

## ABOUT THE SEMINAR

The seminar begins with Registration and a Continental Breakfast from 8:30-9:00 am and adjourns at 3:00 pm, with lunch and breaks provided.

## ABOUT THE PRESENTER

JIM CLARKE, PH.D., CLARKE CONSULTING

Dr. Clarke lectures on asset/liability management at the National School of Banking sponsored by ABA, and the Graduate School of Banking at Madison. He conducts ALM seminars for many state associations, and for Risk Management Association (RMA) and Financial Managers Society (FMS). Jim also conducts board education programs on ALM for a number of state associations. In 2009 & 2010 Jim spoke at the RMA convention, FMS Forum, the Connecticut Bankers, Massachusetts Bankers and Louisiana Bankers Conventions and ABA's Mutual Conference. Dr. Clarke is on the Board of two community banks, and is a Director of an investment company.

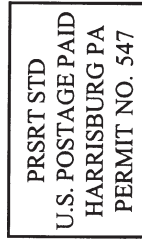
## REFUNDS & CANCELLATIONS

Full refunds are offered for cancellations made prior to October 14 for Hershey and October 29 for Mars, after which time a \$75 administrative fee will be withheld from refunds. No refunds will be made after October 21 for Hershey and November 5 for Mars.

## QUESTIONS:

If you have any questions, please contact Sue Murray, PACB Director of Education, at 717-231-7447 or via email at [sue@pacb.org](mailto:sue@pacb.org).

2010 PACB  
Education Series



RETURN SERVICE REQUESTED

# Asset/Liability Management Update



October 28

Hilton Garden Inn, Hershey

November 12

Sheraton Pittsburgh North, Mars



PENNSYLVANIA ASSOCIATION OF  
COMMUNITY BANKERS

The Voice for Community Banking in Pennsylvania

October 28

Hilton Garden Inn, Hershey

November 12

Sheraton Pittsburgh North, Mars

Registration/Continental Breakfast..... 8:30 am

Morning Session..... 9:00 am

**CURRENT ENVIRONMENT**

- Regulatory Changes Impacting ALM
- Business Cycle Conditions focused on Pennsylvania
- Yield Curve Forecasts
- Impact of a Change in Short-term Interest Rates
- Refining the ALCO Process at our Banks
- Bank Risk Profile in 2010
- Bank performance – Impact of credit and rate cycle
- Issues in Interest Rate Risk – January 6, 2010 FFIEC Pronouncement

**MANAGING ASSETS IN THE CURRENT ENVIRONMENT**

- Loan portfolio management
- Investment Options in the Current Environment

Lunch..... 12:00 pm

Afternoon Session..... 1:00 pm

**MANAGING LIABILITIES IN THE CURRENT ENVIRONMENT**

- Deposit Trends
- Retail Strategies to Fund Assets
- FHLB Strategies
- Growth Strategies for 2011 –  
Leverage transactions at this point in cycle?
- Deposit Strategies at this Point in Cycle
- Challenges Facing ALCO in 2010 & 2011

Adjournment..... 3:00 pm

## About the 2010 PACB Education Series:

PACB strives to provide meaningful and timely educational and training sessions for all levels of community bankers. The PACB Education Series programs are always crafted with the specific audience of *community bankers*—making PACB programs the exclusive choice for community bankers to improve their community banking.

**2010 PACB**  
Education Series



## Seminar Session Highlights

This program is an annual event focusing on asset/liability management, and the critical issues bank ALCOs will face in 2010 and 2011. The economic recovery is slowing as the 2009 Stimulus Bill winds down. There is recent talk of a double dip recession. Short-term and long-term interest rates remain at very low levels and given international problems and a weak domestic economy we may not see a rise in short-term rates until mid to late 2011. Your bank's ALCO was challenged in 2009 and 2010, hopefully 2011 will be a year things settle down, but there will be challenges as interest rates eventually increase.

The program will begin with an analysis of economic activity, including a focus on the housing market. We will look at forecasts of both economic variables and interest rates. The weak economic recovery is affecting loan demand and loan quality – we will explore these issues with a focus on Pennsylvania. Short-term interest rates decreased over 500 basis points between September 2007 and December 2008 and have remained low. It is likely that they may begin to increase in 2011. Margins stabilized in 2009 as the cost of funds continues to fall - the thrift industry in particular has benefited from the low rate environment – what is the forecast for 2011.

We will discuss both liquidity and interest rate risk. Two issues that examiners continue to stress. We will examine the January 6th letter from the FFIEC on interest rate risk indepth. We will also detail all short-term and the long-term challenges facing your bank's ALCO. The program will address both asset and liability decisions for 2010 and 2011. We will explore the modeling of your balance sheet as the interest rate cycle continues to evolve with a focus on both market risk and liquidity risk. The program will conclude with a discussion of growth strategies for 2011.

### WHO SHOULD ATTEND?

CEO, CFO, controllers, and any manager with responsibility for the ALCO function, this would include lenders, retail personnel or internal auditors. This program would also be valuable to board members who sit on the ALCO or would like to become more familiar with the process.

## 2010 PACB EDUCATION SERIES

### Asset/Liability Management Update

**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**E-Mail:** \_\_\_\_\_  
**Company:** \_\_\_\_\_  
**Address:** \_\_\_\_\_  
**City/State/ZIP:** \_\_\_\_\_

Yes, I will attend the October 28 update in Hershey.

Yes, I will attend the November 12 update in Mars.

### Registration Fee:

PACB Members — \$195/person

Non-Members — \$295/person

**Office:** Check # \_\_\_\_\_ Amt: \_\_\_\_\_ Rec'd: \_\_\_\_\_

### Credit Card Registration:

VISA  MasterCard

**Card Holder:** \_\_\_\_\_

**Card #:** \_\_\_\_\_

**Exp. Date:** \_\_\_\_\_ **CVV:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Amount Total:** \_\_\_\_\_

**Please send your registration form  
and check payable to:**

**PACB, PO Box 5319, Harrisburg, PA 17110**

**If paying by credit card,  
fax this form to PACB at 717.231.7445.**

**Register online at [www.pacb.org](http://www.pacb.org)!**