

2024 Commercial Lending School



MARCH 3-8, 2024 | OBA/HARRIS EVENT CENTER
OKLAHOMA CITY



Purpose & Philosophy

The Oklahoma Commercial Lending School is an intensive, one-week functional school designed for bankers with a basic understanding of credit and financial analysis. The school will demonstrate how to apply this knowledge in profitable commercial lending situations.

The purpose of the school is to prepare bankers to serve effectively and profitably as commercial loan officers by:

- Developing a better understanding of how a business is structured and how it competes;
- Providing an opportunity to apply these analytical techniques in a lending situation and to carry them forward in the pricing and structuring of a loan;
- Developing a better understanding of the economy and how it affects the lending decision;
- Developing an understanding of the role of a company's management and how to analyze and evaluate that management;
- Developing an understanding of relationship banking—how to meet and maintain multiple customer financial needs.

Target Audience

The Oklahoma Commercial Lending School is geared toward an applicant who has had commercial lending exposure with a background in basic accounting and analyzing financial statements. The school is specifically designed for junior loan officers, those involved in credit or loan administration and others who are involved in the lending function. The Commercial Lending School is also an excellent refresher course.

Enrollment Requirements

Enrollees must meet the following criteria:

- A college degree and a minimum of one year experience in commercial lending, **or**
- A college degree and a minimum of one year in credit administration in a bank, **or**
- A high school diploma and five years of banking experience;

AND

- Equivalent coursework, **or**
- Demonstrate knowledge.

**** Note: A strong background in financial analysis or accounting is recommended. The OBA Financial Analysis Seminar or similar programs are suggested. ****

Enrollment is limited to 55 participants, and will be accepted on a first-come, first-served basis. All applicants will be accepted or rejected and notice given by Feb. 23, 2024.

School Plan

The one-week school is structured in such a way as to measure each student's gain in knowledge through the use of a post-test as well as case studies. A passing grade is required on the exam in order for the student to qualify for a completion certificate.

Class Organization

So that each student may gain the optimum from the course of instruction and group environment, the enrollment is limited to 55 students. Formal classes will be held for approximately 40 hours, Sunday through Friday. The school will conclude on Friday, March 8, 2024.

***Note: Program subject to change. ** Enrollment is limited to 55.**

Requirements & Regulations

Each student will be required to attend every class until adjournment on March 8, 2024. An attendance record will be kept and the respective bank will be notified at the close of the session if the student's participation is not satisfactory. Additionally, students will be required to complete an examination at the end of the school.

Dress

Dress for class is informal, but in good taste. Tailored shorts and jeans are acceptable. Plan to bring a light sweater or jacket.

Accommodations

The Oklahoma Bankers Association has a block of rooms available at the Residence Inn by Marriott OKC Downtown. The hotel is located at 400 E Reno Ave, Oklahoma City, OK 73104. Please call 405-601-1700 and mention the **Oklahoma Bankers Association Commercial Lending School room block**. The \$120 room rate includes a breakfast and parking. Reservations should be made by Sunday February 17, 2024 to guarantee this rate.

Student Honors Program

Each year, the Board of Regents, staff, faculty and students select two students as the outstanding graduates. Criteria for the selection of the honor graduates include, but is not limited to: outstanding work on the case studies and test, contributions to and participation in class and overall contributions within the student body. Awards will be presented to these students once they have returned to their respective banks. Additionally, these two students will be asked to serve as advisory board members for the following year. The recipients must be commercial bankers from OBA-member banks and reside in Oklahoma.

Registration

Students will register at the Oklahoma Bankers Association's Harris Event Center from 2:00-2:30 p.m. on March 3, 2024. All students are required to register during this period.

Cost

The registration fee covers all expenses for daily snacks and lunches, two evening meals, a one-year subscription to the *Oklahoma Banker* newspaper, books and tuition. The fee must accompany the application and be received by the OBA by Feb. 23, 2024, to be considered for the March 2024 session.

EARLY BIRD REGISTRATION: Any registrant enrolling prior to Feb. 2, 2024, will be afforded the following discounted rate: **\$1,450** OBA member.

MULTIPLE REGISTRATIONS: Any OBA-member bank enrolling two or more students will be afforded the following discounted rate: **\$1,450** for first student, **\$1,300** for each additional student.

REGULAR REGISTRATION: Single registration fee after Feb. 2: **\$1,500** OBA-member
\$2,500 Non-members

CANCELLATION POLICY

Upon cancellation by Feb. 2, 2024, the full fee will be returned to the bank. A \$700 cancellation fee will be charged for cancellation requests received after Feb. 2, 2024, through Feb. 16, 2024. Cancellations received after Feb. 16, 2024, will be subject to total forfeiture of the registration fee.

Please note: **ALL CANCELLATIONS MUST BE IN WRITING.** *Exceptions to the above stated policies are subject to the approval of the Commercial Lending School Board of Regents.*

CURRICULUM OVERVIEW

UNDERSTANDING THE BORROWER'S BUSINESS

Business strategy, the key to success for any company, is explored in this module, which begins with a look at the role of strategy and then defines three basic types—price, product differentiation and product focus. The course then identifies the various characteristics of a company that should be considered when formulating and implementing business strategies.

BORROWER FINANCIAL PERFORMANCE

This course considers the objective evaluation of a company's record in managing the key variables. The primary tool of objective evaluation is the historical financial analysis, which includes comparative analysis, income statement/balance sheet analysis, funds flow analysis, ratio analysis, margin analysis, break even analysis and personal financial statement analysis.

LOAN STRUCTURE & SUPPORT

These classes examine how to properly structure a loan, including identifying where loan support may be required. It then looks at the four aspects of loan support—collateral, guaranty, loan agreement and subordination agreement. Additional documentation issues are addressed.

PROJECTING FUTURE PERFORMANCE

Sensitivity analysis concerns the quantification of a borrower's ability to make future payments based on past financial performance. This session explores this concept by describing the information and tools needed for doing a sensitivity analysis. Three tools of particular utility—pro formas, cash budgets and working investment analysis—are then explored at length.

LEGAL ISSUES

All commercial lenders should have a working knowledge of these issues. The session will present current developments and strategies, involving collections, bankruptcy and lender liability.

CEO ROUNDTABLE AND INDUSTRY ANALYSIS PANELS

These discussions will give students an opportunity to hear from industry leaders regarding their strategies for a successful banking and lending career. Both panels provide insight into current economic influences.

LOAN FRAUD

Potential loan fraud activities and how to avoid them will be reviewed. Emphasis will be placed on protecting the bank and your customer.

BANKING TRENDS

The focus of this session will be on products and competition that may impact your bank's day-to-day performance.

UNDERSTANDING APPRAISALS

The session will address appraisal standards and current issues facing bankers.

PROBLEM LOANS

Although problem loans are not always preventable, lenders can minimize the losses from them by exercising credit discipline, properly administering loans and thoroughly understanding each borrower's business and financial needs.

RELATIONSHIP MANAGEMENT/CROSS SELLING/LOAN PRICING

This section looks at the relationship between successful negotiation and successful sale of bank products. Each step of the negotiation—preparation, discovery, establishing a negotiable position, negotiation and close—is explained. The module then turns to the packaging and selling of a total commercial relationship. In addition, pricing strategies will be addressed.

CREDIT DISCIPLINE

This section looks at the components of an effective administration process, which, when combined, result in a quality loan portfolio. The principle components of effective credit administration that are examined include: written loan policy, loan quality rating system, formalized loan pricing system, effective committee process, strong loan administration, well-trained lending officers and positive lending environment.

CRE LENDING

This module will discuss responsibly financing the three broad types of commercial real estate property. The session will address information requirements, underwriting and monitoring these types of loans.

REGULATORY PERSPECTIVE

Discussion includes trends, hot issues and strategies for effectively managing the loan portfolio.

LOAN DOCUMENTATION AND CREDIT MEMOS

This class will address documentation requirements and expectations for commercial loans. In addition, preparing and presenting credit memos will be covered.

Note: Topics and content are subject to minor changes.

2024 Commercial Lending School Board

Chairman:

Jeff DeSpain, BancFirst, Moore

Members:

Troy Avant, Liberty National Bank, Chickasaha
Mark Brace, BancFirst, Lawton
Mark Byers, Vision Bank, Ada
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James Robison, RCB Bank, Owasso
Alan Schaefer, Valliance Bank, Oklahoma City

Advisory Members:

Christopher Farris, Legacy Bank, Oklahoma City
EJ Gray, Kirkpatrick Bank, Oklahoma City

2024 Commercial Lending School

Sunday March 3	Monday March 4	Tuesday March 5	Wednesday March 6	Thursday March 7	Friday March 8
<p>2:00 – 2:30 Registration</p> <p>2:30 – 3:00 School Intro</p> <p>3:00 – 4:30 Borrower Financial Performance</p> <p>4:30 – 4:45 Break</p> <p>4:45 – 6:00 -continued-</p> <p>6:00 – 6:45 Dinner</p> <p>6:45 – 8:00 -continued-</p>	<p>9:00 – 10:00 Borrower Financial Performance -continued-</p>	<p>9:00 – 11:00 CRE Lending</p>	<p>9:00 – 11:00 Loan Structure & Support</p>	<p>8:30 – 10:00 Credit Discipline</p>	<p>9:00 – 10:00 Exam 10:00 Class Photo 10:00 – 11:15 Bank Executives Roundtable</p>
Break 10:00 – 10:15					
<p>10:15 – 11:45 -continued-</p>	<p>11:15 – 12:30 Understanding Appraisals</p>	<p>11:15 – 12:45 Loan Documentation and Credit Memos</p>	<p>10:15 – 11:45 Legal Issues</p>	<p>11:15 OBA Update 11:45 Exam Summary</p>	
Break 11:00 – 11:15					
<p>Lunch 12:45 – 1:45 Sponsored by McAfee & Taft Lunch Discussion: Regulatory Perspective</p>					
<p>Lunch 11:45 – 12:30</p>	<p>Lunch 12:30 – 2:00 Lunch Discussion: SBA Loans</p>	<p>2:00 – 3:45 Loan Fraud Issues</p>	<p>2:00 – 3:30 Industry Analysis Panel</p>	<p>Lunch 11:45 – 12:15 Sponsored by The Bankers Bank</p>	
<p>12:30 – 2:45 Projecting Future Performance</p>			<p>12:15 – 2:15 Problem Loans</p>		
Break 2:45 – 3:00					
<p>3:00 – 5:30 -continued-</p>	<p>4:00 – 6:00 Case Study Work Time 6:00 Exam Review</p>	<p>3:45 – 5:30 Relationship Management/Cross Selling/Pricing</p>	<p>2:30 – 5:00 Understanding Borrower's Business Banking Trends 5:15 Exam Review</p>	<p>Break 2:15 – 2:30</p>	<p>Schedule subject to minor changes. 12/12/23</p>
Break 3:45 – 4:00					
<p>Dinner 5:30 – 6:00</p>					
<p>6:00 – 7:45 Case Study Work Time</p>					



2024 COMMERCIAL LENDING SCHOOL APPLICATION FOR ADMISSION

MARCH 3-8, 2024

A check payable to the Oklahoma Bankers Association must accompany this application. This fee covers instruction, materials, tuition, refreshment breaks, lunch and a one-year subscription to *Oklahoma Banker*. The registration deadline is Feb. 23, 2024.

This institution does not discriminate with regard to race, color, sex or age.

REGISTRATION

Early Bird Registration

To qualify, you must enroll by Feb. 2, 2024.

\$1,450 OBA Members

Multiple Registrations

*To qualify, students must be from the same bank. (OBA Members)

\$1,450 First student

\$1,300 Each additional student

Regular Registration

After Feb. 2, 2024

\$1,500 OBA Members

\$2,500 Non-OBA Members

REFUND POLICY

Any registrant withdrawing by Feb. 2, 2024 will receive a full refund. A \$700 cancellation fee will be charged for cancellation requests received after Feb. 2, 2024 through Feb. 16, 2024. Cancellations received after Feb. 16, 2024 will be subject to total forfeiture of fees. **ALL CANCELLATIONS MUST BE IN WRITING.**

I, the undersigned, have read the attached information which describes admission criteria and understand that I will be expected to attend all scheduled classroom and work periods, to prepare all assigned work, to participate in classroom sessions and to successfully complete the final examination to qualify for graduation.

Signature _____

The submission of this application has been approved by the bank. (To be signed by the president, department head, personnel officer or other executive authorized by the bank.)

NOMINATING OFFICER'S SIGNATURE

NOMINATING OFFICER'S NAME AND TITLE

OPTIONAL

I consent to the release to my employer of grades and other measures of performance in courses taken by me at the school.

SIGNATURE DATE

Please send grades and other measures of performance to:

PLEASE TYPE THE FOLLOWING INFORMATION

NAME (AS YOU WANT IT TO APPEAR ON CERTIFICATE)

NAME OR FIRST NAME (FOR BADGE)

EMAIL ADDRESS

DATE OF BIRTH (MONTH/DAY/YEAR)

AGE

BUSINESS PHONE

MOBILE PHONE

YOUR TITLE

BANK NAME

MAILING ADDRESS

CITY

STATE

ZIP

Application must be returned by Feb. 23, 2024.

(OVER)

YEARS IN COMMERCIAL LENDING

- 1. ___ Less than 1
- 2. ___ 1-3 years
- 3. ___ 3-5 years
- 4. ___ 5-10 years
- 5. ___ 10-15 years
- 6. ___ 15 years & over

SIZE OF YOUR LOAN PORTFOLIO

- 1. ___ Under 1 million
- 2. ___ 1-5 million
- 3. ___ 5-10 million
- 4. ___ 10-20 million
- 5. ___ 20+ million

SIZE OF BANK IN ASSETS

- 1. ___ \$0-100mm
- 2. ___ \$100-250mm
- 3. ___ \$250mm-500mm
- 4. ___ \$500-750mm
- 5. ___ \$750- billion
- 6. ___ over 1 billion
- 7. ___ Bank Holding Co
- 8. ___ Other

TOTAL YEARS IN BANKING

- 1. ___ Less than 1
- 2. ___ 1-3 years
- 3. ___ 3-5 years
- 4. ___ 5-10 years
- 5. ___ 10-15 years
- 6. ___ 15 years & over

EDUCATIONAL BACKGROUND

(Check only one)

- 1. ___ High School Graduate
- 2. ___ Some College (Hrs _____)
- 3. ___ Associate Degree
- 4. ___ Bachelor's-Business
- 5. ___ Bachelor's-Other
- 6. ___ Masters-Business
- 7. ___ Masters-Other
- 8. ___ Ph.D.
- 9. ___ Law Degree

OBA SCHOOLS ATTENDED

- 1. ___ Compliance _____
- 2. ___ Consumer Lending _____
- 3. ___ Operations _____
- 4. ___ Commercial Lending _____
- 5. ___ Intermediate _____
- 6. ___ Basic _____
- 7. ___ Other _____

YEAR

YOUR TITLE

Indicate how you acquired a basic knowledge and understanding in the following areas:

Accounting

Basic concepts including the accounting cycle, special journals and subsidiary ledgers, payroll records and procedures, reporting operating results, the accrual basis of accounting, partnership and corporate accounting.

College Courses: _____

Other (Specify): _____

Analyzing Financial Statements

Characteristics of financial statements and their analysis including the goals, methods and tools of analysis, accounts receivable, inventories, balance sheets, profit and loss analysis and their relationship to each other.

College Courses: _____

Other (Specify): _____

EMERGENCY INFORMATION

In case of emergency, please contact:

NAME ADDRESS MOBILE PHONE

RELATIONSHIP WORK PHONE HOME PHONE

Please make your check payable to the Oklahoma Bankers Association and mail to:

**Oklahoma Bankers Association
P.O. Box #960173
Oklahoma City, OK 73196-0173**

Contact Janis or Nancy for further information at 405-424-5252 or at janisr@oba.com.

FOR OBA USE ONLY

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