



# GENERAL BULLETIN

CONNECTICUT  
BANKERS  
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2010 – 107

June 17, 2010

SENT TO:

TO THE CHIEF EXECUTIVE OFFICER  
OR INDIVIDUAL ADDRESSED

CEO, CEO+, CIO, COO,  
CRO, Compliance, Marketing  
Specialists

**RE: CBA Web Seminars -- Two-Part Series: Accounting for OREO & ALLL**

In today's environment, many institutions are experiencing increased levels of foreclosed properties. This two-part web seminar series provides the knowledge to properly account for these transactions at acquisition and disposition and to maintain an appropriate level of ALLL to meet regulatory guidelines.

## **PART I - OTHER REAL ESTATE OWNED (OREO) - TUESDAY, JULY 13, 2010**

This session provides the knowledge to properly account for these transactions at acquisition and disposition. This discussion will deal with the complex issue of gain recognition upon the sale of foreclosed assets. Learn specifics and receive practical recommendations related to supporting your OREO valuations.

### **SEMINAR HIGHLIGHTS**

Information Applicable To All U.S. Banks:

- Proper accounting treatment under Generally Accepted Accounting Principles (GAAP) during:
  - Initial Acquisition
    - Establishing the initial carrying value
    - Gain and loss treatment
  - Holding Period
    - Subsequent expenditures
    - Capital improvements
    - Subsequent impairment
  - Disposition
    - Gain and loss treatment
    - Seller financed transactions
- Practical Applications
  - 15 fact based examples or question and answer scenarios adapted from the OCCs most recent Accounting Advisory Series

Practical Information Specific to Nationally Chartered Banks:

- OREO defined
- Allowable acquisition methods
- Appraisal requirements
- Allowable expenditures
- Holding period requirements
- Disposition methods and requirements

## **PART II – ALLOWANCE OF LOAN & LEASE LOSSES (ALLL) - TUESDAY, JULY 27, 2010**

This session provides the knowledge to maintain an appropriate level of ALLL to meet regulatory guidelines. It will focus on preparing you to meet the requirements outlined in the Interagency Guidance. You will learn the specifics of ALLL accounting and receive practical recommendations related to supporting your own valuations.

### **SEMINAR HIGHLIGHTS**

- Available guidance
- Nature & purpose of the ALLL

- Key concepts
- Discussion of FASs 5 & 114
- Environmental factors to consider in the estimation of credit losses
- Responsibilities of management, directors & auditors
- Loan grading & review systems
- Loan review policies

#### AUDIENCE

CEO's, CFO's, controllers, auditors, accountants, senior lenders and loan review personnel. **CE Applied:** 2.5 hours/session towards the CLBB designations with the Institute of Certified Bankers, an affiliate of the American Bankers Association.

#### SPEAKER

Rodney McFadden is a Financial Institution Audit Division Manager for Pattillo, Brown & Hill, L.L.P. Rodney specializes in Internal Audits, Regulatory Compliance Examinations and BSA examinations. He has been an instructor for the Texas Banker's Association's Internal Audit School and BSA Audit Seminar.

#### WHAT IS A WEB SEMINAR?

A web seminar is an online seminar featuring live audio and PowerPoint slides. Everything is delivered through your PC. No special hardware is needed; however, speakers or headphones are required. The program consists of 90 minutes of instruction and 30 minutes live Q&A. Each registration provides one connection to the web seminar, materials and 30 days access to the online seminar. You may have unlimited listeners on your connection by speaker phone and PC. You will receive a confirmation with your PIN, materials and instructions. If you do not receive a confirmation within two days of the event call 888-262-7701.

**Free 30-Day Replay** - Within five working days after the broadcast, you will receive a URL providing unlimited access to a recorded copy of the presentation for 30 days. This enables you to participate in the live web seminar, train additional staff and review the material as needed.

The **On-Demand Web Seminar** is a live web seminar that has been recorded and then streamed to your computer to watch at your convenience. The program can be viewed anytime 24/7. You can watch a portion, come back and pick up where you left off! Anyone at your branch may access the program from a computer using the login and password. When purchasing an On-Demand Web Seminar, you have unlimited access to the program for 6 months from the date of purchase.

Transmission, retransmission or republishing of the audio portion of the web seminar is prohibited. Your registration entitles you to one connection at one location with permission to make copies of materials for participants. Please complete one registration per location.

#### REGISTRATION INFORMATION

Registrations are requested to be submitted three days prior to the date of the web seminar. On-line registrations can be made at <http://www.bankersed.com/CTBANKERS/>. For all other registrations, please complete the attached registration form and send directly to Bankers Ed in advance of the program. Fee information for this program is listed on the registration form. **Payment is expected at the time of registration unless other arrangements are made prior to the event with the CBA.**

**Late Registration:** Registrations are accepted until the program starts. To ensure timely delivery of materials, etc., please register online when registering **two working days prior** to the broadcast (credit cards, e-checks and invoices accepted). If you would like assistance with online registration, contact 888-262-7701.

Please do not hesitate to contact either Kathy Parks or me if you have any questions about this web seminar.

Very truly yours,  
LINDSEY R. PINKHAM  
Senior Vice President & Secretary

## CBA WEB SEMINAR

### **TWO PART SERIES:**

### **ACCOUNTING FOR OREO & ALLL**

**Part I: Tuesday, July 13, 2010**

**2:30 p.m. - 4:30 p.m. (EST)**

**Part II: Tuesday, July 27, 2010**

**2:30 p.m. - 4:30 p.m. (EST)**

**REGISTER** (Each registration entitles you to one connection at one location where an unlimited number of listeners may participate):

Name \_\_\_\_\_ Title \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

### **THREE WAYS TO REGISTER FOR CBA WEB SEMINARS:**

**Prior to July 6<sup>th</sup> (Part I) and July 20<sup>th</sup> (Part II)**

Mail: Complete this form, include payment and mail it to: Bankers Ed: 5700 S. Mopac, #C310,  
Austin, TX 78749

**Anytime Prior to the Program**

On-line: Register on-line at <http://www.bankersed.com/CTBANKERS/>.

Phone: Call 888-262-7701 with credit card information

### **CBA WEB SEMINAR – PART I – OREO**

**Tuesday, July 13, 2010** - (Seminar code: SW2-1235)

Web Seminar/Materials (live hookup)  \$255 member  \$510 non-member

On-Demand Web Seminar/Materials  \$275 member  \$550 non-member

### **CBA WEB SEMINAR -- PART II – ALLL**

**Tuesday, July 27, 2010** - (Seminar code: SW2-1134)

Web Seminar/Materials (live hookup)  \$255 member  \$510 non-member

On-Demand Web Seminar/Materials  \$275 member  \$550 non-member

### **METHOD OF PAYMENT** (check one):

**Check made payable to: Bankers Ed**

Discover Card

MasterCard

Visa

AMEX

Card Number \_\_\_\_\_

Exp. Date \_\_\_\_\_

Security Code (3 or 4 digits on back of card) \_\_\_\_\_

Signature \_\_\_\_\_

Amount \$ \_\_\_\_\_

For registration questions, please contact Bankers Ed customer support at 888-262-7701 or Kathy Parks at the Connecticut Bankers Association parks@ctbank.com or 860-677-5060.

**\*\*\*Registrations must be sent to Bankers Ed\*\*\***