SAMPLE COURSE MATERIALS

THE CREDIT SKILLS ACADEMY

A Digital Learning Resource Centre

- Knowledge at your fingertips!
  On demand; anytime/anywhere - Continuous Credit Training
- Corporate Intranet or Internet Based
- Access on computer; laptop; tablet or suitable cellphone.

Keith Checkley & Associates (UK) working in association with Caribbean Association of Banks Inc.

Content Development

- The Academy has been constructed based on our extensive Banking Training experiences over more than 30 years in many Overseas and UK locations
- Academic content has been taken from our directly related topic authored Books and other relevant sources
- A Digital network of E information
- Access anytime/anywhere on computer/tablet/i pad or suitable cell phone

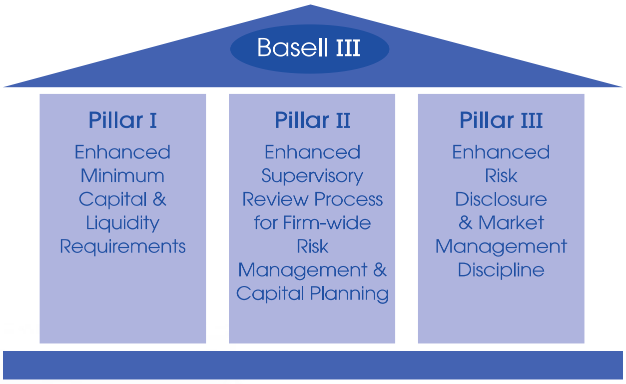
- Progressive learning units
- Academy Member activities
- Case Study Questions and Key Learning Points
- Personal Credit Assignment and Final test to "graduate"

CARIBBEAN ASSOCIATION OF BANKS
Keeping the Industry Proactive, Protected and Profitable

Keith Checkley
& ASSOCIATES

ADVANCED LEVEL CREDIT COURSE

EXTRACTS FROM UNIT 1 CREDIT RISK MANAGEMENT



Asset quality

The asset quality rating reflects the quantity of existing and potential credit risk associated with the loan and investment portfolios, other real estate owned and other assets, as well as off-balance sheet transactions. The ability of management to identify, measure, monitor and control credit risk is also reflected here.

The evaluation of asset quality should consider the adequacy of the allowance for loan and lease losses and weigh the exposure to counterparty, issuer or borrower default under actual or implied contractual agreements. All other risks that may affect the value or marketability of an institution's assets, including, but not limited to, operating, market, reputation, strategic or compliance risks should also be considered.

The asset quality of a financial institution is rated based upon, but not limited to, an assessment of the following evaluation factors:

1. The adequacy of underwriting standards, soundness of credit administration practices and appropriateness of risk identification practices. A suitable generic model for credit evaluation is shown OVER: