



*Providing Customized and
Flexible Asset Liability
Management Services For Credit
Unions of All Sizes*

Total-ALM Services

Interest Rate Risk Management

Managing interest rate risk is a regulatory requirement and a necessity for the overall success of your credit union. Our comprehensive approach to measuring and managing interest rate risk includes three-year net interest income simulations, market valuations, and Gap analysis.

Our in-depth modeling and analysis of risk and performance results in greater understanding of your overall financial picture. This allows your decisions to be driven by extensive testing and a complete understanding of potential outcomes in varying market conditions.

Balance Sheet Consulting

Total-ALM examines every aspect of your balance sheet to provide recommendations and strategies to reach earnings and equity capital goals, while always advising you of the risk/reward tradeoffs.

Forecasting and Budgeting

Total-ALM utilizes an advanced ALM model and has the expertise to assist in assumption development. We take great pride in our "focus on forecasting" and our ability to forecast with a high degree of accuracy. We provide assistance with annual budgets as well as ongoing forecasting updates.

Long-term Strategic Planning

The lack of long-term planning can lead to failure for financial institutions. Predicting the financial future of your credit union is not easy. However, our long-term strategic planning assistance helps you develop product and pricing guidelines, achieve your goals, and get your credit union where you want it to be.

Liquidity Planning

Having a liquidity risk management framework is crucial to maintaining adequate liquidity. Our liquidity forecasts reflect precise contractual run-off for all components of the balance sheet. Current business growth plans are also incorporated into the forecasts.

Additionally, we provide stress testing and scenario analysis as needed to help you develop contingency plans and meet regulatory requirements as part of your overall liquidity risk management.

Education

Total-ALM delivers reports ready for board presentation and also provides a complete review of the results with the ALCO. ALM education for board, management, and staff members can also be provided.

Best Practices Services

Total-ALM provides additional services to help you meet and exceed regulatory best practices:



- Analysis of core deposit re-pricing
- Analysis of loan prepayments
- Rigorous assumption development
- What-if forecasting and stress testing
- Back testing of results

Regulatory updates and assistance with regulatory exams

Policy development and updates

Model validation

Assistance with monthly financial reporting

What To Expect

Unlike many other ALM vendors, Total-ALM performs and manages all steps required in the modeling process. This includes data uploads, assumption input, modeling and report generation. We utilize an advanced ALM model designed to handle a high degree of balance sheet complexity. It can model all important balance sheet behaviors at the individual account level producing meaningful forecasts to assist in your decision-making process. Our standard reporting package includes:

- ◆ Executive overview with written analysis
- ◆ Interest rate risk reports under multiple rate scenarios
- ◆ Liquidity forecasts under multiple rate scenarios
- ◆ Forecasted financials including key ratio analysis
- ◆ Historical trend analysis
- ◆ Gap analysis
- ◆ Full assumption documentation
- ◆ Economic Forecast

Total-ALM offers a wide range of Asset Liability Management and Financial Services for all size credit unions. We provide the expertise and tools needed to enhance your financial decision-making and achieve desired earnings performance while identifying and managing all associated risks.

We offer a customized and flexible ALM approach to meet your specific objectives. In turn, we are able to provide a cost efficient service where you only pay for the services essential to you.

We want to be your ALM business partner.

Contact Us

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Solutions for Sound Balance Sheet Management

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Cost Proposal

The Credit Union Foundation of MD & DC

March 21, 2014



Solutions for Sound Balance Sheet Management

I. Initial Set-Up/Development

- Initial set-up of the chart of accounts in the ALM model
- Attribute set-up for each account being modeled
- Input of up to five years of historical general ledger data
- Set-up layouts for importing data files

*One Time Fee for Initial ALM Set-Up: **Fee Waived***

II. Comprehensive ALM Services

- Quarterly or semiannual ALM reports to include:
 - Assessment of interest rate risk exposure in flat, +/-100, +/-200 and +/-300 interest rate scenarios
 - Assessment of current and projected earnings and capital
 - Assessment of current and projected liquidity
 - Executive summary of findings
 - Gap analysis
 - Assumption documentation
 - Economic forecast
- Reviews of the ALM reports with ALCO
- Up to three "What If" analyses performed with each report cycle (quarterly or semiannual)
- Assistance with assumption development
- Analysis of loan prepayments
- Core deposit re-pricing analysis
- ALM Policy review and recommendations
- Annual training and education (onsite or teleconference)
- Telephone Support

*Estimated Annual Fee for Quarterly ALM Services: **\$13,200***

*Estimated Annual Fee for Semiannual ALM Services: **\$7,200***

Note: Fees for ALM services are based on complexity in the balance sheet. The above quoted fees are computed assuming asset size <\$75 million and a low level of complexity in the balance sheet.



Solutions for Sound Balance Sheet Management

III. Forecasting and Budgeting Services

- Annual, semiannual or as needed forecasting reports to include:
 - Historical and forecasted financials
 - Key ratio analysis
 - Assumption documentation
- Reviews of the forecasting reports with management
- Assistance with assumption development
- Analysis of loan prepayments
- Telephone Support

*Estimated Fee Per Forecasting Session: **\$1,800***

Note: Forecasting and budgeting services are included in the Comprehensive ALM Services. The above estimated fees are for those credit unions not contracting for Comprehensive ALM Services, but requiring forecasting and budgeting assistance only.

IV. Ongoing Financial Reporting Services

- Preparation of customized monthly financial reports for Board package utilizing month end general ledger data
- Telephone Support

*Estimated Annual Fee for Monthly Financial Reporting Services: **\$4,800***

All pricing good through 3/21/2015