

**Commercial Lending School**  
**Breaking into Banking 101: Fundamentals of Commercial Lending**  
**1 ½-Day Course Summary**

<b>Course Description:</b>	Commercial banking can be intimidating because of its complexity and the risk-oriented nature of the work. This course is a clear and thorough introduction to the key concepts, terminology, and processes involved in credit and lending. It doesn't assume much prior knowledge of the topic, so it's ideal for those in their first year in the industry. Learners will walk away with a clear understanding of their job and how their specific role fits into the bank's overall profitability goals.
<b>Target audience:</b>	New credit analysts, lenders, and underwriters, as well as bankers who don't do credit analysis but need a working knowledge of the process. This may include statement spreaders, loan processors and closers, treasury management associates, administrative support for credit or lending officers, branch managers, and interns.
<b>Duration:</b>	<i>In-person workshop:</i> 1 1/2 days; includes 9 hours of facilitation, + breaks

**Day 1: (8:30 am – 4:00 pm)**

1. The Business of Banking	Why customer relationships matter Identifying and managing risk Net interest income vs. fee income
2. Why Businesses Borrow Money	Working capital financing / Cash cycle Real estate and capital expenditures Start-ups, buyouts, bridge loans, and losses
3. The Art of Underwriting – Part I	Industry considerations Life cycle stage of your borrower Analyzing quality of management
4. The Art of Underwriting – Part II	Four levels of quantitative analysis Balance sheet: liquidity and leverage Income statement: margins and coverage
5. Loan Structuring – Part I	Types of loan facilities How loan pricing really works Tenor and amortization
6. Loan Structuring – Part II	Analyzing your collateral What loan covenants do for you The value of guarantees

**S&P Global**  
Market Intelligence

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**Day 2: (8:30 am – noon)**

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| 7. The Credit Approval Process   | Courtship and the “life of a loan”<br>Selling the deal twice – bank and customer<br>Loan documentation               |
| 8. Loan and Portfolio Monitoring | Understanding “Expected loss”<br>Loan grading – regulatory definitions<br>Asset performance and loan loss provisions |
| 9. The Complex Lending Machine   | Internal relationships<br>Introduction to twelve key banking groups<br>Critical partnership: Credit and Lending      |
| 10. Test Drive Your Job          | A day in the life of a credit analyst<br>Prerequisite traits for success<br>Career advice and how to love your job   |