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Setting a Higher Standard in Risk Education

PRMIA AND THE EXECUTIVE DEVELOPMENT PROGRAM AT
THE GEORGE WASHINGTON UNIVERSITY SCHOOL OF BUSINESS

RISK MANAGEMENT

EXECUTIVE DEVELOPMENT PROGRAMS

2009

THE GEORGE WASHINGTON UNIVERSITY
SCHOOL OF BUSINESS
Executive Development Program

PRMIA
The Professional Risk Managers' International Association

A COMPLETE COURSE IN PROFESSIONAL RISK MANAGEMENT OFFERED IN EIGHT INDIVIDUAL SESSIONS

This course is designed to meet the demands of risk professionals by bridging the gap between theory and practice in financial risk management. PRMIA and The George Washington University jointly offer this intensive classroom-based educational program featuring top faculty from The George Washington University School of Business.

Thursdays, January 15 – June 4, 2009
6:00 – 9:00 p.m.
The George Washington University School of Business
Washington DC

A Higher Standard for Risk Professionals

Formed in 2002 as a non-profit, member-led association of professionals, the Professional Risk Managers' International Association (PRMIA) is dedicated to advancing the standards of the risk profession worldwide through the free exchange of ideas. We are committed to providing resources to help our members achieve these standards from the cradle to the pinnacle of their careers.

Located four blocks from the White House, The George Washington University was created by an Act of Congress in 1821. Today, GW is the largest institution of higher education in the nation's capital. The University offers comprehensive programs of undergraduate and graduate liberal arts study as well as degree programs in medicine, law, engineering, education, business/public management and international affairs. Each year, GW enrolls a diverse population of 20,000 undergraduates, graduate and professional students from all 50 states, the District of Columbia and 120 countries.

INTRODUCTION

Effectively practicing risk management requires a broad and solid foundation of knowledge. This intensive program, led by the faculty of one of the world's top business schools, provides delegates with just such a foundation.

Beginning with the essential elements of finance, risk measurement, markets and financial instruments, students are then introduced to the best practices of market, credit and operational risk management. The final sessions focus on integrating the knowledge gained into a capital allocation framework and study of governance best practices and some famous case studies of where things went wrong.

Candidates can choose the complete course or individual course groups that fit their demands. Candidates who take the complete course and pass a final examination will be awarded a certificate from The George Washington University School of Business and PRMIA.

WHAT YOU WILL LEARN

- The essential foundations of risk measurement
- Portfolio analytics and portfolio theory
- Term structure of interest rates
- How to price a bond
- Pricing futures, forwards, options and swaps
- Essentials of credit derivatives
- Overview of OTC and exchange-traded markets
- Risk measures in fixed income and portfolios
- Value at risk techniques – analytic, historical and Monte Carlo
- Stress testing and backtesting techniques
- Credit analysis, credit scoring and internal models
- An overview of popular public credit risk models
- Current best practices in operational risk
- Capital allocation – regulatory and economic
- Introduction to RAROC and RAPM
- Current governance best practices
- What went wrong in famous case studies and how to avoid repeating it

WHO SHOULD ATTEND

This program is designed to develop the knowledge and understanding of risk management practices for those advancing their careers in financial risk management. The foundations apply across all sectors: banking, insurance, asset management, hedge funds, energy, securities, regulation/supervision and more.

- **Chief risk officers and heads of risk management** can use this program to develop the talents of their key staff members.
- **Market, credit or operational risk specialists** can use this program to expand their knowledge of other approaches to understanding risk.
- **Regulators, auditors and supervisors** can use this program to increase their expertise in validation of advance risk management infrastructures.
- **IT personnel** can use this program to improve the effectiveness of their work in building the risk management architecture of their organizations.
- **Financial engineers** can use this program to enhance the application of their technical skills to the broader organization.

COURSE DELEGATE EXTRAS

Each delegate will receive a printed version of the series *Professional Risk Managers' Handbook: A Comprehensive Guide to Current Theory and Best Practices. The Professional Risk Managers' Handbook* is used in more than 105 countries, at 23 of the world's 25 largest banks and at all ten of the world's largest financial institutions. It also serves as the foundation of graduate level programs in risk management.

Supplemental classroom notes will also be provided.

A COMPLETE COURSE IN PROFESSIONAL RISK MANAGEMENT

Choose the complete course or individual course groups that best fit your demands.

By the nature of the topic of risk management, the material presented in all sections of this course will be fairly quantitative. Delegates are encouraged to prepare by refreshing their analytical and quantitative skills. Furthermore, the segment called "ANALYTICAL FOUNDATIONS OF RISK MEASUREMENT" is designed to review and refresh those concepts.

☐ **FOUNDATIONS OF RISK FINANCE THEORY**
January 15 and 22, 2009
Risk and Risk Aversion; Basic Portfolio Mathematics; Introduction to CAPM; Efficient Frontiers; Basic Capital Structures; and Term Structure of Interest Rates

☐ **ANALYTICAL FOUNDATIONS OF RISK MEASUREMENT**
January 29 and February 5, 2009
Mean; Variance; Standard Deviation Correlation; Covariance; Skew; Overview of Probability Distributions as used in Financial Models; Simple Regressions; and Introduction to Advanced Topics

☐ **FINANCIAL MARKETS AND INSTRUMENTS**
February 12, 19, 26 and March 5, 2009
Bond Pricing; Futures and Forwards; Options and Swaps; Credit Derivatives; Overview of OTC and Exchange Markets

☐ **MARKET RISK MANAGEMENT**
March 12, 19, and 26, 2009
Overview of Market Risk Management Structures; Duration, Convexity and other Risk Measures in Bonds; Portfolio Risk Measures; Introduction to Value at Risk Analytical VaR Models; Historical Simulations; Monte Carlo VaR Models; Introduction to Stress Testing; and Backtesting

☐ **CREDIT RISK MANAGEMENT**
April 2, 9, and 16, 2009
Overview of Credit Risk Management Structures; Default Risk, Recovery Rates; Credit Ratings and Agencies; Credit Scoring and Internal Models; Default Models – Merton/MKMV Models, Altman/Actuarial Models, and Matrix and Migration

☐ **OPERATIONAL RISK MANAGEMENT**
April 23 and 30, 2009
Overview of Operational Risk Management Framework; Introduction to COSO; Operational Risk Assessment – Scorecards; Operational Risk Management Techniques; and Overview of Operational Risk Loss Distributions

☐ **CAPITAL ALLOCATION**
May 7 and 14, 2009
Regulatory Capital – Banks; Regulatory Capital – Insurance; Introduction to Economic Capital; Capital Allocation by Risk Type; Introduction to RAROC and RAPM

☐ **GOVERNANCE AND CASE STUDIES**
May 21 and 28, 2009
Overview of governance mechanisms; board of directors; recent developments in governance regulation; Sarbanes-Oxley; World Com; case studies

FINAL EXAM
JUNE 4, 2009

EXECUTIVE EDUCATION PROGRAMS

Thursdays, January 15 – June 4, 2009
6:00 – 9:00 p.m.
The George Washington University
School of Business
Washington DC

COURSE FEE

You may register for individual modules or the complete course of eight modules. Seating preference will be given to those who register for the complete program. Sustaining members of PRMIA receive discounted prices.

COMPLETE COURSE:	**US $5,500**
Foundations of Risk Finance Theory	US $ 695
Analytical Foundations of Risk Measurement	US $ 695
Financial Markets and Instruments	US $1,330
Market Risk Management	US $ 995
Credit Risk Management	US $ 995
Operational Risk Management	US $ 695
Capital Allocation	US $ 695
Governance and Case Studies	US $ 695

REGISTRATION

Online: *http://www.prmia.org/GWU2009*
Phone: +1 612-216-5497
E-mail: *jill.fisher@prmia.org*

AVAILABLE DISCOUNTS

- Early registration discounts ($500 for the Complete Course) apply if registrations are received by December 12, 2008.
- Multiple registration discounts are available for companies registering two or more delegates.
- Sustaining Members of PRMIA receive discounted prices

CORPORATE INVOICING

Corporate invoicing is available by contacting Jill Fisher at +1 612-216-5497

CANCELLATION

A refund (less a US $500 administration fee) will be made if formal notice of cancellation is received two weeks prior to the date of the event. We regret that no refunds will be made after that date. Substitutions may be made at no extra charge.

CONTACT INFORMATION

To contact the PRMIA staff, visit the "Contact Us" link at *www.prmia.org*, send an email to *jill.fisher@prmia.org* or call +1 612-216-5497.

CFA INSTITUTE
CONTINUING EDUCATION
QUALIFIED ACTIVITY
40 CREDIT HOURS

ADDITIONAL ACCREDITATION

A certificate of completion will be awarded to those individuals who take the complete course and pass a final examination.

PRMIA is registered with CFA Institute as an Approved Provider of professional development programs. This program is eligible for 40 PD credit hours as granted by CFA Institute, the maximum amount awarded for any single course.

COURSE FACULTY

WILLIAM C. HANDORF is a professor of finance and real estate with The George Washington University. Professor Handorf also serves as a director with the Federal Home Loan Bank of Atlanta is a member of the EDP Advisory Board. Professor Handorf has a broad public/private perspective. In addition to being a professor for over 35 years, Dr. Handorf has worked as a commercial banker with the National Bank of Detroit, bank regulator with both the Federal Home Loan Bank Board and the Federal Deposit Insurance Corporation, and a consultant to accounting firms and central banks (e.g., Brazil, Hong Kong, India, Poland, Russia, South Korea, Taiwan, Ukraine, and USA). He is an active consultant to bank regulatory agencies, banks and corporations on issues related to finance. In addition, he was a director with the both the Federal Reserve Bank of Richmond (chair of the Baltimore Branch) and the Office of Finance with the Federal Home Loan Bank System. He periodically serves as an expert witness in legal cases related to finance, real estate and banking. As a company-grade officer in the US Army, then Lieutenant Handorf was awarded the Army Commendation Medal and the Purple Heart among other Viet Nam medals.

KATHLEEN WEISS HANLEY joined the Securities and Exchange Commission for the second time in her career in February 2005 as an Economic Fellow. Prior to joining the SEC, she was on the faculty at the University of Maryland as an associate professor and at the University of Michigan as an assistant professor. She has written extensively on the topic of corporate finance with an emphasis on initial public offerings, corporate disclosure, internal controls, short selling and closed-end funds. Her research has been published in leading finance journals such as the Journal of Finance, the Journal of Financial Economics, the Journal of Financial Intermediation and Financial Management. She is currently a Practitioner Director for the Financial Management Association. Her work at the Commission focuses on corporate finance and disclosure as well as issues related to Sarbanes-Oxley. She received her Ph.D. in Finance from the University of Florida and her undergraduate degree from Indiana University.

AURELE M. HOUNGBEDJI, is a Risk Management Officer in the Risk Management and Financial Policy Department at the International Finance Corporation (IFC), a member of the World Bank Group in Washington DC. He is responsible for developing new methodologies for modeling Economic Capital (EC) and its applications for strategic business decision making, exposure risk limits setting, capital allocations for IFC loans and equity portfolio. Prior to joining the World Bank Group in January 2005, Houngbedji was a Quantitative Analyst in the Capital Markets department at AmTrust Bank. He was responsible for developing Mortgage pipeline hedging models, risk based pricing models, valuation models for the bank's loans and other hedging instruments and assets. His research interests include MBS risk management, credit risk modeling and management, economic capital modeling and its applications, and pricing financial derivatives. Aurele is an adjunct professor of Risk Management and Quantitative Finance in both the Carey Business School at Johns Hopkins University and the McDonough School of Business at Georgetown University. Mr. Houngbedji holds a Ph.D in Mathematical Finance from the University of Pittsburgh; he is a certified Risk Manager from both the Global Association of Risk Professionals (GARP) and the Professional Risk Managers' International Association (PRMIA). He is the regional director for the GARP Washington DC Chapter.

ROBERT SAVICKAS is a an Associate Professor of Finance in the Department of Finance at George Washington School of Business. Savickas' areas of focus in research are Continuous Time Finance, Asset Pricing, Investments, and Derivatives. His research has appeared, or is forthcoming, in top academic finance and economic journals including *inter alia, The Review of Financial Studies, The Journal of Financial and Quantitative Analysis,* and *The Journal of Business and Economic Statistics*. He has published nine academic articles since joining GWSB in 2000, and has delivered almost three dozen presentations of his research at professional meetings and institutions. Savickas continues to maintain an active research agenda, and works closely with doctoral students. His teaching focus follows his research areas, but is also augmented by several more practice-oriented courses to include Investments, Portfolio Management, and Technical Analysis, Interest-Rate Derivatives and Fixed Income Securities, as well as Mathematical and Computer Modeling in Finance. Overall, he has taught 10 different courses in the Doctoral, Masters' and Undergraduate programs. Savickas has won more than 10 awards and grants for his research, teaching, and service to the profession. Beyond academics, Savickas maintains several consulting relationships to include the The Development Bank of Kazakhstan; Quantitative Strategies, Risk, and Analytics Department at The World Bank; the Inter-American Development Bank; as well as other US and international engagements. The main areas of concentration in his consulting include portfolio allocation and simulations, index fund flow modeling, interest rate derivatives, intertemporal asset pricing, and risk management.

STEPHEN D. YOUNG is Senior Vice President and Director of the Options Strategy Group at Evergreen Investments. Prior to his current position at Evergreen, Young worked with Wachovia CIB Risk Management (2004–2007) where he was the Director and Head of the Credit & Counterparty Risk Analytics Group and prior to that the Director of Risk Oversight for Equity and Commodity Derivatives. Before joining CIB Risk Management, he was a Vice President with Wachovia CIB Equity Derivatives (2002–2004). Prior to joining Wachovia, he held positions with Merrill Lynch (1997–2002) where he worked in their Investment Strategies Group researching and developing structured products and before that he was an Analyst with Sterling Investments (1996–1997) which is a private equity firm. Young received a BA (summa cum laude) in economics from C.W. Post College of Liberal Arts and Sciences (1995). He also holds an MBA in finance and investments (1996) and an MS in finance (2000) from The George Washington University. In addition, Young has completed a Certificate in Quantitative Finance (CQF) and has published articles on options pricing in various peer reviewed academic journals including the *Journal of Futures Markets, Review of Quantitative Finance and Accounting,* and *Advances in Quantitative Finance and Accounting*. Young is an adjunct lecturer in cases in financial engineering at The George Washington University and at the Seoul School of Integrated Sciences and Technologies. Young is the Regional Director of the Charlotte Chapter of PRMIA.

FOR MORE INFORMATION

Visit *http://savickas.net/PRMIA/* or contact the PRMIA staff by clicking the "Contact Us" link at *www.prmia.org* or email *jill.fisher@prmia.org.*

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(DISCLAIMER: The program may change due to unforeseen circumstances.)