

Financial Institutions Group (FIG)

Introducing Vaco's Financial Institutions Group

The Financial Institutions Group (FIG) at Vaco was originally established to address increased regulatory, risk analysis, and reporting needs in the Banking Industry.

FIG serves not only Banks, but also Loan Intermediaries, Loan Buyers and Sellers, Investment Bankers and Bank Investors.

FIG AT A GLANCE

- **Focus on M&A Advisory & Due Diligence, Best Practice Reviews, and Data Remediation, including preparation for CECL compliance**
- **Senior level project team with deep knowledge and over 30 years' experience** executing M&A Advisory & Due Diligence, Bank and Specialty Lending, Operations, and Servicing initiatives
- **Experience executing initiatives nationwide for financial services clients** ranging from \$2 Billion to over \$150 Billion in assets, with teams of 5 to 120 experienced members with both onsite and remote capabilities

The FIG team at Vaco is a skilled group of Senior Level Subject Matter Experts (SMEs) advising on loan and operations strategies, executing initiatives for financial institutions for over 10 years.

As former Banking CFOs, Lending and Lending Operations experts experienced in the application of best practices and financial regulations, our team possesses the knowledge and experience necessary to assist your firm. We resolve regulatory matters in support of a variety of initiatives including CECL, Strategic M&A Advisory and Due Diligence, Risk Management, Stress Testing and the review and execution of cure strategies for regulatory criticism.

Specializing in projects related to best practices reviews through implementation—Vaco's project consulting team has been utilized by financial institutions for Mergers & Acquisitions, Bank and Portfolio Integration, Data Remediation, Regulatory Compliance, and Core Banking systems process implementation.

KEY DIFFERENTIATORS OF FIG

FIG leaders have over 30 years of deep Lending, Banking, and Regulatory Knowledge

FIG team members have 15-20 years' experience v. 5-10 years at Big 4 firms

Loan Experts in all asset classes - Commercial, Construction, Residential, and Consumer

Utilizes experienced and flexible teams priced at or near 50% of Big 4 Accounting Firms

Ability to execute nationwide with local team knowledge and focus

Your project is our team's ONLY job until complete

COMMERCIAL LOANS - PORTFOLIO MANAGEMENT AND SPECIAL SERVICING CONSULTING

\$1.63 Trillion International Bank

- Engaged by foreign Regulator to oversee resolution of \$6.3B Commercial Special Loan Portfolio
- Net Gain of 50% vs. Regulator 35% Expected Loss
- Advisor to Regulators and Senior Lending Managers
- Oversight of Special Servicing and Re-Underwrite and Valuation of loan portfolio
- Created and presented quarterly asset level loss estimates to Regulator Committee over 5-years

DATA REMEDIATION - COMMERCIAL, RESIDENTIAL, AND CONSUMER LOANS

\$110 Billion Regional Bank

- Remediated 11 million individual data points
- Reviewed over 425,000 loans totaling \$85 Billion in UPB
- Data Remediation Accuracy Rate exceeded all observed regulatory guidance
- Remediated data uploaded to systems providing accurate regulatory reporting avoiding significant regulatory fines, and correcting internal reporting as well key servicing data elements

CECL AND M&A ADVISORY / DUE DILIGENCE SERVICES

\$12 Billion Serial Community Bank Acquirer

- Interview target Senior Lending Managers
- Stratified target lending portfolio to develop re-underwriting sample
- Re-Underwrite sample addressing 50% of total portfolio UPB
- Apply sample findings to remaining portfolio to determine PD, LGD and EL
- Report findings of target UW process and procedure for risk analysis and integration planning and execution

BEST PRACTICES REVIEW AND IMPLEMENTATION

\$7 Billion Community Bank in CA

- Interview Lending Team Members, Senior to Front Line
- Review Current Policy, Procedures and Observed Practices
- Identified Gaps and Quick Hit solutions
- Provided phased implementation recommendations and phased execution
- Supported implementation of recommendations reducing origination to closing from 75+ days to less than 45 days while improving credit decisions and Portfolio Management processes



Who is Vaco?

Vaco is a national talent solutions firm headquartered in Nashville, Tennessee, with more than 40 locations around the globe. We're a different kind of company, built on an uncommon culture that values personal empowerment and fierce entrepreneurial spirit. We're here to help the best and brightest industry talent find the freedom that comes from fulfilling their professional potential with companies that value human connection.

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