



EXECUTIVE CREDIT MANAGEMENT

Do you have the appropriate executive credit staff to lead an acquisition due diligence given this turbulent but opportunistic banking environment?

Is your credit department keeping up with current risk management best practices?

Does your senior management have the proper experience to oversee the problem loans in your portfolio?

Over the past decade the federal and state regulators have increased the requirements for banks to manage the risk in their loan portfolio. In the meantime most banks have eliminated their credit training departments. This has resulted in a shortage of experienced and well trained credit professional during a time when delinquencies and non-performing assets have reached historic highs.

Executive Credit Management

RMPI Consulting has seasoned and bank trained credit professionals that can help you manage the credit risk in your portfolio. We have former Chief Credit Officers, Directors of Loan Review, Directors of Loan Workout on staff to assist your bank with its credit needs. We can create and implement a credit department, loan review framework, and/or loan workout department to manage your problem loans and OREO assets.

RMPI also can fulfill the role of a Chief Credit Officer, Director of Loan Review, and or Director of Loan Workout on an outsourced basis. We offer a cost effective solution to banks that only require a highly experienced credit professional weekly, bi-weekly or on an interim basis.

Acquisition Due Diligence:

RMPI staff have been involved in dozens of acquisitions. We have represented both the acquirer and the seller. For acquirers, we can plan, staff and complete the due diligence on all credit related matters. Further, we review the underwriting standards, policies and procedure, and adherence to these standards. We will also review the loan documents for state and federal perfection requirements. Our findings are then summarized and presented.

For banks that wish to be sold, RMPI completes its Investor Book. This book is an asset analysis that details your investment portfolio, all watched list loans and OREO assets, creates a loan migration analysis, sensitizes the losses, mark to market all assets in the investment portfolio, reviews branch locations and presents deposit mix history plus projected yields.

Executive Credit Management

Chief Credit Officer Assist existing credit staff in approving, managing and monitoring the loan portfolio:

- › Review existing loan policies and procedures; suggest and implement new and appropriate management and board reporting
- › Provide oversight of the risk rating systems and establish reserves
- › Serve as liaison with the regulators regarding lending and credit risk management
- › Chair loan approval and/or watched asset committee
- › Work with lending staff to improve credit analysis
- › Overseeing the quarterly/annual credit reviews

Director of Loan Review Help the Bank oversee annual review process of the commercial loan portfolio:

- › Develop an annual review plan by loan department, loan type and/or geographical location
- › Create or modify loan review policies, procedures and forms, as necessary
- › Develop targeted reviews when industry classification trends warrant
- › Direct the loan review staff in their examination of the credit quality of the portfolio
- › Report findings and suggested corrections to executive management and board

Director of Loan Workout Help the Bank oversee problem loan portfolio:

- › Create a new loan workout group
- › Create or Modify existing policies, procedures and forms, as necessary
- › Oversee the approval of loan workout strategies
- › Oversee note sales, asset disposition strategies and the other Real Estate Owned process
- › Report results and issues to executive management and board

Acquisition Due Diligence

- › Establish the appropriate asset sampling and required project staffing to complete due diligence
- › Manage the due diligence for loan and lease credit quality
- › Roll-up findings
- › Complete collateral sensitivity analysis
- › Recommend additional reserves required for acquisition
- › Determine appropriateness and amounts of assets to be included in assets held for sale

Investor Book

- › Establish a detailed book for the Bank or Investor to understand the current position of the Bank
- › Analyze and Mark to Market the Investment Portfolio
- › Review all criticized loans and OREO
- › Sensitize the Portfolio into likely, moderate and severe cases
- › Complete migration analysis from pass to criticized loan ratings
- › Review competitors branch locations, deposit mix and cost of funds
- › Pull the information into a required Capital needs projection.
- › Utilizing cash-flow projections we detail possible Internal Rate of Return (IRR)

Experience the RMPI Difference

Our extensive knowledge and community bank experience make RMPI the right partner to help you implement a successful credit review program.

RMPI Consulting provides process improvement, as well as regulatory, enterprise risk and credit management services to Community Banks across the credit life cycle. We also help clients with interim, outsourced staffing, and our thought leadership has defined industry “best practices” on a broad range of risk management services.

Recognizing there is no “one size fits all” solution for all Community Banks, we work with each client to develop an appropriate, custom solution to solve their specific problem at a reasonable cost in an efficient manner within a scheduled deadline.

For more information, please call us or visit rmpiconsulting.com



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