

# BBA Basel Implementation Briefings

## INTRODUCTION

The BBA Basel Implementation Briefings are intended to offer member banks the opportunity to get to grips with the practicalities of implementing the new Basel Capital Accord. To do this we have developed a programme of briefings, with presentations from supervisors and industry, to deliver an in depth practical understanding of the new rules and how to comply.

Attendance at each seminar is £175 + VAT for members. The BBA are also pleased to offer an 'institutional pass' for attendance at all seven seminars at £995 + VAT for members. This will have the institutions name on the pass and will allow different delegates from the institution to attend different seminars. Registration for all seminars start at 9.00am.

Programme topics and dates

- 1. Basel II, CAD 3 and the UK PSB – an overview**  
Thursday 5th February, 09.30 – 13.00
- 2. Pillar 1: Credit risk: sovereign, bank and corporate**  
Thursday 12th February, 09.30 – 16.00
- 3. Pillar 1: Credit risk: retail**  
Tuesday 17th February, 09.30 – 16.00
- 4. Pillar 1: Operational risk**  
Tuesday 9th March, 09.30 – 13.00
- 5. Pillar 2: Supervisory review**  
Tuesday 16th March, 09.30 – 13.00
- 6. Pillar 3: Market discipline**  
Thursday 25th March, 09.30 – 13.00
- 7. Pillar 1: Credit risk mitigation and securitisation**  
Tuesday 18th May, 09.30 – 16.00

Our objective is that each session addresses two key questions – what? and how? Firstly, what the new rules are and what your supervisor will require, secondly, how you can meet those standards?

### How to book:

Please fill in the form on the back page of this flyer and return it to Sue Dow at the British Bankers' Association (fax: 020 7216 8894).

As the Basel implementation process is constantly changing all programme details will be updated and will be available on the BBA website. [www.bba.org.uk/public/services/conferences/](http://www.bba.org.uk/public/services/conferences/). You may wish to check the website for further details before booking.

### British Bankers' Association

Building the future of the financial services industry

- Banking is changing: new products, delivery channels and technology
- The banking sector contributes significantly to the UK's economy; representing 3.3% of GDP and 61% of external finance for small business
- Financial services pay nearly one third of all corporation tax collected by the Inland Revenue
- The cost to the individual of running a typical current account is lower in the UK than in comparable countries
- UK financial markets are fundamentally attractive with London accounting for a fifth of the world's international banking

The British Bankers' Association is the principal trade association for banks operating in the UK. We work with our members to create a competitive environment in which financial services can prosper and are valued.

### The BBA:

- Represents industry's views to Government, the European Commission, regulators and the media
- Works to influence sector issues
- Seeks to change perceptions of banking in the UK
- Offers specialised knowledge on banking issues
- Promotes best practice initiatives such as The Banking Code
- Produces conferences, training and publications
- Produces key industry information for the sector

Oracle Corporation UK are a leading supplier of software technology, applications software and related services to the Financial Service industry. Our solutions address many of the needs of financial institutions, including Financial Management, Human Resource Management, Customer Relationship Management, Procurement, Corporate Performance Management, Basel II and much more.

# Important Information

1. All registrations must be made in writing and accompanied by full payment to guarantee a place. If you are registering via your accounts department, please fax a copy of your completed registration form. Provisional or phone bookings can not be accepted. Any change of delegate details must be received in writing.

2. Owing to the strict controls on our debtor position placed on the BBA by its' constitution we are unable to issue invoices for conference bookings.

3. Membership of the British Bankers' Association is corporate rather than individual. If

your bank or organisation is a member so are you.

4. All cancellations made 14 days or more prior to the event will incur an administration charge of £25 plus VAT. If a cancellation notice is received within 14 days of an event, no refunds will be made. In such cases, registration cannot be transferred to other events, however substitute names can be provided.

5. Confirmation. If you have supplied an email address on your booking form, confirmation will be sent to you within 48 hours of the BBA receiving your booking. A confirmation letter will be sent to

you if you have provided a postal address only, and within 5 working days. The BBA must receive full payment before sending out any confirmation. If you have not received a letter or email confirmation before the conference, please contact the conference administrator.

6. In certain circumstances, the BBA reserves the right to change the programme without prior notification.

7. Unless you are using an 'Institutional Pass' delegate places can not be shared.

8. Dates are provisional. Wherever possible the BBA will avoid changing any dates, but owing to the programme for the adoption of the accord this may be unavoidable. The BBA will offer a full refund on any individual seminar where the date has changed from first advertised. This does not cover the institutional pass where no full or part refund will be made if any of the advertised dates are changed.



## Venue:

British Bankers' Association  
Pinner's Hall  
105-108 Old Broad Street  
London EC2N 1EX

*If you are interested in hiring this venue for your own event, please contact Sandra Dane for further information on:*

Tel: 020 7216 8886

Fax: 020 7216 8888

email: [sandra.dane@bba.org.uk](mailto:sandra.dane@bba.org.uk)

TAKING PLACE IN FEBRUARY  
AND MARCH 2004  
Pinners Hall  
London

# BBA Basel Implementation Briefings



## 7 practical seminars

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BRITISH BANKERS'  
ASSOCIATION

# Programme

For full programme details please visit the BBA website: [www.bba.org.uk/public/services/conferences](http://www.bba.org.uk/public/services/conferences)

## Basel 2, CAD 3 and the UK PSB - Overview

Thursday 5th February

Half day

The BBA Basel Implementation Briefings will begin with an opening overview session. It will give delegates an overview of the background to the proposals, the structure, the rationale and the objectives. Presentations will cover Basel, the EU CAD 3 process and the UK implementation process. We would recommend attendance.

### Basel 2 process and proposals

- Credit risk
- Operational risk
- Pillar 2
- Pillar 3

### CAD 3 process and proposals

- The objective of CAD 3
- The EU process and timetable
- The CAD 3 proposals
- The EU outcome

### UK PSB process and proposals

- The FSA implementation strategy
- The FSA process and timetable
- The draft Prudential Sourcebook
- The approval process

Sessions will be presented by member banks, BBA Policy Directors, Deloitte and Oracle, among others. More detailed programmes, including speaker details, are available on line.

## Pillar 1: Credit risk: sovereign, bank and corporate

Thursday 12th February

Full day

### Credit risk: the Basel framework, process and standards

- Standardised approach
- Internal ratings based approach, the mechanics

### Credit risk mitigation: the Basel framework, process and standards

- Overview of CRM
- Collateralised transactions, the simple and comprehensive approach
- On-balance sheet netting

### Trading book

- Valuation methodologies
- Counter-party risk

### Internal ratings based approach, example transactions

- Corporate loan (STA, FIRBA, AIRBA)
- Collateralised corporate loan (STA, FIRBA, AIRBA)

### FSA approach to IRB approval

- Roll out
- Application
- Qualifying criteria

### IRB systems and data requirements

- System and data requirements
- Required IT infrastructure

### IRB Case Study

- Scoping your approach
- Analysing compliance

## Pillar 1: Credit risk: retail

Tuesday 17th February

Full day

### Credit risk: the Basel framework, process and standards

- Standardised approach
- Internal ratings based approach, the mechanics
- Internal ratings based approach, minimum requirements
- Retail specific standards

### Internal ratings based approach for SME portfolio

- Standardised approach
- Internal ratings based approach, the mechanics
- Example transactions

### Internal ratings based approach, example transactions

- Mortgages (STA, AIRBA)
- Other retail (STA, AIRBA)
- Qualifying revolving exposures (STA, AIRBA)

### FSA approach to retail IRB approval

- Roll out
- Application
- Qualifying criteria
- Validation
- Approvals

### IRB systems and data requirements

- System and data requirements
- Required IT infrastructure
- Building the IT infrastructure
- Coping with change

### IRB Case Study

- Determining your approach
- Analysing compliance
- Filling the gaps

# Programme

For full programme details please visit the BBA website: [www.bba.org.uk/services/conferences](http://www.bba.org.uk/services/conferences)

## Pillar 1: Operational risk

Tuesday 9th March

Half day

Overview of the approach to operational risk

**The Basic Indicator and Standardised Approach**

- CAD 3 requirements

**The Advanced Measurement approach**

**The FSA approach to operational risk**

**Systems case study**

**Management case study**

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## Pillar 2

Tuesday 16th March

Half day

Basel 2, CAD 3 and UK proposals

FSA approach

Challenges to firms

Preparing for Pillar 2

## Pillar 3

Thursday 25th March

Half day

Basel 2, CAD 3 and UK proposals

FSA approach

Interaction with IAS

Preparing for Pillar 3

## Pillar 1: Credit risk mitigation and securitisation

Tuesday 18th May

Full day

**Credit risk mitigation, the mechanics**

- Collateral
- Guarantees and credit derivatives
- Maturity

**Collateral**

- The simple approach
- The comprehensive approach
- Example transactions

**Guarantees and credit derivatives**

- Minimum requirements for guarantees
- Minimum requirements for credit derivatives
- Example transactions

**Maturity mismatches**

- Definition of maturity
- Calculation for maturity mis-match
- Example transactions

**Securitisation, the mechanics**

- Guide to terminology
- Minimum requirements
- Standardised approach

**Ratings based approach**

- KIRB
- Calculation of Risk weighted assets
- Use of inferred ratings

**Securitisation, example transactions**

- Standardised
- Ratings based approach

# BBA Basel Implementation Briefings Registration Form



BRITISH BANKERS'  
ASSOCIATION

Please register the following delegates for the "BBA Basel Implementation Briefings" Pinners Hall, Old Broad Street, London, EC2N 1EX.

1 Name: .....Mr/Mrs/Miss/Ms  
Position: ..... E-mail .....  
Organisation: .....  
Address: .....  
City ..... Postcode .....  
Telephone: ..... Fax: .....

Please add further delegates details below

2 Name: .....Mr/Mrs/Miss/Ms  
Position: ..... E-mail .....

### BBA Member Briefing Fee:

£175.00 [+ £30.63 VAT] = Total £205.63 per delegate per seminar. Please Circle which seminar/s you would like to attend.

### Non-Member Briefing Fee:

£275.00 (+ £48.13 VAT) = Total £323.13 per delegate per seminar. Please Circle which seminars

### Special 'Institutional Pass' - Member Fee:

£995 (+ £174.13) = £1169.13

Please call the BBA for details of Non-Member 'Institutional Pass'.

*Registration fee includes refreshments, lunch and full conference documentation for one delegate. All fees are payable in advance of the event. Guests may be refused admission if payment is not received prior to the event.*

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### Special Needs

If you have any special needs (e.g. dietary), please complete this section.

Name: ..... Needs .....

### IMPORTANT! YOU MUST COMPLETE THIS SECTION

I enclose a cheque/ I provide my credit card details/ I provide my BACS details (delete as applicable) made payable to BBA Enterprises Ltd.

I have read and understood the terms and conditions on the this form and confirm my acceptance.

Signed: ..... Dated: .....

#### Data Protection

BBA Enterprises Ltd (BBAE), the trading arm of the BBA, will use the data you provide to process your registration. By completing this form you consent to our use of the data, and to our contacting you by post, fax, e-mail or telephone. Unless you tick the box below, we will also use this data to provide you with additional information relating to other BBAE products and services.

Please tick this box if you do not wish to receive further information on BBA / BBAE products or services.

#### Credit Card Details

Please specify which credit card:

Visa  American Express  Eurocard   
MasterCard  Switch

Cardholder's name: .....

Cardholder's signature: .....

Cardholder's number: .....

Switch issue number: .....

Expiry date: .....

Billing Address: .....

Total amount to be debited: .....

#### BACS Details

Please use reference 'Basellmp' and delegate surname when paying BBA Enterprises Ltd through BACS. Bookings will **not** be processed until the Conference Unit has received a remittance advice.

Bank: ..... Delegate's name: .....

Total amount paid: .....

Bank: **Coutts & Co, Robarts Office, 440 Strand, London WC2R 0QS**  
Account: **08816511** Sort code: **18 00 02**

**Venue Location:** Address: Pinners Hall, 105-108 Old Broad Street, London EC2N 1EX Tel: (+44) 020 7216 8817 Fax: (+44) 020 7216 8894  
**Nearest tubes:** Liverpool Street, Bank.

Please return with payment to: Sue Dow, BBA Conference Unit, BBA, Pinners Hall, 105-108 Old Broad Street, London EC2N 1EX  
Tel: 020 7216 8817 Fax: 020 7216 8894

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