



ZEB.CONTROL.RISK

OBJECTIVE

Continuously increasing regulatory requirements and a high volatility of markets together with high income expectations require banks to apply an active and professional risk management. The effective risk management tool zeb.control.risk enables banks to actively manage their relevant risk factors, interest rate and liquidity risk, trading risk, credit risk and operational risk. With zeb.control.risk, you can keep your risks and the MaRisk under control. The range of services is ideally adapted to your institution-specific requirements.

MAIN FEATURES OF ZEB.CONTROL.RISK

- Risk assessment applies current value-at-risk models and can be tested against real market movements using backtesting.
- Risk and income analyses offer both an economic, present-value perspective and a commercial, accrual-based perspective.
- Flexible portfolios and structures arrange your positions for analyses and reporting.
- Comprehensive limitation to various measures and portfolios enables an adequate limit system for each situation.
- You can keep track of all risks and can quickly create your risk reports using the sound and tried and tested reporting feature.
- Assessments and simulations are available on group or total bank level, for various portfolios up to individual positions or transactions and allow drilldowns.

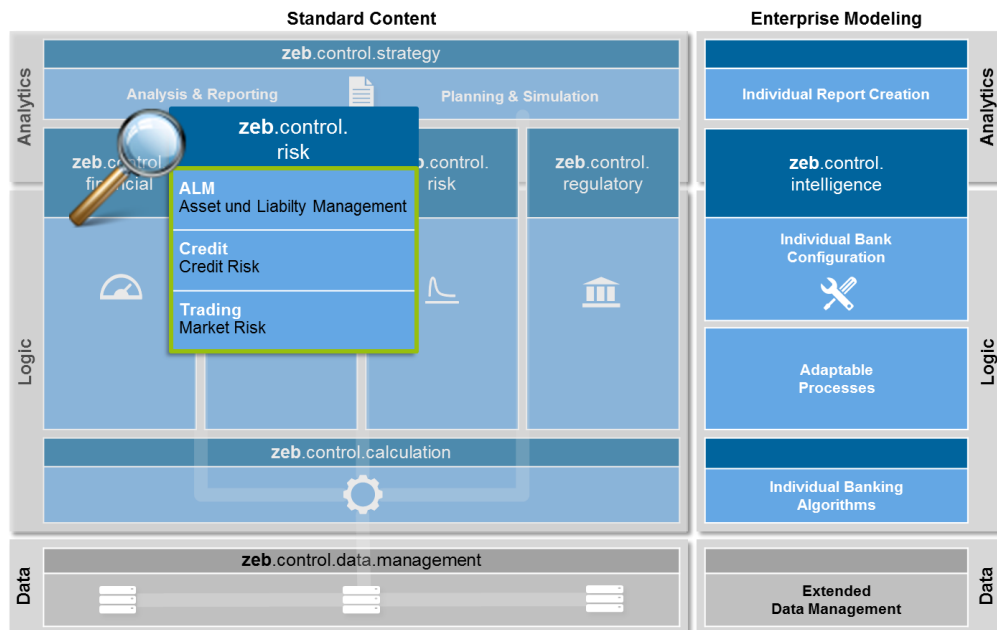


Figure 1: zeb.control.risk architecture

ZEB.CONTROL.RISK - ALM

zeb.control.risk - ALM supports you in planning and managing the major result components maturity and liquidity transformation. This software represents your reliable and proven tool for targeted management of the balance sheet structure and the related total-bank-specific interest rate and liquidity risks. Numerous credit institutions are faced with the problem of non-conforming management impulses from present-value and accrual-based planning. We offer an integrated management system that eliminates these deficits.

MAIN FEATURES

- Splitting of interest income statement in net interest spread and transformation result
- Separation between interest and liquidity commitments, in particular for core deposit products by means of a replication portfolio
- Institution-specific structuring of the liquidity overview for leasing products and proprietary trading
- Consideration of risk factors, e.g. default rates, extension rates, statistical termination rates
- Calculation of interest income and margin based on installment plans for customer business and proprietary trading



ZEB.CONTROL.RISK - CREDIT

Increasing pressure on margins and supervisory requirements (MaRisk) require a consistent and risk-adjusted loan portfolio management. With zeb.control.risk - Credit, zeb offers an innovative software for loan portfolio management: The system combines findings from the historical and present portfolio structure analysis with future-related statements using a value-at-risk approach.

MAIN FEATURES:

- “Unilateral default inheritance” allows a flexible specification of default correlations and thus significantly expands the meaning of the term borrower unit
- Direct simulation of country and transfer risks in addition to typical credit risks
- Fair-value and migration mode for credit and securities transactions creates transparency regarding asset-related credit risks
- Calculation of different risk parameters such as expected loss, value at risk, expected shortfall (conditional value at risk) and risk contributions
- Hypotheses-based integration of new business performance in a multi-period view possible
- Integrated identification of default, migration and collateral realization risks as well as splitting by risk types—quantification of compensation effects

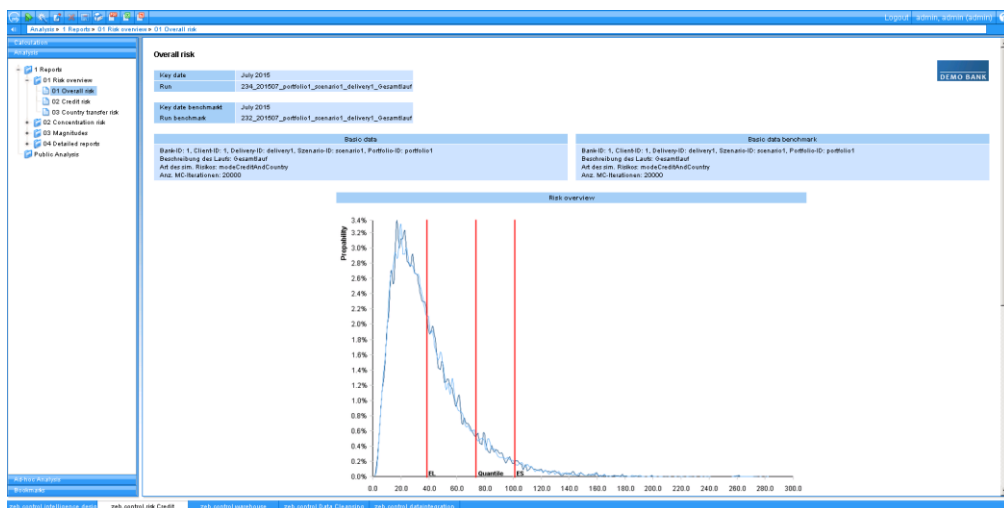


Figure 2: Overview credit risk



ZEB.CONTROL.RISK - TRADING

zeb.control.risk - Trading offers proven support for processes in trading, settlement and risk management and thus professionalizes and significantly simplifies daily processes—clearly exceeding the duties to segregate functions, to document and to limit risks as required by the MaRisk. With its numerous measures, the Trading module provides a comprehensive overview of the trading book: Besides portfolio information and balance-sheet measures, the module offers all common risk measures, sensitivities and various value-at-risk methods as well as integrated backtesting. Detailed sensitivity vectors may also be generated, if required. The Trading module bundles these comprehensive data through an effective and flexible reporting.

TECHNICAL REQUIREMENTS

zeb.control.risk uses a modular and scalable system architecture that can be easily integrated in existing processes and system landscapes. It also comes with a comprehensive authorization system. Users benefit from a state-of-the-art front end that enables quick and efficient handling and allows administrators to safely operate the system.

BENEFITS

- zeb's expert knowledge of risk management
- Implementation expertise gained at international institutions of different sizes and complexities
- Low investment through integration into existing IT systems
- Efficient and customizable solution
- State-of-the-art technologys

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For more information, visit www.zebcontrol.com/risk.

