Risk Capital 2007

Practical Implementation Techniques and Methodological Advances in Risk Management and Capital Allocation

For Credit, Market & Operational Risk

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Imperial College
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Lehman Brothers
Basel Committee on Banking Supervision
The Netherlands Bank
Deutsche Bank
Allied Irish Banks Plc
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LGT Capital Partners
Grupo Santander
Cass Business School
Wachovia Securities
Royal Institution of Great Britain
Federal Reserve Board of Governors
Lloyds TSB
HBOS Treasury
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Shom Bhattacharya
Chief Risk Officer
ALLIED IRISH BANKS PLC

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Basel Summit
25th June 2007

Keith Pooley
Pillar II Programme Leader
FSA

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Basel II Implementation Summit Day
25th June 2007

08.00 - Registration & Coffee

08.30
The CEBs’ Perspective: Determining The Key Implementation Challenges We Still Face With Basel II
Daniel Noy, Secretary General, FRENCH BANKING COMMISSION & Chair, CEBs

Regulating The (Un)Level Playing Field: Dealing With The Current Home Host Requirements
Helmut Bauer, Chief Executive Director Of Banking Supervision, FEDERAL FINANCIAL SUPERVISORY AUTHORITY
Daniel Siegel, Head Of Risk Management, SWISS FEDERAL BANKING COMMISSION
Jack Jennings, Associate Director, FEDERAL RESERVE BOARD

Sheila Bair, Chairman, FDIC *tbc

Electronic Polling

Moving Beyond Basel II: How Much Longer Will Basel Dominate
The Bank’s Risk Management Function And Identifying What Strategic & Practical Challenges Lie Ahead?
Andrew Cross, Managing Director, CREDIT SUISSE
Andrew Jennings, Chief Basel II Regulatory Liaison, CITIGROUP
Adam Gilbert, Managing Director, JP MORGAN **tbc
Nicholas Silitch, Managing Director, BANK OF NEW YORK *tbc

11.00 - Morning Coffee

11.10
The Key To Pillar II: Evaluating The Evolving Role Of Stress Testing
In Today’s Regulatory Environment
Peter Gassmann, Group Head Of Risk Architecture, DRESSEY BANKER

12.20 Is It Possible And Desirable To Ensure That Pillar II Is Applied Consistently And Implemented Fairly Across Jurisdictions?
Mattia Rattaggi, Group Regulatory Management, UBS

Pillar II Panel

Where Do We Stand And What Remains To Be Achieved?
Keith Pooley, Pillar II Programme Leader, Pillar II Risk Review Department, FSA
Peter Gassmann, Group Head Of Risk Architecture, DRESSEY BANKER

Understanding The Disclosure Demands Of Pillar III And The Likely Impact On The Way Market Assess Bank Risks
Veronique Ormezzano, Head Of Investor Relations & Financial Information, BNP PARIBAS

13.10 - Lunch

14.00
Extracing Business Value Form Basel Compliance
Anthony Peccia, Director, Operational Risk Policy & Implementation, CITIGROUP

Basel On The Trading Floor: Analysing The Impact Of Basel II Regulation Penetrating New Areas Of The Bank
Marcus Flock, Credit Financing & Collateral Trading, DRESSEY KLEINWORT

15.50 - Afternoon Tea

16.00
Liquidity Risk: Where Are We Going?
Gerhard Stahl, Senior Director, Head Of Group Risk Modelling, BAFIN

The Reality Of Basel II Implementation: Understanding The Structure And Workings Of The Audits To Ensure A Smooth Implementation Process
Michael Luxenburger, Head Of Credit Rating & Basel II Implementation, DEUTSCHE BANK

17.20 - Implementation Roundtables

TUESDAY 26 JUNE 2007
Start Of Main Conference, Day 1

08.30 - Registration & Coffee

09.00 Chairman’s Opening Address
Name, Title, Company

09.10 The CRO’s Dilemma: Keeping The Board-Level Risk Assessment Honest
Shom Bhattacharya, Chief Risk Officer, ALLIED IRISH BANKS

09.40 Lessons Learnt From The Practical Integration Of Risk & Capital Management
Rainer Rauleder, MD, Global Head Of Capital Management, DEUTSCHE BANK

Tomorrow’s Risk Managers: How 21st-Century Technology, Society & The Information Age Will Change The Way The Risk Manager Thinks
Baroneen Susan Greenfield

11.00 - Morning Coffee

11.10
Economic Capital – Making It Work Within An Effective Capital Management Process
Alain Smith, HSBC

12.20 Stress Testing, Risk Transfer And Balance Sheet Management
Tom Garrity, MERCER OLIVER WYMAN

13.30
Several Views Of Basel II: Investment, Time To Leave The Return
Jong Erlebach, COMMERZBANK

14.30 Credit Risk And Uncertainty: Moving Beyond Deterministic PDs, EADs And Correlations
Jorge Soblehet, CITIGROUP

15.10 Unseen Aspects Of Economic Capital For Retail Lending
Joseph Breiden, STRATEGIC ANALYTICS

16.20 Using Appropriate PIT And TTC PDs In Regulatory And Economic Capital Management
Scott Aguilas, BARCLAYS CAPITAL

17.00 Economic Capital From Figure Crunching To Value Generation
Jean-Bernard Caen, COMMERZBANK

17.40 The Reality Of Basel II Implementation: Understanding The Structure And Workings Of The Audits To Ensure A Smooth Implementation Process
Michael Luxenburger, DEUTSCHE BANK

19.00 - Risk Capital – Gala Cocktail Party

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Tuesday 27 June 2007 - Day 2
The RiskCapital 2007 ‘Visions Of Risk’
CRO Summit
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08.30 - Welcome Coffee
Chairman's Opening Address
Dr Stephen J Christie, Partner, ERNST & YOUNG

09.00 Basel II And Financial Institution Resiliency
Nout Wellink, Secretary General
BASEL COMMITTEE OF BANKING SUPERVISION
and President, THE NETHERLANDS BANK

09.10 Integrating Capital Management With Risk Management
Richard Evans, Deputy Chief Risk Officer
DEUTSCHE BANK

For These In Practice Colin Burke
HBOSTS

10.50 The Next Generation Of Economic Capital: Models and Practices
For These In Practice Charlie Shamieh,
Group Chief Risk Officer, LEHMAN BROTHERS

10.40 - Morning Coffee

Economic Capital: From Regulatory Compliance To Business Value
Dr Dorg Bhagens, Partner, ERNST & YOUNG

11.40 The IFRI CRO Forum Economic Capital Benchmarking Study:
Key Findings From The Banking & Insurance Industry
Raj Singh, Chief Risk Officer, ALLIANZ

12.00 Liquidty Risk And Correlation Risk: Implications For Risk Management
Viral Acharya, Associate Professor Of Finance
LONDON BUSINESS SCHOOL

12.50 Lunch

Building A Risk Management Framework:
Connecting Risk, Capital and Business Decision Making
Peter Nathanial, Chief Risk Officer, ROYAL BANK OF SCOTLAND

14.30 The Quest For The Holy Grail: Is True Enterprise Wide Risk Management Really Attainable & Is It Actually Desirable
John Breit, Managing Director For Global Risk Management
MERRILL LYNCH

15.00 Risk Whaley, Chief Risk Officer, MBIA
Andreas Grundlachen, Chief Risk Officer
ZURICH FINANCIAL SERVICES

15.45 - Afternoon Tea

The End Of Risk Management As We Know It?
A Paradigm That Embeds Risk Management Into The Culture Of The Organisation
David Martin, Chief Risk Officer, ALIANCEBERNSTEIN

16.10 Understanding The Future Role Of The Chief Risk Officer:
Managing Risk From The Asset Management Perspective
Erwin Martens, Chief Risk Officer, TIAA CREF

16.40 Risk Integration/Assessing The Diversification And Correlation Between Credit Portfolios and Other Risk Types
Klaus Böcker, HVB

17.10 - End Of “Visions Of Risk” Summit

19.00 - CRO Gala Dinner

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THURSDAY 28 JUNE 2007
Main Conference, Day 3

08.30 - Registration & Coffee

08.40 Chairman’s Opening Address
Name, Title, Company

09.00 Steering The Bank:
Reconciling Capital With Value Creation
Matthijs Van Den Adel
Chief Risk Officer & Chief Human Resources Officer, WESTLB

09.30 Take Hold Of Your Future Or The Future Will Take Hold Of You
Patrick Dixon, Title, GLOBAL CHANGE

10.20 - Morning Coffee

STREAM A: Practical Economic Capital Calculation Techniques

10.50 The NExt Generation Of Economic Capital: Models and Practices
Colin Burke
HBOSTS

12.10 Practical Economic Capital Calculation Techniques
Charles Stewart
MOODY’S KMV

3
Day One - 25th June 2007
Basel II Implementation Summit Day

8.30  Morning Coffee

09.00  The Dream Of A Single Global Standard:
Assessing The Current U.S. Attributes & Opinions On Basel II Adoption
Sheila C. Bair

09.30  The Key to Pillar II:
Evaluating The Evolving Role Of Stress Testing In Today’s Regulatory Environment
Peter Gassmann

10.00  Moving Into Pillar II:
Now That The Architecture Is In Place, How Do We Get Used To Living Within Pillar II’s Guidelines?
Keith Pooley

10.30  Electronic Polling

10.45  Moving Beyond Basel II:
How Much Longer Will Basel Dominate The Bank’s Risk Management Environment And Identifying What Strategic & Practical Challenges Lie Ahead?
Panellists include:

Andrew Cross
Managing Director
CRITIRISSEU

Andrew Jennings
Chair Basel II Regulatory Liaison Office
CITIGROUP

Andrew Melville
Managing Director
CITIGROUP

11.00  Morning Coffee

11.30  Pillar II Panel
Where Do We Stand And What Remains To Be Achieved?

Keith Pooley
Pillar 2 Programme Leader, Pillar 2 Team, Risk Review Department, FINANCIAL SERVICES AUTHORITY

Peter Gassmann
Group Head Of Risk Architecture, DRESGONER BANK

Mattia Rattaggi
Group Regulatory Management UBS

12.10  Is It Possible And Desirable To Ensure That Pillar II Is Applied Consistently And Implemented Fairly Across Jurisdictions?
• Pillar II concerns banking practice as much as supervisory practice.
• It is principle-based and deals with fundamental accounting and capital management questions.
• When consistent implementation across firms and jurisdictions is important, firms’ specific approaches and setups should be preserved.

Moderators:
Martin Rattaggi
Group Regulatory Management UBS

12.30  Pillar II Panel
How Much Longer Will Basel Dominate The Bank’s Risk Management Environment And Identifying What Strategic & Practical Challenges Lie Ahead?

Panellists include:

Andrew Cross
Managing Director
CRITIRISSEU

Andrew Jennings
Chair Basel II Regulatory Liaison Office
CITIGROUP

Andrew Melville
Managing Director
CITIGROUP

13.00  Lunch

14.00  Understanding The Disclosure Demands Of Pillar III And The Likely Impact On The Way We MARKET Assess Bank Risks
How to implement Pillar III?

Veronique Ommezanno
Head Of Investor Relations & Financial Information
BNP PARIBAS

14.30  Basel On The Trading Floor: Analysing The Impact Of Basel II Regulation Penetrating New Areas Of The Bank
• Summary of the most important changes in regulation from a traders’ point of view
• How do changes impact certain products?
• New products and risk mitigation tools on focus on repo-styled transactions

Mansour Fakih
Credit Financing & Collateral Trading Director
DRESGONER KLEINWORT

15.00  Liquidity Risk:
Where Are We Going?
• CreditMetrics (ag I) (IF)
• Regulatory initiatives (Basel II and the Joint Forum)
• Principle of risk-based regulation

Gerhard Stahl
Senior Director, Head Of Group Risk Modeling
BAFIN

15.30  Afternoon Tea

16.00  The Reality Of Basel II Implementation:
Understanding The Structure And Workings Of The At-Bank To Ensure A Smooth Implementation Process
• Shortfalls of regulatory framework only perceivable during implementation
• Audit non-standard lending and expertise of supervisors
• Inconsistencies between regulatory framework, accounting standards
• Motivation of staff during audits and in preparation phase

Michael Luxenburger
Head of Credit Rating & Basel II Implementation
DEUTSCHE BANK

17.00  Implementation Roundtables:

18.00  Profiting From Basel II Implementation
Anthony Poecia, Director, Operational Risk Policy & Implementation
CITIGROUP

18.30  Living With Pillar II
Keith Pooley
Pillar 2 Programme Leader, Pillar 2 Team, Risk Review Department, FINANCIAL SERVICES AUTHORITY

19.00  Return to Welcome Dinner

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Day One - June 26th 2007
MAIN CONFERENCE

10:20
Using Appropriate FIT And TTC PDs In Retail And Economic Capital Management
What is the role of statistical credit cycles in FIT and TTC PD indicators?
How do FIT and TTC PDs vary in their impact on the calculation of economic capital?
How should concerns over pro-cyclicality be represented in FIT and TTC PDs?
Scott Aguiar, Director, Group Head of Credit Risk Methodology
BARCLAYS CAPITAL

11:20
Credit Risk And Uncertainty: Moving Beyond Deterministic PDs, EADs, LGDs And Efficacy Metrics
The role of uncertainty in credit risk modelling
Quantifying the impact of uncertainty in PDs, EADs, LGDs and the efficacy of deterministic approaches
towards and downfalls for multiple economies and sectors, and their contribution to tail losses
Constructing a consistent methodology for portfolio stress testing, if not scenario analysis and credit risk allocation
Joseph Sobehart
Managing Director, Credit and Operational Risk Analytics
ABN AMRO

11.40
When Will The Benign Credit Cycle Come To An End?
Is Credit VaR The Right Measure And Are Current Hedging Practices Sufficient Or Could These Practices Drive Volatility On A Market Correction?
Where is the market currently and what will be the drivers of a shift out of the benign credit cycle?
What are the key macro variables that could push the credit market?
Is risk management properly traders the VaR?
Are current risk procedures protecting books from major downside or are current practices potentially leading to a blow up?
Robert McCabe
Managing Director, Head of Credit Strategy and Co-Head of European Credit Research
BARCLAYS CAPITAL

12:20
Making Profits Rather Than Just Avoiding Losses: Making P&L On A Loan Portfolio
Moving on from traditional CPM
Agnieszka Sowa
Global Head & Managing Director, Loan Exposure Management Group
DEUTSCHE BANK

13.40
Crisis, Risk And Uncertainty: What Are The Drivers Of Economic Capital And How Do We Model Them?
Incorporating the role of modelling and economic capital into portfolio stress testing
What are the drivers of EC and other types of capital and where does EC fit alongside the various types of capital?
Work within an effective capital framework
Jean-Bernard Caen
Director, Head of Credit Risk Management
DEUTSCHE BANK

14.10
Valuation For Basel II
A framework for the validation process
Low default portfolio
SME’s, Benchmarking and Back testing
Stuart Shipperlee
Portfolio Strategy & Execution
ABN AMRO

14.20
Improved Techniques For Hedging Default Risk On Loans
Moving Beyond CDS Swaps
Focus on alternative risk transfer
-use of insurance and pension funds risk appetite
-focus product development to open new channels
New products and tools
Manage transition part Basel I vs Basel II
-bridge EC versus CSA strategies
Take advantage of arbitrage opportunities
Alexandra Santos
Executive Director, Global Head Portfolio Strategy & Execution
ABN AMRO
From Advice To Asset Ownership:

Changing The Role Of Credit Portfolio Management Within The Business Model
- The impact of moving Credit Portfolio Management from an advisory function to asset allocation capability.
- Designing a solution.
- Making it happen - the practical and environmental challenges.
- Applying best practice and lessons learned.

Tim Cooke
Director, Portfolio Management
LLOYDS TSB
Tim Cooke is Director, Portfolio Management for the United States & International Banking Division of Lloyds TSB. Before joining Lloyds in 2006, he worked for Barclays in a number of senior roles, including as Head of European Credit Portfolio management in Corporate Banking.

Realistic Analysis Of Systematic And Unsystematic Behaviour In Bank Portfolios Using Saddlepoint Techniques
- Absolute estimation of risk at a detailed level.
- The saddlepoint technique permits inclusion of a general multifactor correlation structure, treatment of single large exposures and PD/LGD interaction.
- A bottom-up approach combining wholesale and retail exposures.

Roland Overduin
Head Of Risk Analytics
GRUPO SANTANDER
After obtaining his BSc from Imperial College, London, Roland Overduin joined JPMorganParibas and Credit Suisse where he developed capital management measures. His interests have included in-depth analysis studies mainly related to the area of credit portfolio modeling.

Risk Measurement:
A Close Examination Of Capital, VAR And Stress Testing
- Overview of the risk types and modeling approaches.
- Application to market and credit risk capital.

Tameem Bhatti
Executive Director
JPMorgan
Tameem Bhatti is Head of Risk Control for the Exotic Derivatives Group of JPMorgan and has a twenty-year career in the industry. Prior to joining JPMorgan, he served as a Manager in the Technical Advisory Group for the Banking and Insurance Sector. Before entering the financial services industry, he received a research student in Mathematical Finance.

Guidance For Model Approval - Understanding The Requirements
- How to prepare an application.
- What is essential before, during and after the audit.

Example: WestLB's Internal Model Approval
Frank Seyerdt
Managing Director, Head of Market Risk Management
WESTLB
Frank Seyerdt has been with WestLB since 1998 in various positions and departments, such as Investment Banking and the Valuation Division in New York. He previously headed the Local MMM within Risk Management Support & Control in Düsseldorf.

Interest Rate Risk In The Banking Book:
Coping With The Fact That Positions On Market Accounting Are Not Mark To Market
- BuE.
- Xxxx.
- Xxxx.

Klaus Broeder
Senior Risk Controller
HVB
"I enjoyed the event very much and valued the opportunity to hear and meet up with my counterparts in other banks."

Recent Technology Innovations For Market Risk & The Integration Of Credit & Market Risk
- Towards the integration of credit and market risk.
- Optimizing process for specific product classes.
- Techniques for calculating short-term PDs.
- Roll-over assumptions: how to model a constant level of capital.
- Aggregation across different liability horizons.

Michael Kalkbrener
Director, Corporate Risk & Instruments Group
DEUTSCHE BANK
Michael Kalkbrener specializes in developing risk measurement and capital allocation models for complex derivative portfolios and the development of a quantitative model for market capitalization. Prior to joining Deutsche Bank, he worked at Cornell University and the Swiss Federal Institute of Technology where he received the venia legendi for mathematics.

Risk Control For Investing In Hedge Funds
- Differences between managing risk in a hedge fund and a business.
- What risks factors are taken into account.
- What can we learn from each other?

萝卜 Philip
Managing Director, Corporate Operational Risk
JPMORGANCHASE
Robert Philip is Head of Risk Control for the Americas for JPMorganChase. He is a member of the Corporate Operational Risk Management Committee and is a risk partner for key institutional and corporate clients. He is currently responsible for a number of key risk frameworks as well as risk reporting for market, credit, counterparty and operational risk.

Embedding Operational Risk: Passing The ‘Use Test’
- Operational Risk at Abbey: The Standardised Approach.
- Embedding Operational Risk: Bottom up and Top down.
- Questions you should prepare for from a regulator.

Nigel McAllister
Head Of Group Operational Risk & Reporting
ABBEY
Nigel McAllister is currently Head of Operational Risk at Abbey National responsible for setting the framework, policy, strategy, tools and reporting risks to the Board and Risk Committee. Nigel has been at Abbey National since 2000 and previously held positions at Credit Suisse and Schroder Salvesen. Nigel is also a member of the implementation group for Basel II and Arthur Andersen. Nigel is also a member of the UK Institute of Operational Risk.

Bio can be found on Page X

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Champagne Rountables:
20th June 2007
- Operational Risk: Getting A Return On Investment
- Issues for Retail Lending In Stress
- Risk Capital: Economic Capital

Joseph Broden
President and COO
STRAteGIC ANALYTICS
- Economic Capital In Practice

Alan Smith
Group Head Of Economic Capital
HSBC
- Risk Integration: The Road Forward

Michael Kalkbrener
VP Risk Analytics & Instruments Group
DEUTSCHE BANK
**Liquidity Risk And Control Panel: Implications For Risk Management**  
What are the causes and implications of such liquidity risk?  
- Linksages between balance-sheet and market liquidity  
- Pricing of new credits and cash movements across markets?  
- Measuring of derivative risks  
- How should liquidity risk be managed?

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**The IFRI CRO Forum Economic Benchmarking Study:**  
*Key findings from The Banking & Insurance Industry*  
**An overview and discussion of the survey’s results**  
- How do the findings differ between the banking and insurance industries?  
- Predicting future developments for capital calculation and allocation

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**Building a Risk Management Framework:**  
*Connecting Risk, Capital and Business Decision Making*  
- Identifying, defining and measuring the different sources of risk;  
- Establishing risk capital as a common currency;  
- Consolidating and mobilizing an effective risk management function;  
- The role of the risk manager: translating risk into board room language; enforcing the board’s risk appetite.

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**The Quest For The Holy Grail: Is True Enterprise Wide Risk Management Really Attainable & Is It Actually Desirable**  
*Does ERM suit a bank’s management and organizational structure?*  
*What lessons can be learnt from the insurance world?*  
*How long will it take to move over to ERM?
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Day Three - June 28th 2007 MAIN CONFERENCE

08.30
Welcome Coffee

08.40
Chairman's Opening Address

Name:
Title:
Company:
Bio:
E-mail:
Xxx

09.00
Steering The Bank: Reconciling Capital With Value Creation

Mats Van Den Adel
Chief Risk Officer & Chief Human Resources Officer
WESTLB
Mats Van den Adel has been a Member of the Managing Board of WESTLB since 2000. He has previously headed WestLB's Risk Management Department as Managing Director, Credit Business, Risk Management and as Treasurer.

09.00
Guest Futurist Address:
Take Hold Of Your Future Or The Future Will Take Hold Of You

Patrick Dixon
GLOBAL CHANGE
Patrick Dixon is often described in the media as Europe’s leading futurist and has been ranked as one of the 20 most influential business thinkers alive today (Forbes 2002). He is the author of several books on global change, including Building a Better Business, Futuretopia, The Genetic Revolution, The Truth about Healthcare, and The Truth about AIDS. He advises multinational companies on the strategic implications of a wide range of global trends such as the new economy, the digital society, financial organisations, healthcare, genomics, lifestyle, the environment, marketing, advertising, and public policy.

10.30
Morning Coffee

10.50
The Next Generation Of Economic Capital Models:
Techniques For Using These In Practice

• Clarifying the role of economic capital
• Choosing the appropriate level of complexity
• Next generation capital models for timing of default
• Next generation economic capital models: moving away from the equity/Merton model

Colin Burke
Head of Credit Modelling
HSBC
Colin Burke leads a team responsible for the development of comprehensive and consistent methodological capital models against multi-bank standards. Colin holds a number of positions at Barclays, ING and Abbey National.

11.30
Pillar II And The ICAAP:
Intervening Regulatory And Economic Capital With Strategic Management Issues

• Making the bridge between solvency, economic capital and business valuation
• Addressing financial stability and soundness of a financial institution
• Stress testing of the capital contingency plan
• Determining your business’ portfolio

Max Bezard
Head of Group Capital Management
BNP PARIBAS
Max Bezard is Head of Group Capital Management, where he leads strategy and supervision of the banks capital. He was in charge of the Group Strategy and of the development of Corporate Investment Banking. The role also served as Head of Risk & Capital Analytics, and before joining BNP Paribas he spent several years as a scientific consultant for Socina Gramee.

14.40
Stress Testing For Economic Capital:
What Have We Learnt?
• Comparison of stress test results and ECB tests
• Stress Tests not only for ECB
• Which tests are reliable?

Tom Vorst
Corporate Executive Vice President, Global Head of Quantitative Risk Analysis
ABN AMRO
Tom Vorst is currently global head of Quantitative Risk Analytics within ABN AMRO and holds a chair in quantitative finance at the university of Amsterdam. He published an academic book in 2006. Before joining ABN AMRO he was an active consultant.

15.30
Exploring The Bank Management/Supervisor Relationship:
Why Does The Risk Function Feel That It Says Matters?
• Evolution of the supervisory relationship, and its effect on banking organisation structures
• The dependency relationship between Risk functions and Supervisors
• What is it that actually matters to banking supervisors
• What does all this mean for a bank’s planning?

Russell Dayell
Head of Capital Management
ABN AMRO
After a successful career in New Zealand, Russell Dayell has worked in the City of London for nearly 20 years. For nearly 10 years of that time, he had been involved with supervisory reporting and liaison. By training Russell is an actuary. He is the Head of Capital Management for Abbey, with responsibility for planning both the capital needs and balance sheet shape of the Group. He also advises service industry and TSA consultants.

08.30
Implementing New Advances In Credit Pricing & Portfolio Management

09.00
Integrating The Corporate Loan Book Into Active CPM:
How Best To Link With Structured Credit?

Allan Yari
Global Head and Managing Director of CCPM
SOCIETE GENERALE
Allan Yari first joined the bank in New York in 2000 and moved to Paris in 2002. Prior to joining SG, he was with Royal Bank of Scotland in London.也正是如此，他以多年的经验在风险管理和交易执行领域工作。

11.30
Fair Value Option For Credit Portfolio Management:
An Option To Be Exercised Or Ignored?
• Uses of fair value for internal loan risk and management
• Fair value measurement framework, methodologies used, and the importance of modelling it fairly in estimation
• The role and limitations of model testing and stress validation in validating fair value

James O'Brien
Senior Economist, Division Of Research & Statistics
FEDERAL RESERVE BOARD OF GOVERNORS
James O’Brien is an economist at the Federal Reserve Board of Governors in the Division of Research and Statistics. Mr. O’Brien conducts research and policy analyses in the area of financial market risks and is an expert in credit risk valuation. His research has resulted in several publications on bank capital requirements, capital incentives, and the risk characteristics of counterparty and derivative exposures, including the impact of credit risk on banking activities. He is a member of the Board of Directors of the National Institute of Credit Research. He holds a Ph.D. in economics from the University of Iowa.

14.00
Counterparty Credit Risk:
How To Develop A Meaningful Stress Testing Framework

• Choosing appropriate scenarios
• Linking counterparty risk and trading positions

Thomas Menmessin
Head Of Market & Counterparty Risk Analytics
GROUPE PARIBAS
Thomas Menmessin has the global responsibility for market and counterparty risk methodologies and systems. He has developed BNP Paribas internal models for Value-at-Risk, counterparty exposure measurement and Economic Capital for market and counterparty risk. Prior to that, Thomas was an interest rate derivatives expert at JPMorgan and Paribas.

14.40
Optimally Addressing Portfolio Concentration Using Structured Credit
• Portfolio concentration to single obligors or counterparties
• Increased economic and regulatory capital requirements
• Structured credit to surgery address those concentrations

Stefan Loweth
Executive Director, Securitised Products
JPMORGAN
Stefan Loweth worked out in the financial services industry in 1998, as aquant analyst with Paribas in London, eventually moving to an interest rate derivatives research unit. After completing an MSc at LSE in 1997, he joined McKinsey’s London office, mainly advising clients on risk management related topics. He was a member of the Independence Market Advisory Panel, where he was closely working with key clients on the risk management of structured products and trading products that meet their specific needs.

15.20
Data Problems During EAD Estimation
• Document Data Quality issues academically
• Validation Problem: Failure to identify estimation error caused by “real” defaults of data governance
• Data “quirks”

Robert Bruckner
Chief Risk Adviser
BANK AUSTRIA CREDITanstalt
Robert has been working for Bank Austria Creditanstalt since 1994. He is Head of Risk Management in the Core Risk Division, where he develops and implements the bank’s iRMtool. Prior to that, he held positions in the bank’s Risk and Treasury Committee. Robert holds an MBA and an ECSC degree in Finance from the Danube University Krems and the University of British Columbia.

16.00
Afternoon Tea

16.30
CPDOs:
Alternative Management Strategies

Julian Terc
Managing Director, Credit Risk Strategy
SOCIETE GENERALE
Julian Terc leads the Credit Risk Strategy in the Quantitative Strategy group at SG CIB. Prior to joining SG CIB in 2003, Julian worked as a Quantitative Analyst at Renaissance Capital (Russia) and Deutsche Bank. Prior to that, he was with Banque Paribas as an Associate Director in the Online Risk Management Group, where he was responsible for developing and implementing new credit risk models for the Bank’s credit card business.

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10.50

Reputational Risk: How To Account For This Risk In Your ORM Framework?

Sebastian Fritz Global Head of Operational Risk

DEUTSCHE BANK

Sebastian Fritz rejoined Deutsche Bank in 2000, most recently as a member of the Operations Executive Committee, as Head of Operational Risk Management. Prior to that he worked as head of Model Risk Management and directional risk board member at WestLB. From 1997 to 2000, Sebastian worked in various roles of Deutsche Bank’s Risk organisation, where he built the Risk Analytics & Instruments group and was an integral part of the Economic Capital and Basel 2 program.

11.30

Practioner/Auditor Perspective: Lessons Learned From The Operational Risk Audit

Gerhard Stahl Senior Director, Head Of Group Risk Modelling

BAFIN

Gerhard Stahl has been a statistician with Bafin since 1990. He is in charge of on-site examinations of risk management and responsible for the methodical and technical support of examinations. Gerhard’s current research interests include the methodologies of risk management, and the auditing of VaR models for market, credit, liquidity and operational risk.

12.10

Understanding The Horizontal Perspective Of Stress Testing

James RWood

Senior Risk Controller

Klaus Bocker, Max L. Heine Professor Of Finance

HVB

“With more senior practitioners and academics attending Risk Capital than ever before, the event was a great opportunity to keep up to date with the latest advances in risk management. I look forward to next year!”

Ed Altman Max L. Heine Professor Of Finance

STERN SCHOOL OF BUSINESS

“Tou enjoyed the event very much and valued the opportunity to hear and meet up with my counterparts in other banks”

Klaus Becker, Senior Risk Controller

RHB

“Risk Capital is the ideal forum for practical debate between the leading players in credit and loan portfolio management”

Gene Grill, Managing Director

Loan Exposure Management Group

DEUTSCHE BANK

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Bio can be found on Page X
The ABN AMRO Economic Capital Workshop

The Capital Adequacy Framework - Implementing Pillar II

Workshop Outline
Under Pillar 2 of Basel II, all credit institutions are required to have an Internal Capital Adequacy Assessment Process (ICAAP) in place. A well structured ICAAP gives useful insight in the risks, capabilities and performance of the bank and will improve capital discipline. The concept of Economic Capital was first introduced in ABN AMRO in 2000 and, since 2006, it is now an integrated component of Group-wide performance management. In 2008, the focus shifted to approving and implementing a Risk Appetite Framework to protect against events that may have an adverse impact on profitability, capital base or share price.

The implementation of these concepts has lead to the design of a well structured, formal Capital Adequacy Framework, in which EC is an important tool to measure, manage and allocate capital. EC serves as a common denominator. That allows risk to be handled on a consistent basis throughout the organisation. This workshop has a special focus on the design and components of a strong capital adequacy framework. It offers advice and insight into the implementation of the ICAAP to help smooth this process within your institution.

Workshop Agenda
During the workshop, the following issues will be addressed:
- Managing Capital, Risk and Performance: the holy trinity of Capital Adequacy?
- Capital Measurement: Is it all in the numbers?
- Capital Management: What you see is what you get?
- Performance Management: The road to success?
- Stress testing: How bad can it get?
- Evidencing Risk Management: What’s behind the doorstep?

Workshop Speakers
Elis de Groot-Theodoridis  Corporate Executive Vice President, Group Risk Management - Portfolio Management
ABN AMRO
Elis de Groot-Theodoridis is currently global head of Portfolio Management within Group Risk Management of ABN AMRO. She finished her master in Business Economics at the University of Amsterdam cum laude. She holds the title of Certified Financial Analyst and is registered in the Dutch register. She started her career at ABN AMRO 20 years ago and has experience in a wide range of jobs, including assignments in risk management, investment banking and structured finance.

Joe Rizzi  Managing Director, Risk Management North America
ABN AMRO
Joe’s current focus is the application of enterprise-wide risk management. Prior to Joe’s recent change of focus and relocation to the USA, Joe was in charge of the Capital Strategy and Planning Team within Capital Management Group of Group Risk Management. Joe has over 20 years of banking experience. Before joining ABN AMRO he was an active consultant.

Marije Elkenbracht-Holzaging  Senior Vice President – Group Finance - Group Strategic Decision Support
ABN AMRO
Marije Elkenbracht is responsible for Capital in all its facets in the Group Strategic Decision Support department. This department leads the performance management in which the allocation of capital plays an important role. Marije holds a PhD in Mathematics from Leiden University. In 1997 she joined ABN AMRO in her previous role as the Co-Headed the Product & Transaction Analysis department.

Innovations In Credit Risk Modeling & Management

Workshop Outline
This one-day workshop features the latest research from Moody’s KMV, the pioneer and world’s leading provider of quantitative credit risk analysis tools to lenders, investors, and corporations. Aimed at risk management, economic capital management, and portfolio management practitioners, new modeling approaches and recent empirical research will be explained without tedious mathematics.

Workshop Agenda
I. Innovations in Standalone Credit Risk Modelling & Management
- Structural vs. Reduced-Form vs. Hybrid PD Models – The Latest Empirical Evidence
- Challenges in Calibrating PFG Levels and Ranges
- Modelling Credit Migration Risk and Building PD Term Structures
- Effectively Incorporating Market-Based PDs into the Ratings Process – Is HYD PD Vitality into Rating Changes and Risk Management Actions

II. Innovations in Credit Valuation
- Implications of Market-Based vs. Rating-Based Credit Migration on Credit Valuation and Volatility
- Modelling Embedded Optionality in Loans (Prepayment, Grid Pricing, Revolver Usage) Using a Lattice Model
- Empirical Evidence on the Importance of Embedded Optionality in Loans

III. Innovations in Credit Portfolio Modelling & Management
- Implications of Market-Based vs. Rating-Based Credit Migration on Portfolio Risk and Required Economic Capital
- Incorporating Retail and Middle Market Credits into the Comodisation Model – Approach and Empirical Estimates
- A New Approach for Modelling CDO and Index Tranches with the Loan Portfolio – Quantifying the Improvement in Portfolio Risk and Required Economic Capital Measurement and Understanding the Portfolio Management Implications
- Benchmarking Bank Loan Portfolio Performance

About your Workshop Leader

Brian Dvorak  Managing Director
MOODY’S KMV’S CREDIT STRATEGIES GROUP
As Managing Director of Moody’s KMV’s Credit Strategies Group, Brian Dvorak supports clients globally in creating value from their investment in the products and services of Moody’s KMV, the world’s leading provider of quantitative credit risk analysis tools to lenders, investors, and corporations. Mr. Dvorak joined KMV as Client Solutions Director in 1998 and moved to London in 2000. Named Head of Europe, Middle East and Africa in 2003, he went on to lead the Global Accounts Solutions team in 2005. Before joining KMV, Mr. Dvorak was Vice President of Product Marketing and Technical Support at CATS Software Inc. Previously, he was Executive Vice President and Chief Operating Officer of LOR/Gracie, a leading provider of quantitative credit risk analysis tools to lenders, investors, and corporations. Mr. Dvorak received both his B.S. in Economics with Highest Honors and his M.B.A. in Finance from the University of California, Berkeley. Plus, Brian will be joined by a senior leader of Moody’s KMV’s Research staff.
Co-Sponsors

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About Ernst & Young

Ernst & Young is a leading provider of assurance and business advisory services to companies in the financial services industry. We offer our clients a combination of deep actuarial and risk management experience, and we draw on our extensive knowledge of Basel II for the banking industry and of risk-based regulatory requirements for insurance in other jurisdictions. www.ey.com

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Risk Controller is ideally suited to resolving key choices faced by financial firms including:
• Deciding overall capital for a financial enterprise or a single division within an enterprise,
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• Allocating assets so as to trade off risk and return efficiently (for example in loan trading by a bank or strategic portfolio selection by a hedge fund or asset manager), and
• Transferring risk through securitization or portfolio reinsurance.

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We as a firm are dedicated to ongoing research. Many of the staff have affiliations with university research teams and contribute to academic and applied research publications. Our research is constantly included within our products. The software can be run on a variety of operating systems, infrastructure software and grid frameworks.

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DATES

- Basel Summit Day
  25th June 2007
- Main Conference
  26th - 28th June 2007
- Workshops
  29th June 2007

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