

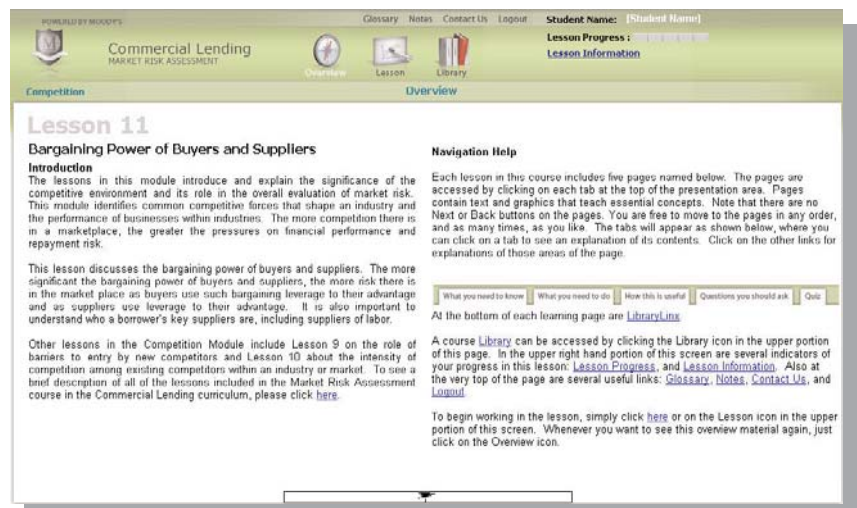
Expanding Credit Intelligence

Commercial Lending™ UE – E-learning

Moody's Commercial Lending Universal Edition (CLUE) is the E-learning tool used by financial institutions around the world to teach credit risk assessment and lending decision skills. **Available in Spanish and Chinese.**

CLUE provides highly effective fundamental credit training with the advantage of

- Interactive lessons and analytical tools.
- Transparent monitoring by management to measure participation and facilitate mentor-to-student interaction.
- Flexible and timely implementation and ongoing support options.
- Ability to integrate with in person seminar training.
- Integration with bank specific policy and procedures.
- Proven results, over 20,000 students have successfully completed the course globally.



New for 2008

- Accounting Issues for Lenders previously only available in our ACR books is now available in on-line.
- The program has been restructured in an easier to use format. The program now includes 4 separate course: Financial Risk Assessment, Market Risk Assessment, Management Risk Assessment and Mitigating Credit Risk.



**understand,
measure,
manage
risk...**

Why Moody's Commercial Lending

Moody's credit training e-learning program contributes to more effective loan officers and relationship managers who bring in higher quality loans at lower costs. Moody's Commercial Lending - Universal Edition combines the flexibility of the Web, Moody's proven training techniques, access to Moody's world-class industry research, and industry-standard analytical tools to optimize training relevance and keep learners motivated.



Program Structure

■ Online Classroom

Program is composed of integrated learning, practice, and testing activities. Most of the learning takes place in the online Classroom, where participants learn risk assessment techniques and skills through four interactive, graphically enhanced courses.

■ Moody's Expertise Administrator

It's not enough to have your employees go through world-class credit training online. You also need the ability to monitor their participation and performance in the course, with critical detail at your fingertips to support efforts to mentor your students and ensure their success. Moody's Expertise Administrator provides that real-time window on student activity. As a companion website to the Commercial Lending course, it gives you all the information you need to monitor and support student progress.

■ Simulation

Participants practice realistic analytics and decision-making by engaging in interactive credit analysis scenarios. They gather information, make virtual client visits, assess the probabilities of default and loss, structure credit facilities and price facilities to determine if profitability is sufficient to warrant a "go" decision. Finally, they compare their decisions with those of an "expert analyst" to further evaluate their performance.

■ Testing and Certification

Available diagnostic testing allows clients to customize training programs across the organization and for the individual trainee. Testing is also available upon completion of the program to measure results.

■ Digital Library

The Library includes the ACR books, information on how to use Moody's KMV RiskCalc in the lending decision process, a loan policy manual, and access to certain research provided by Moody's Investors Service. It also has a link where each client organization can securely place their own documents. This allows the organization to tie documents and additional lesson material to the course.



Commercial Lending Courses

Financial Risk Assessment

Module Name	Module Lessons
Credit Analysis Foundations	1. Credit Analysis Framework: Financial Risk 2. Financial Performance and Credit Risk
Accounting Issues for Lenders	3. Financial Statement Structure 4. Key Accounting Principles 5. Analytical Inference Using Financial Statements
Businesses and Their Borrowing Needs	6. Business Types 7. Legal Structures 8. Why Businesses Borrow
Profitability Ratios	9. Sales Growth 10. Gross Margin 11. Operating Expense Margin
Activity Ratios	12. Accounts Receivable Days 13. Inventory Days 14. Accounts Payable Days
Capital Spending, Leverage, and Debt Coverage	15. Capital Expenditures 16. Financial Leverage 17. Liquidity and Debt Coverage
Cash Flow Analysis	18. The UCA Cash Flow Statement [includes a tutorial] 19. Direct and Indirect Cash Flow Statements 20. Other Cash Flow Measures
Projections and Credit Risk Assessment	21. Background to Projections 22. Projection Methodology 23. Setting Meaningful Forecast Assumptions

Market Risk Assessment

Module Name	Module Lessons
Credit Analysis Foundations	1. Credit Analysis Framework: Market Risk 2. The Competitive Marketplace and Credit Risk
Business Environment	3. Condition of the Economy 4. External Regulation 5. Environmental Risk
Industry Status	6. Riskiness of the Borrower's Industry 7. Market Overcapacity 8. Industry/Business Life Cycle
Competition	9. Barriers to Entry 10. Intensity of Competition and Pressure from Substitutes 11. Bargaining Power of Buyers and Suppliers
Company Vulnerability	12. Degree of Company Seasonality 13. Dependency on a Dominant Employer 14. Client Concentrations

Management Risk Assessment

Module Name	Module Lessons
Credit Analysis Foundations	1. Credit Analysis Framework: Management Risk 2. Management Performance and Credit Risk
Management Integrity	3. Trade Credit History and Reference Checks 4. Bank Reference Checks: Loan History and Covenant Compliance 5. Individual Guarantors: Credit Checks and Reports
Management Skill and Execution	6. Strategic, Financial, and Operational Performance 7. Developing and Implementing Business Plans 8. Managing and Recovering from Disturbances
Management Scope	9. Position Overload 10. Management Succession 11. Corporate Governance

Mitigating Credit Risk

Module Name	Module Lessons
Loan Structure	<ol style="list-style-type: none"> 1. Loan Type and Repayment Schedule 2. Collateral Types and Values 3. Net Liquidation Value
Credit Enhancements and Profitability	<ol style="list-style-type: none"> 4. Guarantees 5. Covenants 6. Pricing Principles and the Decision Process

Commercial Lending UE - Features

Moody's has upgraded its flagship web-based e-learning program, Commercial Lending. The course now comes in a Universal Edition that integrates the use of...

- Moody's Investors Service industry outlook research documents;
- Moody's KMV RiskCalc™ for private companies;
- Moody's KMV Risk Analyst™ output;
- Moody's Assessing Credit Risk (ACR) workbook-based learning series in electronic format;
- A unique Final Exam for each student.

Additionally, this program now comes in both English and Spanish versions. Other courses powered by Moody's Expertise include Commercial Lending – Chinese Edition, Commercial Lending – North American Edition (in both English and French), Commercial Lending – IFRS Edition and The Effective Credit Underwriter (focus on leasing analysis).

Commercial Lending UE 2008 is available for deployment on SCORM or AICC compliant platforms.

Moody's Analytics

Moody's Analytics is the credit analytics and economic insight arm of Moody's Corporation, comprising the operations of Moody's KMV and Moody's Economy.com, the newly formed Moody's Analytics Credit Services, and the research and analytic products pioneered by Moody's Investors Service. We serve over 2,000 clients in 80 countries, including most of the world's 100 largest financial institutions. Our integrity and market expertise have earned us the trust of capital market participants worldwide.

By providing solutions across a range of risk management activities, Moody's Analytics helps clients enhance the economic returns of their businesses. We create products and services based upon an application of modern financial theory and statistical analysis. Our ability to integrate data, models, research and professional advice into a platform for risk management helps our clients earn better returns on the risks they take.

Moody's Analytics is headquartered in New York with offices across the world's major financial centers.

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Moody's Analytics