



**January 18-20, 2012**  
**New Orleans, LA**  
**W New Orleans**

**Hosted by:**



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## OVERVIEW & LEARNING OBJECTIVES

Welcome to the January 2012 NAPCO meeting! NAPCO's objective is to provide the highest quality forum to network with peers as well as promoting educational advancement in credit/risk related practical knowledge. The learning objectives of this meeting are to:

- Examine the underlying economic outlook for the U.S.
- Review general strategies for dealing with financially troubled customers and how to respond to customer bankruptcy.
- Analyze the current creditworthiness of financial institutions.
- Identify the various types of security and collateral for credit risk mitigation.
- Review developments within operational risk management.
- Examine the impact of political and sovereign risks.
- Provide an update on U.S. corporate credit and drilling in the Gulf of Mexico.

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## EDUCATIONAL CREDITS



NAPCO is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN 37219-2417. Website: [www.nasba.org](http://www.nasba.org)

### CPE CREDITS

Upon completion of this meeting, program participants interested in receiving CPE credits will receive a certificate of completion. Participants must be in attendance for the entirety of the conference to be eligible for the full amount of CPE Credits.

Delivery Method: Group Live

Prerequisites: No prerequisites are required for the educational seminars

Advanced Preparation: No advanced preparation is required for the seminars.

CPE Credits: Earn up to 10.5 CPE

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The **North American Power Credit Organization** (NAPCO) endorses and will comply with the highest standards of professional conduct. NAPCO understands that these guidelines are for the protection of our individual companies and the Organization:

#### **ANTITRUST COMPLIANCE STATEMENT**

The antitrust law of the United States shall be strictly complied with in all respects by the Organization and each of its members. The object of NAPCO is the furthering of professional education and industry standards as well as providing an open forum for the exchange of information and ideas. It does not imply in any manner that the Organization recommends that any credit relationship be conducted or modified in any way. Neither prices nor credit term may be discussed. No future intention of members may be reported or discussed. Under no circumstances shall NAPCO members give advice or otherwise attempt to influence the independent judgment of other members in the extension of credit.

All discussions of credit practices and policies must be general in nature and not pertain to any particular customer or competitor, and discussion of specific company policies must be avoided.

#### **ANTIDEFAMATION STATEMENT**

Slandorous statements in NAPCO meetings must be carefully avoided; they may subject all NAPCO members to major damage suits by persons who consider themselves to have been defamed. Members must avoid giving opinions or making any statements which imply that any individuals are dishonest, fraudulent or immoral, since no specific damages need be proven in court to recover for these kinds of statements. Statements, which might be considered slanderous should not be used in meetings unless the member making the statement, can prove from clear evidence that the statement is true



## SPONSORED EVENTS

### PAT O'BRIEN'S

A visit to New Orleans is not complete without taking in the world-famous Pat O'Brien's! Wednesday night's dinner and cocktails at Pat O's will be a perfect opportunity to network while taking in this former speakeasy as well being the perfect start to your time in New Orleans. There will be plenty of "good times!"

Date: **Wednesday, January 18**

Location: Pat O's BRIARS Suite (2<sup>nd</sup> Floor)  
624 Bourbon Street

Time: 7:00 pm to 10:00 pm

Co-sponsored by: **The Atradius Group** and **Grant Thornton**

Please note this is a RSVP Event that will be managed by Pat O's. Only those who have RSVP'd and are on the list will be allowed up to the suite by the Pat O'Brien employees.

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### CRESCENT CITY BREWHOUSE

Another night of fun awaits – Thursday night's dinner and cocktails at the Crescent City Brewhouse is all about savoring delicious food, brews and live music! And in order to help keep the "good times rolling," cocktails before dinner and during dinner are being graciously sponsored by Euler Hermes and Capital IQ.

Date: **Thursday, January 19**

Location: 527 Decatur Street

#### **Cocktail Reception:**

Time: 6:00 pm to 7:00 pm

Sponsored by: **Euler Hermes**

#### **Dinner:**

Time: 7:00 pm to 9:00 pm

Drinks sponsored by: **Capital IQ**

Dinner: \$55 per person

## ABOUT OUR SPONSORS



**The Atradius Group** provides trade credit insurance, surety and collections services worldwide, and has a presence through 160 offices in 42 countries. Atradius has access to credit information on 60 million companies worldwide and makes more than 20,000 trade credit limit decisions daily. Its products help protect companies throughout the world from payment risks associated with selling products and services on credit. [www.atradius.com](http://www.atradius.com)



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**Euler Hermes** is North America's oldest and largest provider of trade credit insurance and accounts receivable management solutions. The company insures more than \$150 million in U.S. trade transactions annually. Additionally, Euler Hermes provides a suite of receivables management services that includes commercial third party collections, receivables management outsourcing and international collections. [www.eulerhermes.us](http://www.eulerhermes.us)



**S&P Capital IQ** is a leading provider of multi-asset class data, research and analytics to institutional investors, investment advisors and wealth managers around the world. S&P Capital IQ combines two of our strongest brands – S&P, with its long history and experience in the financial markets and Capital IQ, which is known among professionals globally for its accurate financial information and powerful analytical tools. We provide a broad suite of capabilities designed to help track performance, generate alpha, identify new trading and investment ideas, and perform risk analysis and mitigation strategies. [www.standardandpoors.com](http://www.standardandpoors.com)



## PROGRAM AGENDA

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### THURSDAY, JANUARY 19, 2012

7:30 a.m. to 9:00 a.m. **Breakfast and Registration**

9:00 a.m. to 10:30 a.m. **Keynote: An Overview of the U.S. Economy**

As the effects of the great recession linger on, its fundamental causes can still help us anticipate the future. Mr. North will examine the governmental responses that were meant to bolster the recovery and that might actually have hindered it instead.

Speaker: **Dan North**, *Euler Hermes ACI*

10:30 a.m. to 10:45 a.m. **Morning Break**

10:45 a.m. to 12:00 p.m. **Financial Institutions – Creditworthiness Revisited**

Since the market crash in 2008/2009, banks have been attempting to strengthen their balance sheets, but economic conditions have yet to improve, mortgage markets remain sluggish and a sovereign debt crisis looms over Europe. Many financial institutions are still heavily leveraged and many still carry assets of questionable value, raising solvency issues for some. Mr. Grossmann will provide a general overview of the financial status of financial institutions that transact in energy markets in North America.

Speaker: **Reid Grossmann**, *RMG Financial Consulting, Inc.*

12:00 p.m. to 1:00 p.m. **Lunch**

1:00 p.m. to 1:30 p.m. **NAPCO Business Meeting**

1:30 p.m. to 2:30 p.m. **Crisis Management: Preparing for Customer Insolvency, Responding to Customer Bankruptcy and General Strategies for Dealing with Financially Troubled Customers**

Ms. Levine will provide an overview of the chapter 11 bankruptcy process and related issues from the point of view of protecting yourself and techniques for continuing to do business with a debtor or possibly soon to be debtors.

Speaker: **Sharon L. Levine**, *Lowenstein Sandler PC*

2:30 p.m. to 2:45 p.m. **Afternoon Break**

2:45 p.m. to 3:45 p.m. **Risk Mitigation Tools**

Mr. DeLuca will provide an interactive overview and comparison of various tools that are available for mitigating credit exposure risk including insurance, A/R put contracts and other related tools.

Speaker: **Mike DeLuca**, *One Source Risk Management & Funding, Inc.*

3:45 p.m. to 5:00 p.m. **The Impact of Sovereign Risk**

We work in an economy that is increasingly global in its perspective. In recent months this has been characterized by a great deal of uncertainty, fueled by rising concerns over what will happen abroad in the struggling European economies and other nations as well as to the impact of other major global events. Mr. Morgan will explore the various political and sovereign risks that have affected current economic conditions and those that may impact the way we do business in the future.

Speaker: **Eric Morgan**, *Atradius Trade Credit Insurance, Inc.*



## PROGRAM AGENDA

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### FRIDAY, JANUARY 20, 2012

7:30 a.m. to 9:00 a.m. **Breakfast**

9:00 a.m. to 10:30 a.m. **Operational Risk Management**

This presentation will discuss the developments within operational risk management – a growing area of overall risk management.

*Speaker: Frank Russo, Deloitte*

10:30 a.m. to 10:45 a.m. **Morning Break**

10:45 a.m. to 12:00 p.m. **Outlook for U.S. Corporate Credit and Gulf of Mexico Drilling Update**

While U.S. corporate balance sheets and credit quality have largely improved to levels seen prior to the credit crisis, the current recovery faces a number of headwinds going into 2012. Mr. Wilkinson will discuss Standard & Poor's macro-outlook for corporate credit quality in 2012. In addition, he will provide an update on the post-Macondo environment for drilling in the Gulf of Mexico.

*Speaker: Lawrence A. Wilkinson, Standard & Poor's*

12:00 p.m. **Meeting adjourned**

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### PRESENTATION MATERIALS

Presentation materials from this program that have been made available to us by the speakers will be posted on the NAPCO / RMG website. Please note that not all presentations can be distributed to attendees and/or posted to the website due to the sensitive nature of the materials or for various other legal reasons. Please visit us at:

[www.rmgfinancial.com/NAPCO\\_home.html](http://www.rmgfinancial.com/NAPCO_home.html)

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### MEETING EVALUATION FORMS

Your input is important for the development of future programs and agendas – please remember to fill out the meeting evaluation form!



## ABOUT OUR SPEAKERS

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NAPCO and One Source Risk Management & Funding would like to thank all of our speakers for taking time out of their busy schedules to prepare and deliver their presentations. Their participation enables NAPCO to continue to offer a high quality educational program at a very reasonable registration fee. Thank you!

### **MIKE DELUCA**

**Senior Partner, ONE SOURCE RISK MANAGEMENT & FUNDING, INC.**

Mike DeLuca is a Senior Partner, joining the One Source team in 2005. Mr. DeLuca has been in the credit/finance industry for over 20 years, starting in the mid 80's with Dun & Bradstreet where he held several positions on the credit reporting side, finishing in the customized solutions area. Prior to joining One Source, Mr. DeLuca spent 16 years with Euler Hermes, the world's largest Credit Insurance Company, finishing his tenure with Euler in the position of SVP National Sales Director U.S. In this role, he was responsible for sales marketing and International Underwriting. Mr. DeLuca holds several designations in the credit industry and is very active in the International Credit community.

### **REID GROSSMANN**

**President, RMG FINANCIAL CONSULTING, INC.**

Reid Grossmann oversees all aspects of client services and product development and provides credit risk management, financial review and evaluation, contract negotiation support, financial and credit modeling and scoring, and a variety of other credit management and financial support services to client companies that transact in wholesale and retail energy markets throughout North America. Mr. Grossmann is a Certified Public Accountant and has spent a number of years in both the public accounting and banking industries. Mr. Grossmann is a frequent speaker on energy industry topics, including credit risk management, financial analysis, and business evaluations. Mr. Grossmann holds a B.A. in Mathematical Economics, University of Colorado.

### **SHARON L. LEVINE**

**Member, LOWENSTEIN SANDLER PC**

Sharon Levine is a member in the Lowenstein Sandler Bankruptcy, Financial Reorganization & Creditors' Rights Group and has been involved in some of the nation's largest bankruptcy cases. Ms. Levine's practice focuses exclusively on bankruptcy, restructuring, debtor-creditor law and bankruptcy litigation. Ms. Levine is featured in the 2008-2011 editions of *Chambers USA: America's Leading Lawyers for Business*, in the 2012 edition of *The Best Lawyers in America*, and in the 2005-2011 issues of *Super Lawyers* in the Bankruptcy and Workout section of the publication. Ms. Levine is a frequent lecturer on various bankruptcy topics. Ms. Levine serves as the Educational Chair of the Trade Credit Committee of the American Bankruptcy Institute (ABI) and as a member of the TMA, New Jersey State Bar Association, Debtor/Creditor Section, the American Bar Association, Business Law Section and on the Board of Trustees for the State Theatre Regional Art Center in New Jersey.

### **ERIC MORGAN**

**Senior Manager, ATRADIUS CREDIT INSURANCE, INC**

Eric S. Morgan is Senior Manager of Risk Services for Atradius Trade Credit Insurance, Inc., with responsibility for the USA, Caribbean and Central America regions and manages a team of 15 underwriting professionals located in Hunt Valley, Maryland. Eric has been with Atradius since March 2003 and has extensive risk experience within Atradius and continues to provide the leadership necessary to guide risk services in pursuit of Atradius' strategic goals which include Group wide initiatives to improve the quality of service Atradius strives to provide its client base. Mr. Morgan is a graduate of Salisbury State University.

### **DAN NORTH**

**Economist, EULER HERMES**

Dan North has been with Euler Hermes ACI (EH ACI) since 1996, using macroeconomic and quantitative analyses to help manage EH ACI's risk portfolio of more than \$250 billion in annual U.S. trade transactions. As an economist, he has appeared on CNBC, Fox Business News, France 24, and Bloomberg Radio and Television. He has been quoted by Barron's, Business Week, Paris Le Monde, Tokyo Nikkei, and the Wall Street Journal. Mr. North was recently ranked fourth on Bloomberg's list of the top 65 economic forecasters for the 2008-2009 time period. Mr. North holds an MBA from the Wharton School of Business.



## ABOUT OUR SPEAKERS

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### **FRANK RUSSO**

#### **Senior Manager, DELOITTE & TOUCHE LLP**

Frank Russo is a risk strategy and management consultant, specializing in enterprise risk and credit risk, for companies in the oil and gas, mining, power and utilities, and banking sectors. Mr. Russo also has over 17 years in risk management within the corporate banking and consulting industry. Prior experience includes his nine years of active duty as a commissioned officer in the US Navy (surface), with 17 years in the Navy Reserve. Mr. Russo is a certified public accountant in the states of Louisiana and Texas.

### **LAWRENCE A. WILKINSON**

#### **Director, STANDARD & POOR'S**

Lawrence Wilkinson is a Director in the Oil & Gas Team within Corporate and Government Ratings at Standard & Poor's. He and his team are responsible for publishing research commenting on the creditworthiness of approximately 140 companies in the energy sector. Prior to joining Standard & Poor's in 2009, Mr. Wilkinson was an Executive Director within the Corporate Finance Advisory Group of J.P. Morgan's Investment Banking Division. Mr. Wilkinson holds a B.S. in Electrical Engineering from the United States Military Academy at West Point and an M.B.A. in Finance from Columbia Business School.



## ADDITIONAL INFORMATION

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North American Power Credit Organization (NAPCO) is facilitated by RMG Financial Consulting, Inc.

### COMPLAINT RESOLUTION

NAPCO reserves the right to alter this program without prior notice. Please note that the opinions of the speakers are entirely their own and do not necessarily represent those of NAPCO, RMG Financial, or the Host Company. Any meeting related complaints should be directed to the acting NAPCO Chairperson: **Steven Harwitz** of Tucson Electric Power Company at (520) 884-3791 or [sharwitz@tep.com](mailto:sharwitz@tep.com) for prompt action and resolution. NAPCO is a member run organization. All complaints will be addressed at the discretion of the NAPCO Executive Committee.

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### THANK YOU'S

NAPCO and One Source Risk Management & Funding would like to thank all of our speakers as well as our generous sponsors for their support of NAPCO in providing a positive environment to network and learn. Please join us in thanking our speakers and sponsors! In addition, we'd like to thank you, the January 2012 attendees, for your participation in this meeting. Thank you!

NAPCO would also like to thank One Source Risk Management & Funding for hosting the January 2012 NAPCO meeting. In particular, we'd like to thank Mike DeLuca of One Source for all his work in planning and arranging many of the details of the meeting! Please join us in thanking our host! [www.onesourcerm.com](http://www.onesourcerm.com)