

Cover Page

Include
Instructor Name
Team Member Names
Date

Be creative!
Make the cover and the design of the report something a person wants to pick up and read.

Table of Contents

Include Correct Page Numbers

Team Participation Declaration

We, the undersigned, affirm that each of us participated fully and equally in the completion of this assignment and that the work contained herein is original. Furthermore, we acknowledge that sanctions will be imposed jointly if any part of this work is found to violate the Student Code of Conduct or the policies and procedures established for this course.

Name (printed)

Signature

Name (printed)

Signature

Name (printed)

Signature

Name (printed)

Signature

I. Background

Loan			Borrower		Economy
Full Amount	Foreclosure Value	Default Value	Years of Experience	Education	Current Conditions

II. Objectives (of the Report)

III. Assumptions

IV. Basic Probabilities

A. Definitions of S , F , and X , and explanation of Probability Notation.

B. Function - How did you compute the number of success and failures?

C. Results

Counting		Estimated Probabilities	
Number of Successes	Number of Failures	$P(S)$	$P(F)$

D. Computation and Interpretation of Initial/Simple Estimated Expected Value of Workout

V. Conditional Probabilities

A. BR Bank

1. Definitions of Y and Z_Y , and explanation of conditional probability notation.

2. Function - How you counted for BR bank.

Former Bank	Years In Business	Education Level	State Of Economy	Loan Paid Back?

3. Formulas and Results

Number Successful	Number Successful With Y	Number Failed	Number Failed With Y	Number With Y

$$P(S_{BR} | Y_{BR})$$

$$P(F_{BR} | Y_{BR})$$

$$P(Y_{BR} | S_{BR})$$

$$P(Y_{BR} | F_{BR})$$

4. Computation and Interpretation of Estimated Expected Value of Workout

B. Cajun Bank

1. Definitions of T and Z_T

2. Formulas and Results

Number Successful	Number Successful With T	Number Failed	Number Failed With T	Number With T

$$P(S_{CJ} | T_{CJ})$$

$$P(F_{CJ} | T_{CJ})$$

$$P(T_{CJ} | S_{CJ})$$

$$P(T_{CJ} | F_{CJ})$$

3. Computation and Interpretation of Estimated Expected Value of Workout

C. DuPont Bank

1. Definitions of C and Z_C

2. Formulas and Results

Number Successful	Number Successful With C	Number Failed	Number Failed With C	Number With C

$$P(S_{DP} | C_{DP})$$

$$P(F_{DP} | C_{DP})$$

$$P(C_{DP} | S_{DP})$$

$$P(C_{DP} | F_{DP})$$

3. Computation and Interpretation of Estimated Expected Value of Workout

D. Acadia Bank

1. Discussion

2. Formulas and Results

$$P(Y \cap T \cap C | S)$$

$$P(Y \cap T \cap C | F)$$

VI. Bayes' Theorem

A. Discussion

B. Formulas and Results

$$P(S | Y \cap T \cap C)$$

$$P(F | Y \cap T \cap C)$$

C. Definitions of Z , Z' , and Z''

D. Computation of Estimated Expected Value of Workout

$$E(Z)$$

$$E(Z')$$

$$E(Z'')$$

VII. Recommendation

VIII. Further Analysis

IX. Conclusion