

Legal and Security Considerations in Support of Lending Transactions

Comments from past participants

“Informative seminar. Useful for corporate banking.”

– Mr. Lim Tze Peng, ING Bank N.V., Singapore.
[Class of April 2009]

“A good course. Managed to acquire a lot of new knowledge on legal and security considerations.”

– Ms. Ong Lay Yean Jennifer, DBS Bank Ltd, Singapore.
[Class of July 2009]

“An interesting session which included an in-depth clarification on legal/security considerations in a lending transaction. It allowed me to correct many 'preset' concepts and principles of security considerations.”

– Ms. Josephine Ngoh Pei Shan, DBS Bank Ltd, Singapore.
[Class of July 2009]

“The course was well conducted especially for a very dry topic.”

– Mr. Teoh Beng Teik Alexander, DBS Bank Ltd, Singapore.
[Class of July 2009]

Highlights

- Determine the need for collateral
- Discussion on types of security and collateral support available
- Establish the adequacy of collateral
- Understand key components of loan agreements
- Review adequacy of loan documents using a review template
- Use loan covenants to mitigate lending risks

Seminar Facilitator
Mr. Adam K. K. Wong, B.Acc, FCPA, Certified Professional Trainer

Seminar Duration
1 Day, 9:00am to 5:00pm

Seminar Background

A compact programme covering key legal and security aspects of lending.

Loans are important assets in a bank's portfolio, besides sound corporate risk evaluation, good credits should have more than one way out for the lenders. Besides taking the right security, understanding the loan agreement structure and incorporating the relevant covenants can help the lender to mitigate its lending risks.

Seminar Content

- **Mitigating the Facility Risk**
 - Security
 - Credit Support
 - Legal Documentation
- **Types of Common Security Taken**
 - Fixed Deposit
 - Stock & Shares
 - Unit Trust
 - Vehicle
 - Machinery
 - Land and Building
 - Methods to Take Security
- **Security Analysis**
 - Elements of Good Collateral
 - Security Appropriate to the Facility Granted
 - Valuation of Security
 - Security Coverage
 - Ranking in Distribution of Realization Proceeds
- **Methods of Taking Security and Key Legal Implication**
 - Fixed Charge
 - Floating Charge
 - Pledge
 - Assignment
 - Mortgage
 - Verification of Security Taken

- **Types of Credit Support**
 - Guarantees
 - Indemnities
 - Letter of Comfort
 - Letter of Awareness
 - Undertakings and Statutory Declarations
 - Negative Pledge
 - Insurance Policies
 - Need for Taking Collateral
 - Types and Characteristics of Collateral

- **Understanding Key Components of a Loan Agreement**
 - Impact of Key Clauses in a Typical Loan Agreement
 - Using a Check List to Review Loan Documentation

- **Loan Covenants and Support**
 - Types of Covenants
 - Objectives
 - Incorporating Covenants to Mitigate Lending Risks

Benefits of Attendance

Upon completion of this programme, participants will:

- Understand the various types of security taken by lenders to mitigate lending risks.
- Be aware of the elements of good security and its valuation.
- Learn the various methods of taking security and the legal implications.
- Understand the types of credit support available and its limitation.
- Know the key components of a loan agreement and the impact of key clauses in a typical loan agreement.
- Use a checklist to review loan documentation.
- Learn how to use loan covenants to mitigate lending risks

Who should attend?

Credit and financial analysts, portfolio managers, credit officers, corporate bankers, commercial bankers, risk managers and analysts.

PI ETA CONSULTING COMPANY

SEMINAR CODE: PCR04

Seminar Facilitator

Mr. Adam K. K. Wong is a Business Domain Expert Facilitator with PI ETA Consulting Company. He is also an adjudicator of the Financial Industry Disputes Resolution Centre in Singapore.

Prior to his current appointments, he was a General Manager with Standard Chartered Bank and other international banks with 22 years of successful track record in Cash Management, eCommerce, Corporate Banking and Trade Finance and Small & Medium Enterprises.

Having strong strategic orientation and regional exposure in South East Asia and Hong Kong, he is credited with significantly growing global banks' SME assets by 450% and net profit by 140% over a 3-year period in Singapore. He also started a new cash management business for a leading bank in Asia and grew it to a USD35 billion business annually.

Mr. Wong graduated in Accountancy and is a Fellow Certified Public Accountant. He is also a Certified Credit Risk Management Professional and a Certified Professional Trainer.

Mr. Wong has contributed actively to the development and training of professionals in the financial services sector for the past 17 years by sharing his expertise regularly through The Institute of Banking and Finance, Singapore and various other organizations in Malaysia and Indonesia.

He has also conducted programmes in the area of banking and finance for Australian and local universities.

For more information, please contact PI ETA Engagement Resource (PEER) Group at
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