QUEST
Professional Center

PROFESSIONAL TRAINING COURSE

Course No. 1427

Structured Finance & Securitization Training Course

INVESTMENT BANKING & CAPITAL MARKETS
FINANCE, INVESTMENT & BANKING

DURATION
5 Days

DELIVERY
Classroom

Course Overview

The Structured Finance & Securitization Training Course provides a comprehensive and practical understanding of how complex financial transactions are designed, structured, assessed, executed, and monitored. Structured finance and securitization play an important role in modern financial markets by enabling institutions to transform pools of financial assets into investment products, improve funding flexibility, manage balance sheet exposures, diversify sources of capital, and align financing structures with specific risk and return requirements.

The course introduces participants to the complete lifecycle of structured finance and securitization transactions, from asset selection and transaction objectives through structuring, cash flow analysis, credit enhancement, legal considerations, rating considerations, issuance, investor analysis, and ongoing transaction monitoring. It explains how different transaction parties interact and how the interests of originators, issuers, arrangers, investors, trustees, servicers, rating organizations, and legal advisors are coordinated within a structured transaction.

A major focus of the Structured Finance & Securitization Training Course is the assessment of underlying assets and the analysis of transaction cash flows, credit risks, structural protections, payment priorities, triggers, and stress scenarios. Participants will examine asset-backed securities, mortgage-backed securities, collateralized debt structures, receivables securitization, and other structured products while developing a practical understanding of how transaction structures redistribute and manage financial risk.

The program also addresses governance, regulatory considerations, documentation, transaction controls, and risk management practices that are essential for maintaining the integrity and sustainability of structured finance transactions. Through practical exercises, transaction case studies, analytical frameworks, and applied workshops, participants will strengthen their ability to evaluate structured transactions and contribute effectively to investment, financing, treasury, risk, compliance, and corporate finance decisions.

The knowledge developed through this course can support banks, financial institutions, investment firms, government entities, corporations, and other organizations involved in financing, asset management, capital markets, treasury, credit risk, or financial structuring. The program is designed to connect technical concepts with real-world decision making and organizational performance.

Objectives

- Analyze the fundamental principles, market structures, and applications of structured finance and securitization within the context of the course.
- Evaluate the suitability of different asset classes and receivables for securitization based on cash flow quality, risk characteristics, and transaction objectives.
- Develop structured finance transaction frameworks that clearly define asset selection, funding objectives, structural features, and participant responsibilities.
- Apply cash flow modeling techniques to assess expected transaction performance, payment priorities, and structural dependencies.
- Assess credit enhancement mechanisms and determine their impact on investor protection, transaction resilience, and credit quality.
- Design appropriate transaction structures using concepts such as tranching, subordination, reserve mechanisms, overcollateralization, and excess spread.
- Evaluate credit, liquidity, market, operational, legal, and structural risks associated with securitization transactions.
- Apply stress testing and scenario analysis techniques to evaluate transaction sensitivity to changes in defaults, prepayments, interest rates, and recoveries.
- Assess transaction documentation, governance arrangements, servicing requirements, and control mechanisms during the course exercises.
- Strengthen decision-making skills for evaluating structured finance opportunities, risks, and investment considerations.
- Implement practical monitoring approaches for evaluating the performance of securitized assets and transaction structures after issuance.
- Align structured finance and securitization strategies with broader funding, capital management, risk management, and investment objectives.

Who Should Attend

This course is designed for professionals working in banking, investment banking, corporate finance, treasury, capital markets, asset management, credit, risk management, financial advisory, and investment functions. It is particularly relevant to Structured Finance Specialists, Securitization Professionals, Investment Bankers, Credit Analysts, Corporate Finance Managers, Treasury Managers, Portfolio Managers, Risk Managers, Financial Analysts, Capital Markets Specialists, and professionals involved in asset-backed financing and structured products.

The program is also highly suitable for senior executives, department heads, finance directors, treasury leaders, investment committees, and decision makers responsible for funding strategies, balance sheet management, capital allocation, credit risk, and investment decisions. Professionals working in government entities, public sector organizations, financial regulators, development institutions, large corporations, and organizations with significant receivables or financing requirements can also benefit from understanding the principles and applications of structured finance and securitization.

Participants involved in loan portfolios, mortgage finance, consumer finance, commercial receivables, trade receivables, leasing portfolios, infrastructure finance, project-related receivables, or other asset-backed funding structures will gain practical value from the course. It is also suitable for legal, compliance, accounting, audit, and operations professionals who need to understand the financial and structural dimensions of securitization transactions.

Learning Outcomes

- Explain the key concepts, structures, participants, and transaction mechanics used in structured finance and securitization.
- Identify asset pools that may be suitable for securitization and evaluate their financial and risk characteristics.
- Analyze asset cash flows and determine their impact on transaction structure and investor returns.
- Compare major securitization structures and identify the situations in which each structure may be appropriate.
- Evaluate the role and effectiveness of credit enhancement mechanisms in protecting transaction cash flows and investors.
- Analyze payment waterfalls, priority of payments, triggers, reserves, and other structural protections.
- Assess the credit, liquidity, market, operational, legal, and servicing risks associated with structured transactions.
- Apply scenario analysis and stress testing to evaluate the resilience of securitization structures under changing assumptions.
- Interpret key transaction documents, reporting requirements, servicing arrangements, and governance controls.

- Evaluate the investment characteristics and risk-return profile of asset-backed securities and other structured products.
- Develop practical transaction monitoring frameworks using performance indicators, asset quality measures, and structural triggers.
- Prepare a structured finance assessment that supports investment, funding, risk management, or strategic decision making.

Course Outline

DAY 01

Foundations of Structured Finance and Securitization

- Principles, objectives, and evolution of structured finance
- Structured finance versus traditional corporate and bank financing
- Securitization concepts, transaction lifecycle, and economic rationale
- Key participants: originators, sponsors, arrangers, issuers, servicers, trustees, investors, and professional advisors
- Asset classes commonly used in securitization, including loans, mortgages, leases, consumer receivables, trade receivables, and other financial assets
- Asset selection criteria, pool characteristics, diversification, historical performance, and data quality
- Transaction objectives including liquidity generation, funding diversification, balance sheet management, and risk transfer

> **PRACTICAL APPLICATION**
> Assessing a sample asset portfolio and determining its suitability for a securitization transaction

DAY 02

Transaction Structuring, Cash Flows and Credit Enhancement

- Core components of a securitization structure
- Special purpose vehicles and transaction architecture
- Tranching, subordination, senior and subordinated securities
- Cash flow waterfalls and priority of payments

DAY 02 — CONTINUED

- Credit enhancement techniques including overcollateralization, reserve accounts, excess spread, guarantees, and subordination
- Asset cash flow analysis and expected payment behavior
- Prepayments, defaults, recoveries, delinquencies, and loss assumptions
- Structural triggers, early amortization mechanisms, and performance protections

PRACTICAL APPLICATION

Building and analyzing a simplified securitization structure and cash flow waterfall

DAY 03

Credit Analysis, Risk Assessment and Stress Testing

- Credit risk analysis of underlying securitized assets
- Portfolio concentration, correlation, diversification, and asset quality assessment
- Default probability, loss severity, recovery assumptions, and expected losses
- Liquidity risk and timing mismatch within securitization structures
- Interest rate risk, currency risk, refinancing risk, and basis risk
- Counterparty and servicer risk
- Legal, operational, documentation, and structural risks
- Scenario analysis and stress testing for transaction performance
- Sensitivity analysis involving defaults, prepayments, recoveries, interest rates, and asset performance

PRACTICAL APPLICATION

Conducting a structured finance risk assessment using multiple stress scenarios

DAY 04

Structured Products, Investment Analysis and Transaction Governance

- Overview of asset-backed securities and mortgage-backed securities
- Collateralized debt and other structured credit products
- Investor perspectives on risk, return, liquidity, and structural complexity
- Pricing considerations and factors influencing investor demand
- Credit ratings, rating considerations, and the relationship between structure and perceived credit quality
- Transaction documentation, representations, warranties, covenants, and servicing arrangements
- Governance, controls, reporting responsibilities, and stakeholder oversight
- Regulatory, compliance, accounting, and reporting considerations in structured finance transactions
- Monitoring asset performance and identifying early warning indicators

> **PRACTICAL APPLICATION**
>
> Reviewing a structured product from the perspective of an investor, arranger, risk manager, and issuer

DAY 05

Advanced Securitization Strategy, Monitoring and Implementation

- Advanced transaction structuring and optimization considerations
- Comparing securitization with alternative funding and financing strategies
- Evaluating transaction economics, funding costs, risk transfer, and capital implications
- Portfolio performance monitoring and transaction surveillance
- Early warning indicators, trigger events, breach management, and corrective actions
- Managing transaction performance throughout the post-issuance lifecycle
- Strategic use of securitization for balance sheet management and funding diversification
- Developing internal governance frameworks for structured finance activities

DAY 05 — CONTINUED

> **FINAL WORKSHOP**
> Build an end-to-end securitization transaction proposal covering asset selection, transaction objectives, structure, cash flow assumptions, credit enhancement, risk assessment, stress testing, governance, monitoring, and implementation considerations

Register or Request More Information

Course page: https://quest-training.com/courses/structured-finance-securitization-training-course
Website: https://quest-training.com
Email: info@quest-training.com
Phone: +905016771440