Loan Agreement Discussion  
Discussion Loan Commitment Letter  
Ramifications of Commitment Letter & Loan Agreement  
Discussion Lender’s Liability

10:00 a.m. - 10:15 a.m. Break

10:15 a.m. - 12:00 p.m. Distribute Loan Request and Credit File  
Discussion of Assignments  
Begin Credit Analysis of Loan Request  
Prepare Company Credit Request

12:00 p.m. - 1:15 p.m. Lunch (Speaker to be determined)

1:15 p.m. - 3:30 p.m. Prepare Credit Request

3:30 p.m. - 3:45 p.m. Break

3:45 p.m. - 5:00 p.m. #1 First Mock Loan Presentation  
Critique

5:00 p.m. Class Adjourn

5:45 p.m. Reception

6:30 p.m. Dinner - (Speaker to be determined)

**February 18, 2010**

7:45 a.m. - 9:30 a.m. Review Loan Credit Requests and Discuss the Loan Requests & Format  
Revise Credit Analysis and Requests for #2, 3 & 4  
Rewrite of Mock Loan Presentation #1

9:30 a.m. - 12:00 p.m. Mock Loan Committee #2  
Critique

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

1:15 p.m. Finish Credit Analysis #2, 3 & 4

2:00 p.m. - 3:00 p.m. Mock Loan Committee #3  
Critique

3:00 p.m. - 3:15 p.m. Break

3:15 p.m. - 4:00 p.m. Mock Loan Committee #4.  
Critique

4:00 p.m. Prepare MBA Loan Committee Packets by Students  
Deliver to Jason Wood for Distribution

5:00 p.m. Adjourn

**February 19, 2010**

8:00 a.m. MBA to Deliver Credit Requests to MBA Loan Committee

8:00 a.m. - 10:00 a.m. **Discussion of the Banking Crisis. (How did we get here and why?)**  
Mortgage Lending & Real Estate Portfolios  
AIG, Fannie & Freddie  
Discussion of Economic Changes Bankers Can Expect  
Predatory Lending Company  
Career Expectations

10:00 a.m. Students Loan Committee Presentations to Loan Committee  
Credit Requests #1, 2, 3 & 4.  
MBA Loan Committee Comments  
**Graduation**

12:30 p.m. +/- Adjourn

This Agenda is subject to change at the <b>WHIM</b> of the Instructor.
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# Commercial Lending School

The Art of Commercial Lending:  
"Get the Facts or the Facts Will Get You!"



**February 15-19, 2010**

Great Northern Hotel  
835 Great Northern Blvd.  
Helena, MT 59601  
406/457-5500

## Registration Form

**Yes, I want to attend**  
**The MBA Commercial Lending School**  
February 15-19, 2010 • Great Northern Hotel, Helena

Bank/Firm Name \_\_\_\_\_ Phone \_\_\_\_\_ Fax \_\_\_\_\_

Address \_\_\_\_\_ City/State/Zip \_\_\_\_\_

List Registrant(s) \_\_\_\_\_

Name, Title

E-mail

Name, Title

E-mail

### Registration Fee

- MBA Member .....\$945
  - \*Additional MBA Member.....\$895
  - Non-Member .....\$1890
  - \*Additional Non-Member.....\$1840
- \*Additional Member - Same Bank, Same City**

### Payment

- Check, Payable to BANCERVE, Inc.
- Bill me

**MasterCard/Visa/American Express/Discover ~**  
Available only with your online registration

### Three Ways to Register:

**FAX:** Complete form and fax to 406/443-7850

**MAIL:** Complete form and mail to Montana Bankers Association,  
1 N Last Chance Gulch, Ste. 4, Helena, MT 59601

**ONLINE:** Visit [www.montanabankers.com](http://www.montanabankers.com) (Education)

### Hotel Reservations

Call 800/829-4047 or 406/457-5500 to make your hotel reservations at the Great Northern Hotel, 835 Great Northern Blvd., Helena, Montana. Mention Montana Bankers to get our special discounted rate based on group availability. Room Block expires January 25, 2010.

### Cancellation Deadlines

Cancellations before January 15, 2010, will receive a full refund. A \$250 administrative fee will be charged for any cancellations after January 15, 2010.

### Registration Deadline

Registrations must be received by January 20, 2010, to allow for materials to be sent prior to seminar. Conference homework materials are to be returned no later than February 1, 2010. 16 spots available on a first-come, first-served basis.

For questions or additional information, please contact:

Jason Wood, Education Coordinator, at 800/541-5126 or [jason@montanabankers.com](mailto:jason@montanabankers.com)