STRUCTURED FINANCE

Summary of B&B Course Offerings 2010

Trends for 2010

- **Back to basics**: Recent market volatility has created an abundance of investment and trading opportunities in cash and liquid derivative products, providing greater price transparency and liquidity, and reducing the need for more complex transactions. Accordingly, market participants are focusing more on the basic products and investment strategies.
- **Structured products:** At the same time, investors are showing renewed but tentative interest in the vanilla end of the structured product spectrum as there is value for those who understand the risks and returns involved. Re-securitizations are staging a comeback as well, though with different motivations and more conservative structures than previous deals.

The following courses are our most popular but not an exhaustive list of what we can provide. Most courses are available in North America and Europe. All courses can be tailored to suit.

Level	Title
Product Overview	■ Financial Markets Overview ■ Credit Markets Overview ■ Fixed Income and Currency Markets Overview ■ Derivatives Overview ■ Securitization Overview ■ Commodities Overview *(London only)* ■ Hedge Fund Overview ■ Private Equity Overview ■ Capital Markets Overview for Investment Banking
Introductory	■ Time Value of Money and Bond Maths ■ Interest Rate and FX Derivatives ■ Credit Analysis *(NY only)* o Fixed income rather than equity oriented ■ Credit Default Swaps o No correlation products ■ Leveraged Loans and LCDS ■ Private Equity and LBOs ■ Commodity Derivatives *(London only)* o General or focused, e.g., Energy Derivatives ■ Equity Derivatives ■ CDS Updates
Intermediate	■ Credit Trading Strategies o Focused on flow products ■ Credit Crisis Workshop ■ Structured Credit Derivatives o Focused on correlation products ■ CDO Risks, Returns and Litigation ■ Asset Backed CDS ■ Intermediate Swaps ■ FX Options *(London only)* ■ Financial Engineering – Structured Rate Products (Excel-based) ■ Financial Engineering – Structured Equity Products (Excel-based) ■ Derivatives Counterparty Risk Workshop ■ Derivative Solutions for Strategic Equity Stakes

Advanced	▪ Structured Credit Trading o Correlation trading focused ▪ Hedge Fund Trading Strategies ▪ Options Trading Strategies ▪ Structured Credit Hybrids ▪ Credit CPPI & CPDO
Soft Skills & Specialized Programs	▪ Sales Skills, Presentation Skills, Executive Coaching ▪ One-on-one – training for new hires to senior executives. The focus is to supplement the participant's derivative, product, and/or markets knowledge. ▪ Analyst and Intern Training Programs - We design and host programs for new-hires across discipline and asset class. The program can run from 1 week to 2 months and be tailored to business needs. ▪ Competency Testing Design – Design of domain expertise exams for post program internal certification ▪ Blended Learning Design – Combining B&B instructor led programs with existing on-line learning and B&B pre and post learning material to create a full learning program ▪ Advanced Programs for Sales Forces – Product-oriented programs that are quick, engaging and advanced to meet sales force requirements. ▪ 5 Day Intensive Programs - Asset class specific programs ranging from beginner concepts to advanced investment strategies in a short time period.

LONDON:
5th Floor Norfolk House
30 Charles II Street
London SW1Y 4AE

NEW YORK:
300 Park Avenue
17th Floor
New York, NY 10022

About B&B

Training methodology

- Our courses focus on the practical realities of the market, rather than taking an excessively mathematical or academic approach.
- A review of pricing fundamental involves intuition rather than a discussion of models – unless explicitly requested/stated.
- The course style is discussion and case study based rather than pure lecture, allowing the participants to think through the products themselves and thus gain a more intuitive understanding of the market.
- All trainers are vetted and "trained" to be excellent trainers in addition to being experts on the topic. They are also regularly tested and evaluated to maintain our high standards.

B&B Business Overview:

- B&B was founded in 2004 and is a partnership of experienced and respected financial market professionals who uniquely have recent, relevant market experience
- B&B partners and consultants are experts across asset classes (equity, fixed income, credit, commodities and alternatives) with a focus on structured and exotic products
- All B&B business to date has been through word of mouth. References are available upon request.
- B&B educates clients from basic through advanced financial products, spanning:
  - Trading, structuring, sales and marketing, and management
  - Over 7,000 course participants and 700 training days since 2004
- We also provide strategic consultancy services, tailored to suit clients' individual requirements, specialising in:
  - Structured products across asset classes
  - Credit derivatives and securitization
  - High yield, leveraged and distressed loans
  - Hedge funds and private equity
  - Commodities and commodity derivatives
  - Risk management (credit, market, liquidity)
  - Expert witness work

Sample Course Outline:
Credit Crisis Workshop

Scope and Objectives:

- One day course that examines the various products and players in the credit market in the context of the credit crisis timeline
- Identifies the different instruments that generate credit risk for a single credit:
  - Bonds, Loans, Asset Swaps, TRS, CDS (including LCDS) and CLN
- Reviews the products that generate portfolio credit risk:
  - Credit derivative indices (including LCDS and LCDX/LevX), ABS (including ABCDS and ABX), CDOs and single tranches
- Examines market participants, their roles in the credit market and how they have contributed to, and been affected by, the credit crisis
  - Subprime mortgage lenders, SIVs, Monolines, Market Makers, Hedge Funds, Prime Brokers, Private Equity Firms
- Discusses the changing landscape in financial markets due to losses and calls for increased regulation

Who should attend:

This course is appropriate for those who are looking for a broad market overview of credit and structured credit products and an understanding of how these fit into the credit crisis. The course requires knowledge of general financial markets concepts e.g. going short, and fixed income instruments such as bonds and loans, but does not require prior credit derivative experience.

Topics not included:

- Detailed credit derivatives documentation and pricing
- CDS options, baskets and tranches
- CDOs and ABS not covered in detail
- The objective of this course is to introduce the participants to credit markets. The course will cover single name as well as portfolio products as potential credit investments; however, a discussion of more exotic and hybrid products is beyond the scope of this one day.

See course offerings for further courses which go into more detail on the various products.

Questionnaire:

Participants in this module should be able to answer these questions:

- What does it mean to go long? Short?
- How can I sell a bond I don't own?
- What does it mean to hedge?
- Do bond investors gain or lose from credit spreads widening?

If not, they should take the Introduction to Fixed Income and Currency Markets course before doing this course.

Participants do not need to take this course if they can answer these questions:

- What is the CDS equivalent of buying a bond?
- What is the difference between buying a bond and selling protection?
- What is a CDS index? Why is it important?
- What are the broad categorizations of the securitization market?
- How do ABCDS work?

Training methodology:

The program will focus on the practical realities of the market, rather than taking an excessively mathematical or academic approach. The course style is discussion and case study based rather than pure lecture, allowing the participants to think through the products themselves and thus gain a more intuitive understanding of the market.

Course Outline

Introduction

- Credit market evolution and current market drivers
  - Bank regulatory capital requirements
  - Regulatory capital relief via CDS and securitisation

This section will serve as a general market overview and will allow the trainer to assess the credit knowledge in the room.

Review of Credit Products

- Bonds, Asset swaps, Loans, and Credit default swaps (CDS)
- Synthetic indices
  - iTraxx/CDX
  - LCDX/LevX
- Securitisation categorizations
  - ABS
    - ABS vs. MBS
    - Underlying asset classes
  - CDOs
    - Synthetic vs. cash
    - Single tranche vs. fully distributed
- Synthetic ABS
  - ABCDS
  - Indices (ABX/CMBX)

Case study: Asset swap risks

Case study: Index Investing

Case study: ABS Ratings

This section will serve as a brief review of the development, market space, and end investors in single name credit products. Leading into the index product suite and ending with securitised products and how they differ from single name exposures.

Credit Crisis Timeline

- New Century files for Chapter 11
- Bear Stearns hedge funds
- SIVs and ABCP
- Northern Rock
- LBOs come to a halt
- Lehman collapse
- Inter-bank lending freeze
- AIG rescue
- Hedge fund redemptions
- Dubai World
- Greece

Case study: Bank Lending

Case study: Super Senior

Case study: Margin Calls

This section will review the timeline of the credit crisis and how it was sparked off by, and how it influenced, various credit products and market players.

Credit Crisis Ramifications

- Writedowns and Losses
- When will securitization markets return?
- Regulators and the call for increased regulation

Case study: Counterparty Credit Risk

This section will discuss the changes that are facing financial markets, participants and investors.

Evaluation Comments for B&B Trainers

"Comprehensive case studies and "challenging" tasks. Too much is never enough. Excellent, very valuable. Presale reports were very valuable, Explanation of terminology was 1st class and concept of CDOs was easy to understand."
- From a top tier investment bank employee

"For 9-10 hours a day I felt engaged, challenged and focused at all times... I can't remember the last time I've been able to do that for even one-third of the time we spent... and to do that for 4 days straight!"
- From a large US hedge fund employee

"The pace of course was appropriate so was the duration. The case studies were definitely very useful. Moreover trainer's background as a market practitioner meant that she could give a unique insight into the concepts / theory helping with the understanding gained. The course was excellent and it would be good to have a follow up with the same trainer."
- From a top tier investment bank employee

"I enjoyed the course, the trainer was very effective. Having a trainer who was formerly a trader helped in providing a lot of market-based information that combines theory, practice & relevant case studies. Very good overview of product and market situation."
- From a top tier investment bank employee

"The best facilitator I have had. She really knew the subject matter well and taught it in a way that was very understandable. I would love to take more classes with her."
- From a top tier investment bank employee

"Very good presentation and delivery. Great course as on overview left me wanting to learn more about credit derivatives. It was a stimulating informative session. Very good course!"
- From a regional European bank

B&B Partners in the Media

CDS clearing initiatives and competition, Creditflux, December 2009 excerpt:

"It is good to have more contenders, but ICE is relatively established", says Anu Munshi, partner at consultancy firm B&B Structured Finance. "It is only recently that CME has teamed up with the new buy-side founding members."

B&B on Thomson CDS auction, Reuters, October 7, 2009 excerpt:

"Regulators will be watching this very carefully," said Betsy Mettler, a partner at consultancy B&B Structured Finance.

"Given this is the first restructuring under a new system, and given the industry is trying to get away from the negative view of credit default swaps, there is a lot of pressure around this auction," she said.

Interview with Tim Harford from BBC News, August 21 2009

Terri Duhon is interviewed by Tim Hartford of BBC news on the abuses and misuses of credit default swaps and structured credit products.

Derivatives are a zero-sum game: true or false? SCI February 2009

Anu Munshi, partner at B&B Structured Finance, explains that it is necessary to look at the cash underlying in order to find out what's been happening in the derivatives market.

EXCERPT: Derivatives are bilateral contracts, so one party's loss is equal to its counterparty's gain and therefore the transaction as a whole is a zero-sum game. Right? Well, if that's true, then why has almost everyone who has traded derivatives lost money over the last year?

B&B Partners

Terri Duhon

Terri Duhon is a market professional with 15 years of experience in financial markets. She graduated from MIT in Maths in 1994 and immediately joined JPMorgan as an interest rate derivatives trader in NY. In 1998, she moved to Credit Derivatives and Structured Products at JPMorgan and was instrumental in developing the credit derivative market as well as building the BISTRO business: a cutting edge securitization technique pioneered by JPMorgan. In 1999 she originated and priced one of the first CDOs of ABS/MBS and pioneered the first synthetic ABS/MBS documentation. Later she moved to London and helped to build the European Structured Finance Business with a focus on managed synthetic transactions and single tranche trades which lead to an explosion in structured credit derivative business globally. In that role she was also the global risk manager for the SPV counterparty credit risk book for all derivatives at JPMorgan in securitizations. In 2002, she joined ABN AMRO for 2 years to help build a global structured credit business which pioneered the CDS index products as well as credit CPPI structures. Terri left in May 2004 to found B&B Structured Finance Ltd. In the last four years, she has lead expert witness teams for securitization litigation in both NY and London, assisted fund managers preparing marketing materials and rating agency due diligence for new securitization deals as well as managed over 700 days of training globally for financial institutions in derivatives and structured products.

Anu Munshi

Anu Munshi has 12 years experience working in financial markets starting with 8 years in structured credit at JPMorgan in the US, Asia and Europe. She started her career in New York structuring emerging market derivative products, following which she focused on credit derivatives within emerging markets. She then moved to Singapore as product manager for credit derivatives, CDOs and ABS for JPMorgan in Asia. She developed a market for these products, educating clients and distributing structured credit to Asian investors where there had been little knowledge or activity before. Anu moved to London in 2003 to set up the SPV notes business for JPMorgan in Europe, structuring and marketing credit-linked, asset-backed and hybrid notes. She was instrumental in developing the new generation of credit derivative products at JPMorgan including CMCDS and options on CDS and synthetic tranches of CDOs. Anu joined B&B in summer 2005 and has since undertaken a variety of derivatives- and securitization-focused consulting projects, provided an expert opinion in several derivatives litigation cases, and conducted numerous training assignments in Europe, North America and Asia. Anu graduated with a BA in Economics and Mathematics from Franklin & Marshall College, Pennsylvania.

Betsy Mettler

Betsy has 12 years of financial markets experience starting in investment banking at JPMorgan, with 7 years focused on developing the Credit Derivative market. Betsy began her career at JPMorgan in equity and fixed income syndicate coordination role and then moved to Debt Capital Markets focusing on commercial paper and MTN issuance. In 2000, she joined the innovative structured credit products team to manage the execution of their repackaging and structured securitization products. Betsy continued the growth of participants in the credit derivative market by working on the development and distribution of new products including the credit derivative indices. She moved to London in 2004 to lead JPMorgan's European Credit Derivatives Marketing effort and was instrumental in the establishment of a traded tranched index market. In 2005 and 2006, Betsy sold credit and derivatives products to UK Hedge Funds. Betsy joined B&B in spring 2006 and has since undertaken several derivatives and securitization consultancy projects as well as numerous training assignments in Europe and North America. Betsy received a Bachelors of Arts degree in Economics from the University of Virginia.

B&B Associates

Victor Adams

Vic Adams has worked in the derivatives market for over 20 years, with senior roles and experience in systems development, trading, sales and FAS 133/IAS 39 accounting standards. In 1988, he moved to Toronto-Dominion Bank in New York to establish their interest rate options trading desk. Vic developed and implemented the bank's first derivatives pricing system as well as the risk management and accounting policies the trading desk deployed. After joining Chemical Bank in their corporate marketing group specializing in shipping, he was recruited in 1993 to build Wachovia Bank's derivative products distribution and was instrumental in creating new markets and product applications such as municipal structures (defeasance, escrow, DSR), exotic fixed income, and cross-currency fixed income derivatives. In 1998, he joined Bank of America where he headed derivative sales to the Healthcare Industry structuring and tailoring solutions such as cross-currency debt-linked structures, asset securitization hedging and liability management. He consults for public companies and private borrowers in the implementation of hedging programs. Vic speaks frequently at industry conferences and private seminars about the use of derivatives in taxable and tax-exempt financings. Vic holds a BA from the University of Chicago and an MBA from Northwestern University's Kellogg Graduate School of Management.

Martha Gelnaw

Martha is a communication skills expert with 25 years of business management experience in major corporations with the last 10 years of advising senior executives in communication strategies and skills that drive business results. With experience at all levels of organizations, Martha specializes in consulting and training executives in leadership communication, executive presence, pitching, presentation, selling, negotiation, conference and media coaching, and one-on-one coaching. It is through her experience and keen observation of people struggling to achieve greatness in their roles that Martha is incisive in her interpretation of the issues at hand. Throughout her coaching engagements, she detected that individuals build their presence both physically and vocally and because of her deep interest in theatre, she embarked on further exploration into her observation. Over the years Martha has studied voice, movement, improvisation and acting technique. This led her to take part in a two-year acting conservatory Masters program in New York City where she has successfully completed her thesis. Here Martha was able to break down into finer parts what physically and vocally can be done to create the natural, authentic and credible physical presence of an effective leader. Martha has experience across all industries. Her activities consist of helping leaders build deeper relationships with clients at senior levels; training in successful presenting and selling techniques; preparing bankers and analysts for a variety of internal and external communication; creating effective pitch books with persuasive key messages; preparing senior executives for road shows and high-stakes pitches; and preparing speakers for industry conferences. Previously, Martha spent seven years at Rogen International, a global communication-consulting firm.

Richard Gommo

Richard is a veteran of the derivatives markets, now well into his second decade of designing and constructing structured products and hedges for corporate and institutional customers. He currently runs an asset management firm focusing on HNWI. He has worked in London, Chicago, Frankfurt and Johannesburg for a range of international AAA banks. His experience includes Assistant Treasurer and Head of Product Development, Financial Engineering and Risk Control at Barclays Corporate Bank. He previously held positions as Head of Financial Engineering for Bayerische Landesbank London, and Director of Structured Products at Standard Bank, Johannesburg. Prior to this he worked at Mitsubishi Finance and Continental Bank. He has lectured extensively in Europe, North America, Africa and the Middle East on capital markets. Richard graduated from Peterhouse, Cambridge in 1985 with a degree in Geological Sciences, working initially in seismic exploration for gold in South Africa. As the father of young triplets, searching for gold remains an essential hobby.

Megan Rutt

Megan has spent 10 years in investment banking at JPMorgan and Deutsche Bank. She began her career in the Leveraged Finance Group at JPMorgan, assisting companies structure, market, and sell high yield bonds. Many of her top clients were large private equity firms using the bonds as part of LBO financing. In 2001, Megan was selected to train new analysts and associates. She was integral in developing the curriculum and delivering the training to over 500 new investment banking hires. In 2002, Megan joined the Credit Derivatives trading desk as one of the industry's first desk analysts. She was responsible for credit analysis and desk positioning across all industries and up and down the capital structure. She joined Deutsche Bank in 2004 as the primary decision maker for the CDS desk's proprietary trading book (loans, bonds, CDS, equity) and to assist in the transition from publishing analysts to the desk analyst model, which has now become the industry standard. Megan joined B & B in summer 2008. Megan graduated with Honors from Lafayette College and received a BA in Business and Economics and Minored in International Politics.

Ramya Rajagopalan

Ramya has 18 years of financial markets experience, spanning corporate finance and derivatives structuring across major asset classes – fixed income, credit and equities. The unifying theme of her derivatives career has been the customisation of bespoke derivatives solutions to address very specific client needs. She joined JPMorgan Singapore in 1995 in Swaps Marketing where she put together swaps solutions for Indonesian and Thai banks and corporates. She then moved to the Credit Derivatives group in London, and was responsible for structuring and selling structured credit products to financial institutions in Spain, Portugal and Germany. Ramya moved to the Equity Derivatives Group in 2000 and until 2005, headed a team that created bespoke solutions for private clients and emerging market corporates. Prior to her career with JPMorgan, Ramya worked for 8 years in corporate finance at the Indian bank ICICI in Mumbai, covering Indian corporates. She has a Bachelor's degree in Finance and Accounting from the University of Madras, India, and an MBA from the Indian Institute of Management (IIM), Calcutta, India.

Richard Senior

Richard was head of securitization origination at BGB for 10 yrs. He joined BGB after 9 years at Chemical investment bank (now JPMChase). Before joining the securitization group, Richard was responsible for the UK structured Finance Group (SFG), completing property related and other structured transactions, particularly involving the use of derivatives and insurance. Prior to that he worked at ICI and Morgan Grenfell, after graduating from Oxford University. He structured and funded his first securitization transaction (CMBS) in 1989, and has originated structured and distributed a wide variety of asset-backed and tax-based transactions, in Europe from Finland to Spain. He regularly speaks on securitization related topics at international conferences and seminars, and contributes to articles and publications such as the International Securitization Review. Richard specializes in securitization advisory work, and has advised on transactions, including several trade receivables deals, car loan risk management for a large European Bank, refinancing for an international property bank, and advised a sparkasse on a CDO. Richard has also advised on the successful refinancing of a factoring company and a servicer evaluation by a rating agency. He is a qualified accountant (ACMA) and a fluent French and German speaker.

Martyn Turner

Martyn Turner spent nineteen years in investment banking before moving into consulting and training in 2005. During that time he worked for a number of international investment banks, starting as a bond analyst (Merrill Lynch), through risk management, risk advisory (Paribas) into structuring and sales (Bankers Trust), and has covered interest rates, foreign exchange and commodities. The common theme during his career has been the extensive use of financial models as a way of exploring ideas and solving problems. His first Excel model to be deployed within a bank was a small value-at-risk system in 1989, since when the scale and complexity has grown with the power of Excel, and includes a multi-currency asset swap system, derivative optimization model and various value-at-risk systems. In addition he has also designed and built models for clients (corporates, supranationals and Central Banks) including cheap/dear analysis and cashflow-at-risk models. Over the years Martyn has run numerous training seminars (both in-house and for clients), has been a regular speaker at international conferences, and contributed various articles for publication in the financial and commodity press. In addition to consulting and training, Martyn is an Executive Director of Global Energy Horizons. He received both his BSc in Mathematics and his MSc in Statistics from London University.

Contact Information

LONDON **+44 207 925 8380**
5th Floor, Norfolk House, 30 Charles II Street, London, SW1Y 4AE

NEW YORK **+1 203 354 5816**
300 Park Avenue, 17th Floor, New York, NY 10022

email: info@bandbsf.com