



## Asset Securitization - Online

This course gives an introduction to asset securitization and its process and the different entities involved in securitization.

This is an online self study course that can be globally accessed from any internet enabled computer.

### Available Session(s):

Available Today

Online

USD \$300

Instructor(s):[]

### Targeted Audience

Newcomers to the bond markets, institutional sales staff, sales and capital markets assistants.

### Advance Preparation

No advance preparation required.

### Prerequisites

Fixed Income Securities or equivalent level of knowledge

### Follow-Up Courses

Asset Backed Securities - Online

**Level:** Basic

**CPE Credits:** 56

**Instructional Method:** Self-Study

### Detailed Outline

#### Overview

- Process of asset securitization

#### Case Studies (Asia and Australia)

- LG Card

- Cash flows in asset securitization
- Benefits to different entities in Asset securitization
- Global scenario of asset securitization

### **Credit Enhancement**

- Fundamentals of credit enhancement
- Types of credit enhancement
- Companies providing credit enhancement
- Calculating credit enhancement

### **Ratings Approach to Asset Securitization**

- Credit rating in asset securitization
- Various concerns of rating agencies
- A generalized approach used by rating agencies

### **Mortgage Backed Securitization (Residential)**

- Types of Mortgage Backed Securities
- Terminology used in Mortgage Backed Securitization
- Prepayment and the factors responsible for it
- Federal Agencies for securitizing Residential Mortgages
- Structuring Mortgage Backed Securities

### **Residential Mortgage Backed Securities**

- Basics of Mortgage backed securities
- Federally sponsored mortgage securities
- Concept of prepayment
- Different prepayment standards
- Pass Through Securities
- Pay Through Securities
- Planned Amortization Class
- Targeted Amortization Class
- Stripped Mortgage Backed Securities
- Floaters
- CMO Residuals

### **Mortgage Backed Securitization**

- Pemex Finance Ltd.
- RAMS Mortgage Corp. Ltd. Series 11
- Series 2002-1G Medallion Trust

### **Case Studies (North America and Europe)**

- Wells Fargo Student Loans Receivables I LLC
- BEC Funding LLC
- Ares Finance S.r.l.
- LIBRAVOU FL3

### **Asset Backed Commercial Paper**

- Fundamentals of ABCP conduits
- Key parties to a transaction
- The risks faced by ABCP investors and methods to mitigate them
- Assets securitized through ABCP conduits
- Legal issues associated with ABCP conduits

### **Project Management**

- An outline of various components of a basic asset securitization policy statement
- Project Plan for Credit Card Responsibility Delegation
- Project Plan for Auto Loans Responsibility Delegation

### **Risk Management**

- The risks involved in asset securitization
- Nature of these risks
- Methods to manage each risk
- General risk management measures
- Risk-based capital requirements

### **Legal Aspects**

- The importance of ownership and title to the collateral involved in securitization transactions
- The importance of establishing priority in having recourse against the collateral
- The bankruptcy issues and the consequent reforms in the United States

## **(Commercial)**

- Differences between residential and commercial mortgages
- Elements and features of a typical CMBS
- Commercial loan evaluation and rating process

## **Auto Loan Receivables Securitization**

- Types of auto loans originated and securitized
- Structure of auto loan backed securities
- Features of trust structures
- Rating process in auto loan securitization
- Significant aspects of securitization for first time securitizers

## **Credit Card Receivables Securitization**

- Fundamentals of Credit Card Receivables
- The structure of Credit Card Receivables transaction
- Securitization process
- Various measures of maturity
- Concepts of Interchange and Early Amortization
- Rating process for credit card receivables securitization

## **Collateralized Debt Obligations**

- Fundamentals of CDOs
- Balance Sheet Vs. Arbitrage CDOs
- Cash Flow Vs. Market Value Structures
- Synthetic Structures
- Motivations behind CDOs
- Rating Process
- Role of Asset Manager
- Distinction between CBOs and CLOs

## **Case Studies (CDOs, CLOs, CBOs)**

- Jubilee CDO I B.V
- ROSE Transaction
- SBC Glacier Transaction
- Panther CDO II B.V

- The procedures for ABS issue as under the United States laws
- The UN convention on Assignment of Receivables

## **Accounting**

- Accounting for Asset Securitization under FAS 140
- Sale and loan treatment
- Gain or loss on sale accounting
- Investor Accounting
- Bank Regulatory Capital Relief
- International Accounting Standard: IAS 39

## **Tax**

- Taxation of different participants in the securitization process
- Tax issues in select countries
- Applicability of Withholding Tax
- Relevant aspects of The U.S. FASIT Law

## **Supervision**

- Office of the Comptroller of the Currency
- Federal Deposit Insurance Corporation
- Federal Reserve System
- Interagency guidance on asset securitization activities

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## **Future Flow Receivables**

### **Securitization**

- The basics of future flow receivables securitization
- Reasons for future flow receivables securitization
- Risks involved
- Securitization of airline ticket receivables
- Securitization of export receivables

## **Home Equity Loans**

- Fundamentals of Home Equity Loans
- Types of Home Equity Loans
- Pros & Cons of Home Equity Loans
- Securitization of Home Equity Loans
- Structures based on credit enhancement

## **Insurance Risk Securitization**

- Concepts underlying Insurance Risk Securitization
- Insurance Loss Indices
- Instruments of Insurance Risk Securitization
- Weather Risk Securitization
- Advantages and disadvantages of Insurance Risk Securitization
- Catastrophe (CAT) Bonds
- Issuance of CAT Bonds
- Probabilities and Cash Flows of CAT Bonds
- Types of Insurance Risk Structures

## **Case Studies (Non-Performing Loans)**

- Korea Asset Funding 2000-1 Limited (KAMCO)
- Ariosto S.r.l
- Danaharta
- Japan II Ltd.

## **Case Studies (Different Products)**

- Trade receivables securitization
- Equipment lease securitization
- Inventory securitization
- Dealer floorplan receivables

## securitization

For more information regarding administrative policies such as complaints and refunds, please contact our offices at 212-641-6616.