

EasCorp's Asset Liability Management (ALM) Validation Service is a confidential, objective, and critical evaluation of your internal model or outsourced modeling service. Although each project is highly customized, all our engagements entail a thorough review and recommendations for improvement of the following:

- Model inputs from data sources
- Modeling assumptions, including re-pricing parameters, prepayment speeds, discount rates and embedded options
- Current model output reports, including your committee packet, for clarity and content

In addition to the services performed above, we can add features to suit your specific needs, such as an ALM policy review or a more in-depth review of the calculations within your current ALM modeling engine. What's more, a "parallel run" provides a side-by-side comparison with your modeling results, as well as an accounting of discrepancies from one to the other.

WHY PERFORM AN ALM VALIDATION?

Sound business practice dictates that key decision-making tools be tested on a regular basis. ALM modeling has become a critical evaluation tool for financial managers and other decision makers, as well as an increasingly more important focus of regulatory examination. As these processes have become ingrained in the interest rate risk management process, the natural course of development is to rigorously test them for reasonableness and reliability. EasCorp's independent review can make your process more effective by revealing ways to improve the flow of information or correct deficiencies that may have become institutionalized.

OUR EXPERIENCE AND REPUTATION

EasCorp's professionals combine the knowledge of credit union rules, practices, and culture with the interest rate risk management expertise for a one-of-a-kind engagement. We have performed numerous validations for credit unions of different sizes and complexity, and we have the references to support our qualifications. We work efficiently and cooperatively with you to provide an optimal value of service and cost.

EASE OF USE COMBINED WITH RELIABLE OUTPUT

EasCorp handles all data input including loans, shares, investments and assumptions. We will "map" to your general ledger and data processing systems in order to automate file uploads directly to us. We will "scrub" your data to ensure thorough and accurate handling.

FINDINGS REPORTED ON YOUR TERMS

As an ALM Validation service user, you can choose how to receive the results of the validation—via conference call or in person at your credit union. Our experienced, professional staff is mindful of your needs and available to answer all of your questions.

For additional information contact Jonathan Rankin at extension 3315 or Laura Moody at extension 3336.