

Achieve the recognised
Certified Project Finance Specialist
qualification!

Certified Project Finance Specialist

Identify the critical components of project financing and
assess the associated risks

29 March – 2 April 2009
Crowne Plaza Hotel (Sheikh
Zayed Road), Dubai, UAE

By Attending This Highly Intensive Programme,
You Will:

- **Be able** to use the designation Certified Project Finance Specialist™ or CPFS on your business cards
- **Understand** the purpose of project finance and in which situations project finance is used
- **Determine** the costs and projected cash flows involved in project finance transactions
- **Evaluate** a comprehensive risk management structure
- **Review** multifaceted models used by project finance specialists

*"It was a great event;
I have been able to take with
me ideas to apply in the area
I'm working in, which is project
finance."*

Mansour Al Mulla
Project Finance Associate
Dolphin Energy Limited, UAE

www.iirme.com/cpfs

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Organised by:



Certified Project Finance Specialist

29 March – 2 April 2009

Dear Finance Professional,

In today's difficult project finance environment, with extended maturities and greater complexity and risk, the pressure on the industry is tougher than ever.

IIR's **Certified Project Finance Specialist** programme will provide you with the necessary tools and techniques to effectively source and operate project finance excellence.

The programme covers the key steps in identifying the critical components of a project and assessing the associated risks. It includes a thorough review of the cash flow requirements, the different stages of a project finance transaction as well as designing and implementing an effective risk management system.

Take this opportunity to benefit from your expert programme director, Martin Davies. Martin is a managing partner within the business solutions competency at Causal Capital. He specialises in designing risk measurement and management systems with a particular focus on regulatory capital frameworks.

This programme is certified by the American Academy of Financial Management (AAFM) and you will gain a recognised project finance qualification by successfully completing the programme.

Martin and I look forward to meeting you at Certified Project Finance Specialist in March 2009.

Yours faithfully,



Riad Mannan
Conference Director

P.S. Achieve the recognised Certified Project Finance Specialist qualification!

Meet Your Expert Programme Director



Martin Davies is a Principal Consultant – Risk Based Banking SMEs and a Managing Partner within the business solutions competency at Causal Capital. He specialises in designing risk measurement and management systems with a particular focus on regulatory capital frameworks. He has more than 10 years experience developing bespoke knowledge/workflow and scorecard solutions for financial institutions in both strategic and processing areas of the business.

At the Commonwealth Bank of Australia he contributed to the risk programme by running the demarcation project for measuring arbitrage between credit and operational risk and a recent engagement saw him with group risk at Suncorp Metway, where he was pioneering the design of the AMA capital framework. Currently he specialises in developing risk solutions and works with loss data, control assessments, indicator systems and scenario analysis, with a particular focus on banking processes, systems and products.

Martin heads up the company as the Managing Director and he is also the lead designer for the Causal Capital risk product suite which involves the delivery and alignment of risk solutions to the local banking community across South East Asia. His current ongoing project is running a capital market feasibility study for a stock exchange in an Islamic country, assisting the exchange construct a new energy risk instrument. The project will take in the full end-to-end cap and trade cycle as well as the economic factors that affect the market as a whole. This is an exciting piece of work which touches many diverse facets of merchant banking, lending and government based policy. It is a big credit to Martin's dedicated ongoing research in capital markets, risk and the banking community as a whole.

Certified Project Finance Specialist

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Programme Objectives

The goal of this programme is to provide you with project financing skills you can immediately use upon return to your workplace. You will learn to use demonstrated analytical strategies which will enable you to assess the degree of risk and benefits of specific project financing, along with the elements of the day-to-day business and operational aspects. This programme is also designed to enhance the check lists and benchmark metrics by which you can reduce losses and which will be viewed favourably by both management and the regulatory community.

Programme Methodology

This five day training programme is comprised of presentations, illustrations, worked examples, exercises and discussions.

Who Should Attend?

This programme has been designed to meet the needs of industry brokers of structured finance and the requirements of any banker who is directly involved in structuring finance for the trade, service and project sector of the economy. The outline takes in construction, PPP, energy, infrastructure, government and many other areas that look to sound concepts of structured finance to manage their risk and cash flow while deriving benefits for investors.

Programme Timings: Registration will begin at 08.00 on Day One. The programme will commence at 08.30 each day and continue until 14.30 when lunch will be served. There will be two refreshment breaks at appropriate intervals.

Day One – Sunday, 29 March 2009

Introduction And Overview

A complete overview of the project finance space from a holistic perspective and the additional areas that are covered throughout the programme.

The Purpose Of Project Finance

An introduction of project finance, what it attempts to achieve and the various parties that become involved in the project, with a specific emphasis on the roles each party undertakes.

- Investors
- Owners
- Capital markets
- Banks, insurance agencies
- Brokers

Where Is Project Finance Found?

The key areas in the economy where project finance is found and how it goes about to achieve specific results in each sector of the economy.

Project Finance Stages

The financing of specific projects has different stages of requirements and each is managed from a financial perspective in a different way.

- Elements of common deals and the finance model
- Model layout (input, calculation and report)
- Model output and how it is used by each member role of the project
- Project proposal structuring
- Introduction to the balance sheet approach

Cost

The types and structure of costs (fixed and variable) within a project, how they should be represented and the time and term of such costs.

- The types of costs and how they should be represented
- Estimating costs
- Granular levels of costs and aggregation
- Time and money
- The concept of interest
- Sample case study on time and cost

Revenue And Cash flow

With costs dealt with, the programme switches to the other side of the balance sheet and a full session on revenue enhancement is delivered.

- Definitions of different types of revenue
- How financial institutions review different types of revenue
- Deriving benefits for investors and how to present
- Introduction to valuation approaches (EBITDA, PV, FV)
- Errors with specific valuation approaches
- Case study and example in Excel

Day Two – Monday, 30 March 2009

Structures And Vehicles

With the foundation parts in place, Day Two will build on all main concepts taking each area into further detail so that the project can be structured and planned in a professional manner. A major focus is placed on the instruments and how they are used to achieve specific project finance goals. The project must create cover factors taking in the loan/life concept and Net Present Value.

The SPV And Its Purpose

The structure of the inter-company relationship between the project owner, stakeholder and investors is an important area of project finance. It ensures that each party is legally protected, tangible benefits and project artifacts are promoted to their highest value and compliance requirements are managed.

- SPV structures
- A set of SPV structures and their purposes
- Pitfalls in specific SPV structures
- A set of examples and case studies for SPV structuring

Debt Management I

A major focus of structured finance is the firm's ability to raise capital or to finance its operations in a manner that allows the project goals to be reached and with least resistance (term, risk, cost, opportunity).

- Debt goals (terming, cost capping, leveraging and discounting)
- Sources of funds (debt vs. equity)
- Short term debt structures
- Covenants complexities
- Medium term debt structures
- Long term debt structures
- Capital markets – Debt Based Funding: bonds and notes
- Capital markets – Equity Based Funding: shares and convertibles
- Hybrids
- Subordinated debt management

Debt Management II

This session examines instrument mixing and specific tips for achieving project goals. What is going to be required to leverage working capital and how do financial institutions protect themselves?

- Mixing debt and equity, IRR and solver examples in Excel
- Cash balancing and reporting
- Commodity based approaches to finance
- Introduction of forwards, futures and options
- The hidden costs of capital markets
- Reserving
- Security
- Due diligence
- Debt service coverage ratios and credit risk

Day Three – Tuesday, 31 March 2009

Risk Management

Day Three is focused specifically on the concerns that drive project failure, loss of value and/or costly compliance issues.

Tax

Tax concerns are a major factor for many companies, even those that operate in tax havens as they spread their efforts to other locations to generate wealth or attract investors from specific countries that restrict trade with levies and tax orders.

- Capital gains and the dividend equity trap
- Modelling reserves
- Profit and loss

- Depreciation methods for tax reduction
- Balance write downs
- Calculation of interest and fees from a tax perspective

Risk – Overview

The concept of risk appetite is an important yet often confusing factor of structured finance.

- Risk appetite: The gauge against opportunity
- Investor behaviour, myopia and the aversion paradigm
- How banks look at risk and why
- An overview of credit risk and how to satisfy the lender

Risk – Market

The risk of losses in on/off-balance-sheet positions arising from movements in market prices. Main factors contributing to market risk are equity, interest rate, foreign exchange and commodity risk.

- How it is measured
- Value at risk concept
- Examples with foreign exchange
- Examples with interest rate exposure
- Methods for hedging and swapping such exposures

Risk – Operational

Defined as the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems, or from external events.

- The types of operational risk
- Measuring operational risk (Frequency and Magnitude Model)
- Scorecard exposures
- Strategies for managing operational risk (control factoring, insurance and hedging, reserves)

Day Four – Wednesday, 1 April 2009

Multivariate And Mixed Models

Day Four examines the complex modelling requirements of structured finance that bring a more accurate perspective of managing uncertainty into the financial model.

Benchmarks And Models

If the plan does not consider contingency then it is only representative of one future path. In reality a project has many future positions but how are such positions tested and planned for?

- The key ratios for project performance
- Introduction to scenario analysis for managing risk and error
- Case study and Excel examples for on the fly structuring

Advanced Forecasting

Understanding project feasibility is predicated on good forecasting however, most forecasting models are often linear, lack statistical fundamentals and are often far from real practice.

- Review of traditional forecasting models
- Leveraging the model and smoothing techniques
- Monte Carlo techniques for forecasting

- Handling and hedging seasonality
- Forecasts and sensitivity analysis
- Currency adjustments

Pricing And Payout Calculators

Project pricing and payout calculators can become complex when projects mix debt and equity, are structured using scenarios and have high levels of optionality or risk.

- Advanced optionality calculations on forwards
- Iterative approaches to cash flow management
- Case studies

Tools Review And Using Statistics With Numbers

Solid structured finance relies on the ability of the broker to manipulate large volumes of numerical data and is a good insight into statistics. While this seems a complex area, it is delivered in a practical manner.

- Full overview on statistical approaches
- Statistical terms, mean, standard deviation
- Curve types and fitting
- Correlation and its uses
- Regression and its uses
- Examples in error propagation

Day Five – Thursday, 2 April 2009

Treasury, Execution And Delivery

When running a project there are some specific management techniques which must be considered and which are often overlooked. A good understanding on how to trench debt, sweep cash and maintain liquidity is a major function of ongoing structured finance.

Treasury Functions And Liquidity

With so few trade and project brokers running treasury functions in their business a real edge can be obtained by looking at a treasuring approach to leverage capital pools.

- Concepts of project liquidity
- Cash management
- Invoice management
- Pooling and sweeping
- Batching and squeezing cost
- Working marginal capital

Forthcoming Relevant Events

BC2979 **Certificate in Financial Analysis**

20 – 23 December 2008

www.iirme.com/cfanalyst

BC2824 **Advanced Financial Modelling**

25 – 29 January 2009

www.iirme.com/financemodelling

BC2885 **Risk Based Auditing of Projects**

8 – 12 February 2009

www.iirme.com/rbap

For more information on any of the above events please contact us on Tel: 971-4-3352483 or email: r.devani@iirme.com

Syndication/M&A

Specific management approaches to engaging value or sharing the costs come from syndication and M&A. What are the key parts to such stances and what needs to be learned from them?

- Definition on management acquisition approaches
- How to carry out valuation
- Alternative method valuation – Alpha and Beta benchmarking
- What are the main pitfalls of such structures and how are they managed?

Assessment

As part of the accreditation process the class will be divided into groups which will be required to develop and then deliver a full case study on a preset question. The task will take in the full scope of the course from end-to-end.

- Build a project plan up against a business model
- Explain how the project is to be valued
- Structure the debt or equity to generate funds for working capital
- Outline what kind of risks the project may encounter
- How are risks to be evaluated and then accepted and priced, controlled or mitigated?
- How is value returned to the stakeholders?
- What type of structure does the project take on and why?

Close And Certificates

The programme is formally closed and certificates are distributed to the class. In addition the class is encouraged to discuss the highlights of the event and how it will be applied to their work.

The American Academy of Financial Management



The American Academy of Financial Management™, and its subsidiary the European Institute of Financial Management, is the world's fastest growing professional association with approximately 40,000 members in over 145 countries hosting and organising certification training worldwide and offering exclusive board certification designations to candidates who meet the highest professional standards and assessment criteria. The AAFM was chosen in 2006 by Dubai Financial Market (DFM) to conduct the 7-week professional training component of the Kafa'at Programme for graduates entering the brokerage and trading industry. AAFM also has alliances with the Kuwait Institute of Banking Studies, Dubai Institute of Human Resource Development, Dubai Quality Group, Knowledge Village, and many more. With liaison offices in Dubai, Hong Kong, Kuwait, Singapore, San Francisco, Monterey, New Orleans, Melbourne, Beijing, the Caribbean, India and Europe, AAFM is fast becoming the world's leading professional association for financial practitioners. The AAFM Executive Designation Programmes also provide the assurance that the holder has met the suggested criteria for graduate credentials set out in the Ibanez US Supreme Court Decision, and are recognised on both the NASD and US Department of Labor websites.

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IIR Middle East certified by



FIVE EASY WAYS TO REGISTER

971-4-3352437 971-4-3352438 register@iirme.com

IIR Holdings Ltd. PO Box 21743, Dubai, UAE GCS/IIR Holdings Ltd. P O Box 13977, Muharraq, Kingdom of Bahrain

www.iirme.com/cpfs

For further information and Group Discounts* contact 971-4-3352483 or email: r.devnani@iirme.com
 *Group discounts are only applicable on the full event price

WEB BC2932

Yes, I want to register for:

Event	Dates	Price before 4 January 2009	Price between 4 January and 5 February 2009	Price after 5 February 2009
<input type="checkbox"/> Certified Project Finance Specialist	29 March – 2 April 2009	US\$ 4,250 (Save US\$ 500)	US\$ 4,550 (Save US\$ 200)	US\$ 4,750

If you have eight or more delegates who need this training, contact IIR In-House on 971-4-3352439 or inhouse@iirme.com

Course fees include documentation, luncheon and refreshments. Delegates who attend all sessions will receive a Certificate of Attendance.

PERSONAL DETAILS:

	Title	First Name	Surname	Job Title	Department	Email	Mobile
1 st Delegate							
2 nd Delegate							
3 rd Delegate							
4 th Delegate							

To assist us with future correspondence, please supply the following details:

Head of Department							
Training Manager							
Booking Contact							

Company:

Address (if different from label above):

Postcode: Country:

Tel: Fax:

No. of employees on your site:

0-49 50-249 250-499 500-999 1000+

Nature of your company's business:

Yes! I would like to receive information about future events & services via email.

My email address is:

Payments

A confirmation letter and invoice will be sent upon receipt of your registration. **Please note that full payment must be made upon receipt of the invoice and prior to the event.** Only those delegates whose fees have been paid in full will be admitted to the event. You can pay by company cheques or bankers draft in Dirhams or US\$. Please note that all US\$ cheques and drafts should be drawn on a New York bank and an extra amount of US\$ 6 per payment should be added to cover bank clearing charges. All payments should be made in favour of IIR Holdings Ltd.

Card Payment

Please charge my credit card: Visa Mastercard American Express

Name on Card:

Card Number: Exp. Date:

Signature:

Cancellation

If you are unable to attend, a substitute delegate will be welcome in your place. If this is not suitable, a US\$ 200 service charge will be payable. Registrations cancelled less than seven days before the event must be paid in full.

Avoid Visa Delays – Book Now

Delegates requiring visas should contact the hotel they wish to stay at directly, as soon as possible. Visas for non-GCC nationals may take several weeks to process.

Due to unforeseen circumstances, the programme may change and IIR reserves the right to alter the venue and/or speakers.

Event Venue

Crowne Plaza Hotel (Sheikh Zayed Road), Dubai, UAE

Tel: 971-4-3311111

Accommodation Details

We highly recommend you secure your room reservation at the earliest to avoid last minute inconvenience. You can contact the IIR Hospitality Desk for assistance on:

Tel: 971-4-4072693

Fax: 971-4-4072517

Email: hospitality@iirme.com