

Risk Management Solutions



**End-to-End Credit
Management System**





CreditQuest®

At Harland Financial Solutions, we understand the challenges that loan officers, credit analysts, loan committees and senior executives face in pursuing profitable credit business. The CreditQuest® system enables credit professionals to reduce the time needed to review and approve loan applications and to manage aggregate credit risk profitably with an integrated suite of credit software solutions for all lines of business.

CreditQuest® is a complete end-to-end credit management system that brings origination, analysis, underwriting, portfolio management and executive reporting together in a collaborative, streamlined solution that easily integrates with your host system. The system addresses workflow management needs for all lines of business including high-end corporate borrowers, to small businesses to retail. It combines a unified, relationship-centric view of the customer's financial data and supporting documents with portfolio management capability. In addition, for non-performing loans, CreditQuest manages the entire collection lifecycle.

Streamline Credit Operations

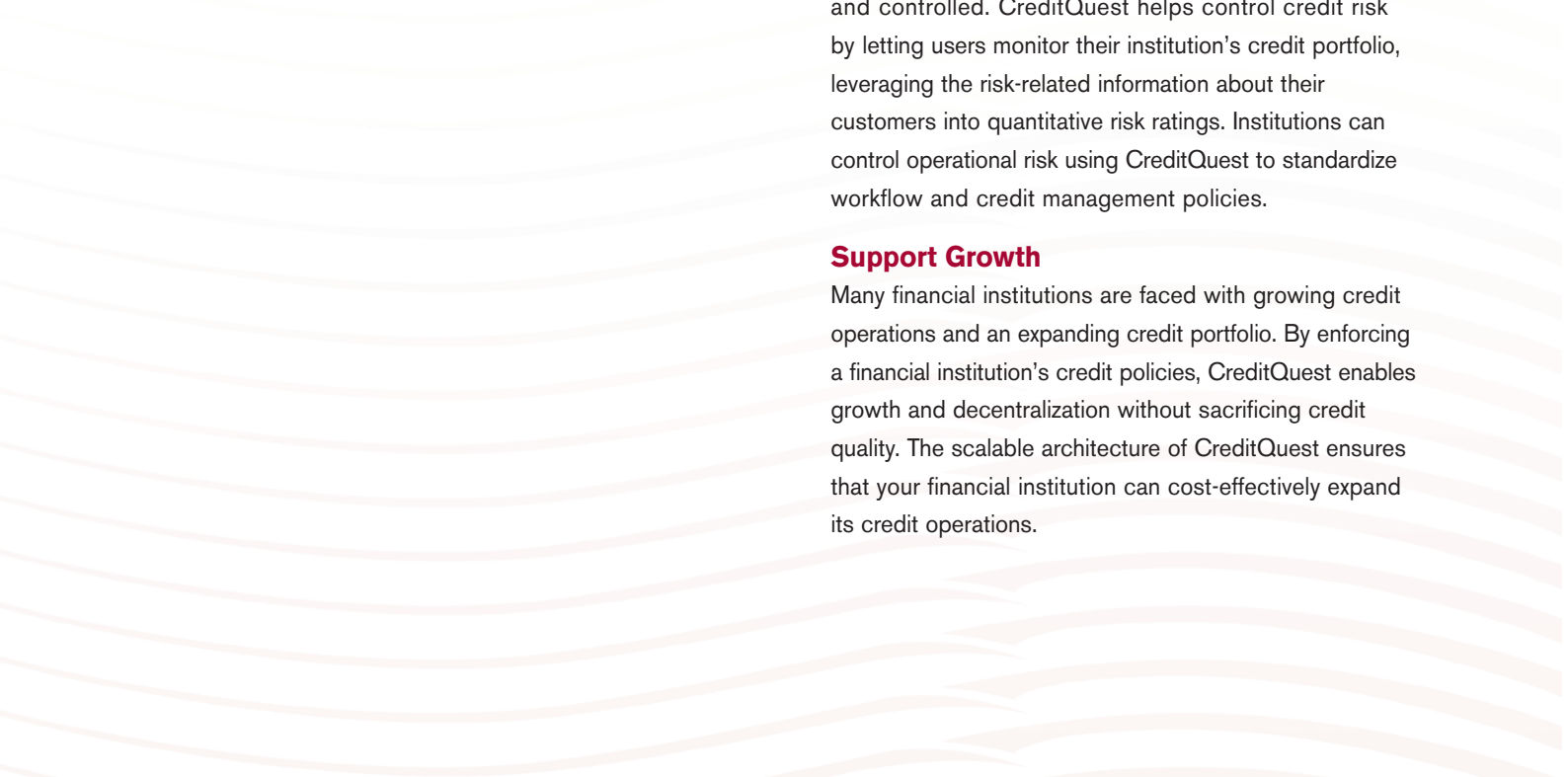
Today's credit professionals are faced with increasingly complex systems that need to incorporate risk-related information about their customers. The CreditQuest suite provides integrated end-to-end solutions that are built around the unique needs of the credit decision process. CreditQuest improves productivity throughout the entire credit lifecycle by centralizing information from many sources and by automating routine tasks. It reduces paper by providing a convenient electronic credit file.

Manage Risk

While risk cannot be eliminated, it can be managed and controlled. CreditQuest helps control credit risk by letting users monitor their institution's credit portfolio, leveraging the risk-related information about their customers into quantitative risk ratings. Institutions can control operational risk using CreditQuest to standardize workflow and credit management policies.

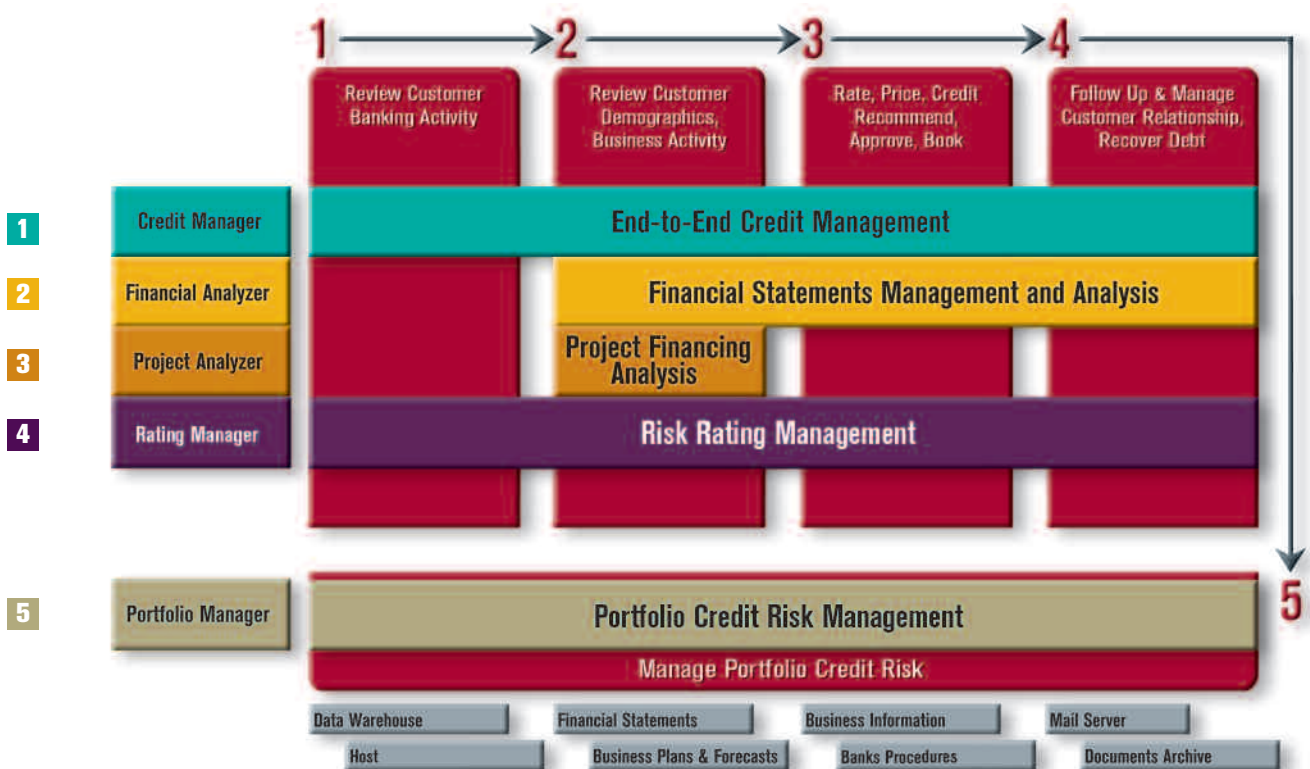
Support Growth

Many financial institutions are faced with growing credit operations and an expanding credit portfolio. By enforcing a financial institution's credit policies, CreditQuest enables growth and decentralization without sacrificing credit quality. The scalable architecture of CreditQuest ensures that your financial institution can cost-effectively expand its credit operations.



Overview of CREDITQUEST®

Mapping the Credit Management Process



1 Credit Manager -

An end-to-end credit management solution that supports the review, analysis, collaboration and decision making of corporate and retail credit applications by incorporating workflow, document management, account aggregation, automated and manual decisions, relationship management, delinquency management and more.

2 Financial Analyzer -

An advanced financial statement management and analysis solution offering configurable financial ratios, peer group comparisons, custom analysis reports and more. By leveraging financial data, Financial Analyzer enables effective customer risk rating.

3 Project Analyzer -

A project financing analysis solution that assists in assessing the repayment capacity and viability of debt-financed projects. Project Analyzer reduces the time spent on project assessment from days to hours.

4 Rating Manager -

A risk-rating software solution that enables the use of a wide range of rating models. Rating Manager supports models that incorporate borrower demographics, analysis of financial statements, management quality assessments, industry segment risk, related parties, bank account activity, quality of collateral, real-time alerts and more.

5 Portfolio Manager -

An advanced credit portfolio management and analysis solution that provides metrics covering credit risk banking activity, concentrations and trends from the portfolio level down to the single customer. Portfolio Manager includes 16 standard reports and the ability to add or customize additional reports.

CreditQuest Credit Manager

CreditQuest Credit Manager is a complete solution for managing, reviewing and analyzing corporate and retail credit applications, significantly reducing application turnaround times while improving credit risk mitigation.

CreditQuest Credit Manager incorporates workflow, document management, account aggregation, automated credit write-ups, relationship management, delinquency management and more in a single, integrated, state-of-the-art software system. It streamlines transaction processing, from simple retail loan applications to high-end corporate financing requirements that span multiple entities and facilities. Built on the latest Web technologies, CreditQuest Credit Manager provides a robust feature set and secure and scalable architecture that can grow with the needs of a financial institution.

Reduce Turnaround

CreditQuest Credit Manager significantly shortens credit turnaround times by automating many routine, time-consuming tasks, such as the production of credit application reports and credit memos, and by increasing efficiency through adaptive workflow, collaboration, information sharing and automated booking of approved loans.

Mitigate Risk

CreditQuest Credit Manager helps institutions enforce their credit management procedures and reduce risk. Activity logging creates an audit trail to show compliance with internal procedures and controls. CreditQuest Credit Manager also supports a comprehensive review and analysis of all relevant customer data and allows integration of credit analysis with the institution's customer rating and risk management systems.

Improve Customer Service

CreditQuest Credit Manager can be used to handle customer credit interactions in a relationship-centric view. Immediately see a customer's banking data, demographic, data-related parties, documents, requests, reminders and warnings. Set automatic notifications to easily and efficiently track outstanding items. To streamline the process of credit renewals, add only incremental updates to existing information and prior analysis, and the credit memo is ready to submit. CreditQuest Credit Manager aggregates information that supports the decision process, including:

- **Demographics** – Enter and view information about the customer's income, employment, available budget, etc.

- **Banking Activity** – Review all customer-related accounts within the loan application, a complete presentation of a customer's credit and collateral sheet (with user-defined detail level), customer rates, fees, liens and more.
- **Business Structure** – For a corporate customer, locate detailed information on the customer's owners and executives using an interactive "ownership tree" for a complete graphical representation of affiliated companies and additional business ties.

Simplify and Streamline Workflow

Offering a complete "desktop," the filtering capabilities of CreditQuest Credit Manager enables each credit officer and credit analyst to see a personalized presentation of just what they need to perform their job:

- Pending Applications
- Alerts and Warnings
- Activities Lists
- Meetings and Committees
- Credit Renewals
- Document Reminders
- Referrals and Opportunities

Tailored workflow profiles also streamline data entry and collection by presenting only the screens that the institution has defined as necessary to the current transaction type or entity size. CreditQuest Credit Manager facilitates verification and management of customer-provided documents and supports the full range of credit approval processes, ranging from automated retail loan applications to complex corporate applications that may involve multiple decision makers at dispersed geographical locations.

Recover Delinquent Debt

The CreditQuest Credit Manager debt recovery functionality focuses on the tracking and management of delinquent loans and customers. The system manages the entire collection lifecycle from sending out notification letters to a court case, recovery, auction or write off. A diary of the recovery process is maintained whereby all events, payments and any other collection details are recorded.

CreditQuest Financial Analyzer

CreditQuest Financial Analyzer is a next-generation financial statements management and analysis solution that enables financial institutions to manage credit risk efficiently and effectively. CreditQuest Financial Analyzer helps assess corporate and small business customers by leveraging the information contained in their financial statements.

Financial statement analysis is one of the key processes in corporate and small business lending. For most institutions, it is becoming increasingly important to centrally manage customer financial data and statements, thereby improving analysis capabilities and cutting operational costs associated with managing the data. CreditQuest Financial Analyzer provides operational and analytical benefits to financial institutions that need to efficiently process their customers' financial statements.

Gain Efficiencies

Free up valuable time for credit analysts by quickly capturing financial statements, automatically calculating financial ratios and generating instant reports.

- Capture any type of financial statement using automatic file processing or accelerated manual entry—CreditQuest Financial Analyzer stores statements centrally and securely on a dedicated centralized server.
- View financial statements in full detail or highlights, adding comments and annotations to the analysis where needed.
- Enter customer-specific covenants within CreditQuest Financial Analyzer to simplify tracking and improve follow up.
- Generate common financial ratios and automatic cash flow calculations without crunching numbers.

- Maintain data integrity with an intuitive, tailorable user interface and automatic audits.
- Define complex financial ratios (for example, a Z-score), using the customizable financial ratio editor.
- Quickly manipulate financial statements for ease of data entry and readability with the CreditQuest Financial Analyzer toolbar. Right click on any cell and View Calculation to see how a calculated value was derived.

Use Powerful Analysis Tools

Employ the advanced comparison tool to evaluate a company relative to its industry peers in the same business segment. Define financial statement templates for any industry (such as commercial, industrial, real estate, banking, insurance, or public institutions) for consistent formatting and easy evaluation.

Communicate the Findings

Easily create and customize a summary or detailed reports containing statements, comparisons, flexible graphs and user comments. Share the analysis over the Web with authorized users.

CreditQuest Project Analyzer

CreditQuest Project Analyzer is an advanced project financing analysis solution that helps financial institutions assess the viability of debt-financed projects. CreditQuest Project Analyzer reduces the time spent on the analysis and assessment of project financing to hours from the days it can take to use spreadsheet-based modeling techniques.

Assess Debt Repayment Capacity

CreditQuest Project Analyzer enables financial institutions to mitigate the risk of debt-financed projects by allowing users to input the project parameters and quickly run advanced simulations to assess the project's credit needs and debt repayment capacity. Eliminating the need for spreadsheet expertise, CreditQuest Project Analyzer automatically calculates sales projections, costs, expenses, depreciation, financing and taxes to arrive at projected cash flows, making it easy to evaluate the future financial viability of a project. With more time available, analysts can concentrate on validating project parameters and assumptions.

Perform Sensitivity Analysis and "What-If Scenarios"

Using sensitivity analysis calculations for key figures, such as prices and sales volumes combined with "what-if" scenarios, CreditQuest Project Analyzer helps credit professionals quantify the effects of change on the project's credit needs. Users can study the results of a change in the interest rate, lower-than-expected revenues, or other adverse conditions on the borrower's ability to repay the debt.

CreditQuest Rating Manager

CreditQuest Rating Manager is a highly flexible software solution that enables financial institutions to deploy and use practically any risk rating model. CreditQuest Rating Manager supports rating models that incorporate borrower demographics, analysis of financial statements, management quality assessments, industry segment risk, related parties, bank account activity, quality of collateral, real-time alerts and more.

Manage the Entire Risk Rating Process

CreditQuest Rating Manager oversees and enforces the entire business process the financial institution's employees must follow. The business process includes the retrieval of supporting information (such as financial statements), the manual entry of judgmental assessments, the approval of a risk rating and manual overrides when appropriate.

Retrieve Risk-Related Information in Real-Time

CreditQuest Rating Manager aggregates and displays all the risk-related information about each borrower, including demographic data (income, location, etc.), financials, credit and collateral, industry segment data, related parties, historical ratings, alerts, etc. In addition, CreditQuest Rating Manager tracks borrower-related real-time risk indicators and alerts, such as breach of covenants, warnings for expired documents, alerts for overdrawn accounts, etc.

Facilitates Basel II-Compliant Rating Models

All modules in the CreditQuest suite have been designed for easy use and comprehensive credit risk data gathering, assessment and management, enabling the financial institution to build a strategic data mart of historical risk data. The data mart, which is at the heart of CreditQuest, facilitates the development, calibration and maintenance of internal rating models – including support for Basel II models.

Historical Data Management and Model Versioning

CreditQuest Rating Manager has been architected to ensure that all risk-related data is stored in such a manner that it can be processed for risk analysis purposes using statistical methods. Therefore, risk related information is highly structured. In addition, in order to track the influence of risk-affecting data over time, a complete history of risk-related information is maintained.

Report Manager for CreditQuest

Report Manager for CreditQuest is an integrated line-item reporting system that provides all the features needed to access CreditQuest data and prepare executive-level reports. Visual on-screen controls allow users to view, format and filter the data to get exactly the information and output desired.

Standardize Information Views

Report Manager for CreditQuest provides over 100 standard reports to cover most areas of credit management, including:

- Current and historical application activity
- Expiring credits
- Customer detail data
- Credit and deposit accounts
- Document preparation
- Reminders
- Ticklers
- Covenants
- Defined peer groups for comparative analysis
- Appraisals
- Customer lists
- Assigned relationship managers

Users can build on this library or create additional reports without limit.

CreditQuest Portfolio Manager

CreditQuest Portfolio Manager provides senior risk managers and executive-level staff with a tool that allows for a thorough and consistent analysis of the entire credit portfolio. Data can be viewed and reported on from the portfolio-level down to the specific single customer.

Monitor the Portfolio

CreditQuest Portfolio Manager provides rapid and detailed insight into a financial institution's credit portfolio, giving decision makers the information needed to effectively manage risk. Through flexible data segmentation, users are able to drill down into the portfolio to continuously monitor concentration levels by exposure, industry segment and geography. This enables users to go beyond simply reporting and tracking. In addition, users will be able to identify developing business trends so that they can make the needed adjustments and adopt or modify policies in order to keep them on the intended course. Users can also view historical banking activity by customer, relationship manager, branch and more. With this information in hand, users can quickly identify individual loans or portfolio segments requiring prompt review or more detailed attention.

Apply Powerful Reporting

CreditQuest Portfolio Manager rapidly sifts through an extensive amount of data to produce routine or ad-hoc analyses. It allows the user to roll up monthly snapshots by quarter or by year so that users can more effectively identify and monitor trends. Routine reports are predefined in a gallery for easy access and use, and are produced immediately after each monthly data import. These analyses help answer questions such as:

- What are our exposures and trends in various industry sectors and in various lines of business? How are risk ratings migrating period-by-period?
- What are our current key products exposures and trends?
- What credit balances will pay off in the near future? What does the new replacement business look like?

Automatically Generate Periodic Reports

CreditQuest Portfolio Manager aggregates data monthly, automatically showing users the changes in their portfolio. It accepts data from the core system, supplements it with data from CreditQuest, and then applies mathematical functions so the user has the data measures they want to work with. It automates the entire process and automatically advances the date on all the prior work. For example, if the standard reports represent the last three months of data, those same specifications are maintained. All of the reports run without any adjustment needed.

The selected data populations and views are powerful and flexible. The system is designed so that non-programmers can control and manipulate the raw data. So users control the entire process, enabling them to expand the scope and power of the system. Users can choose to start with summary information and then successively drill down into areas of specific interest.

View Trends

Essential to portfolio oversight is the ability to see the big picture and to understand the numerous undercurrents and trends. For example, a user may wish to view the counts and exposure total in each risk grade and see how they have changed from period to period. Then they might want to explore further and see how that exposure will correlate with LTV. It is through such analysis that users are able to fully understand their overall book of business and better identify the steps they need to take to defend, strengthen and improve their situation.

Report Output

The CreditQuest Portfolio Manager analysis places all the data at your fingertips. While senior managers want condensed, summary portfolio-level views and analysis for executive reporting, other analysts and managers might want more specific loan-level and entity-level detail. All the data seen within the CreditQuest Portfolio Manager analyses can be exported to a variety of reporting formats with multiple formatting options. The output report can be printed for archival purposes, saved as an electronic file or saved as an HTML document. If desired, the HTML document may then be imported directly into Microsoft® Excel® for further processing, formatting or comparisons.

Harland Financial Solutions is a premier provider of credit risk management technology to financial institutions. CreditQuest is our flagship solution that provides end-to-end credit management from origination to financial analysis and portfolio risk management in a single, streamlined system.

CreditQuest manages credit risk using risk ratings, powerful financial analysis functionality and portfolio management, and mitigates operational risk using standardized workflows, tracking against credit policies and activity logging. Data collected in CreditQuest empowers institutions to manage compliance risk as well, by identifying exposures and concentrations by industry sector and help ensure capital adequacy by developing a baseline for Basel II calculations.

Collaborative credit management is promoted through common access to the electronic credit file, a unified, relationship-centric view of the customer's financial data and supporting documents. Combined with the automation of routine tasks, such as credit memo production, CreditQuest accelerates turn-around and improves responsiveness in addition to managing credit risk.

CoreSystems

- Phoenix™ System

RiskManagementSolutions

- CreditQuest®
 - Loan Origination
 - Credit Management
 - Financial Analysis
 - Portfolio Management
 - Risk Rating

Harland Financial Solutions

+353 1 664 1430

moreinfo@creditquest.com

www.creditquest.com