



SOLVING THE WORLD'S MOST COMPLEX
CHALLENGES **FACING FINANCIAL INSTITUTIONS**

CURRENT EXPECTED CREDIT LOSS (CECL) Tailoring a CECL solution for your bank

Nathan brings more than seventy years of experience in financial compliance to help you create an end-to-end CECL solution that best fits your bank. We are dedicated to supporting community banks by reducing the risks in their biggest decisions and minimizing the costs of regulatory compliance. With our help you can be sure that your CECL solution meets industry standards and is tailored to your needs.

KEY SERVICE OFFERINGS

- Procurement
- Model analysis and validation
- Risk analytics
- Model documentation
- Allowance operations
- Data governance

PROCUREMENT

Nathan can help you identify and vet CECL model vendors from our decades of experience in financial modeling and using vendor models across the industry. Managing the CECL transition requires accounting software that can effectively and efficiently make CECL calculations and provide CECL reporting. For timeliness and consistency such software should require minimal outside adjustments. We can help you develop product specifications that are appropriate for your needs and evaluate solutions.

MODEL ANALYSIS AND VALIDATION

Nathan can help you evaluate modeling methodologies to determine which are most appropriate for your portfolios and what impact those decisions will have on CECL. You will have detailed insight into whether your portfolio should be capturing current loss rates or evaluating portfolio history. Our SR 11-7 based validation will help with compliance and potential model enhancements.

RISK ANALYTICS

Nathan can bring deep insight into your loan portfolio to help understand risk pools and how to best segment portfolios for CECL. We can also help you understand your data history, how it applies to CECL, and how to mitigate data weakness through appropriate banding and use of proxy data. You will come away with more confidence that your allowances are capturing the unique risks of your portfolio.

MODEL DOCUMENTATION

Nathan can help you develop CECL documentation for audits and internal reviews. Establishing CECL processes can require significant audit risk. With our help your CECL process will be easier to defend, saving you time and money.

ALLOWANCE OPERATIONS

Nathan can help you develop efficient operational processes for uploading and analyzing data, calculating and approving allowances, and documenting all aspects of CECL. CECL's new requirements bring new processes, and doing so more efficiently can help you be more competitive.

DATA GOVERNANCE

Nathan can help you develop confidence that your data is accurate and up-to-date to best capture risks in your portfolio. One of the greatest risks in any modeling process is ensuring that your data is robust and error-free. With our help you can rest easy knowing that your data meets industry best practices for model risk management and provides you the information you need.

CONTACTS

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ABOUT NATHAN

Nathan is a private international economic and analytics consulting firm that works with government and commercial clients around the globe to deliver practical solutions and achieve lasting results. Whether building frameworks for economic growth or navigating regulatory hurdles, securing infrastructure financing or evaluating and assessing disputes, Nathan's experts serve as trusted partners, offering clients the analysis, technical advice, and strategies they need for sound decision-making. Known for both technical and service excellence, Nathan has corporate offices in the US, London, and India and more than 40 program offices around the world. More information about Nathan can be found at nathaninc.com

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