

## **Introduction to Private Bank Lending**

By necessity, private bankers must have a broad skill set to compete effectively in the private banking market. Included in this skill set is the ability to make personal loans and handle business loan requests. In fact, the private bank customer and his or her business interests are often so intertwined that it can be difficult to differentiate between a personal loan and a business loan. Introduction to Private Bank Lending is a self-study course that provides a broad look into the many aspects of private bank lending, with an emphasis on both individual borrowers and their business interests.

### **Course Objectives**

After completing this course, learners will be able to:

- Describe some of the common reasons that private bank clients borrow money, and the types of loans they may receive
- Generate questions that will help uncover important information about a client
- Recognize the structure of personal tax returns and identify commonly used forms and schedules
- Describe some of the differences between personal taxable income and personal cash flow
- Identify common forms of business organizations and the financial information they prepare
- Understand the concept of global cash flow and its role in approving and structuring loans to private bank clients

### **Course Content**

- Private bank lending and credit risk
- Learning about the personal borrower
- Financial analysis of an individual
- Debt-to-income ratios
- Determining personal cash flow
- Personal financial statements and tax returns
- Learning about a closely-held business
- Business tax returns and financial statements
- Global cash flow
- Borrowing needs and sources of repayment
- Collateral and personal guarantees

# Introduction to Private Bank Lending (continued)

## Course Sections

- Section 1 - Lending and Credit Risk
- Section 2 - Learning About the Borrower
- Section 3 - Assessing Individual Credit Risk
- Section 4 - Assessing a Closely Held Business
- Section 5 - Introduction to Global Cash Flow
- Section 6 - Loan Structure Considerations

## Target Audience

Introduction to Private Bank Lending is appropriate for both individuals new to private banking as well as experienced private bankers who need a refresher or who have never received formal training.

## Delivery Options

This course is designed to be used as a self-study allowing learners to work independently and at their own pace, concentrating on the areas they need most. This approach is especially effective when there are only one or two learners at a time or when the learners are spread out geographically. However, when multiple learners are involved, the materials can also be used in a blended learning approach by having an appropriate manager or training person lead periodic classroom review sessions. A pre- and post-test are available with this course to assess learning transfer.

## Course Materials

Each set of participant materials includes:

- Complete explanations of concepts, examples, and exercises with answer keys
- Review sections providing self-testing opportunities