

DFAST Solutions from ZMFS

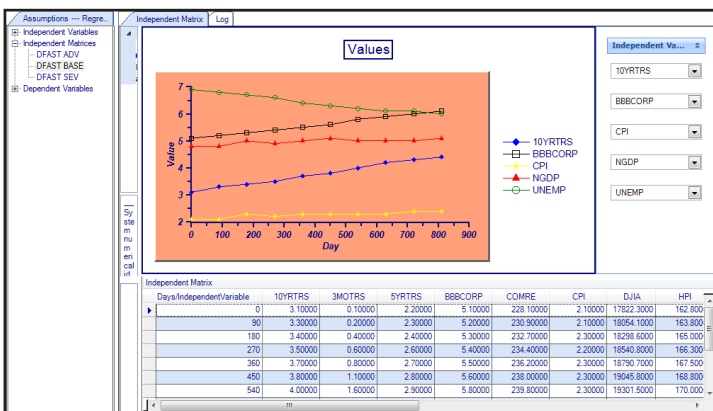
INTEGRATED SOLUTION TO MEET COMPLEX REGULATORY REPORTING REQUIREMENTS

ZMdesk™ from ZM Financial Systems (ZMFS) continues to evolve to help financial professionals demonstrate compliance through ZMdesk's expanded default shocked/stressed scenarios. Now with included DFAST scenarios and expanded default modeling, the complex process of calculating DFAST results is much less cumbersome. Our DFAST solutions include:

- Pre-loaded DFAST time series scenarios
- Ability to enter other user defined default drivers (e.g., price of oil)
- Create run scenario that uses DFAST stressed scenarios
- Generalize behavioral formula builder to accept a wide variety of PD and LGD constants, vectors, tables or statistical formulas like regression
- Ability to set default formula at individual instrument level
- Generate
 - Default adjusted cash flows for each scenario
 - Default adjusted income statement and balance sheets
 - DFAST 10-50 report for each scenario

Pre-Loaded DFAST Time Series Scenarios

- Base, Adverse, and Severe scenarios are pre-loaded into system
- Users can also add additional default drivers (e.g., price of oil)

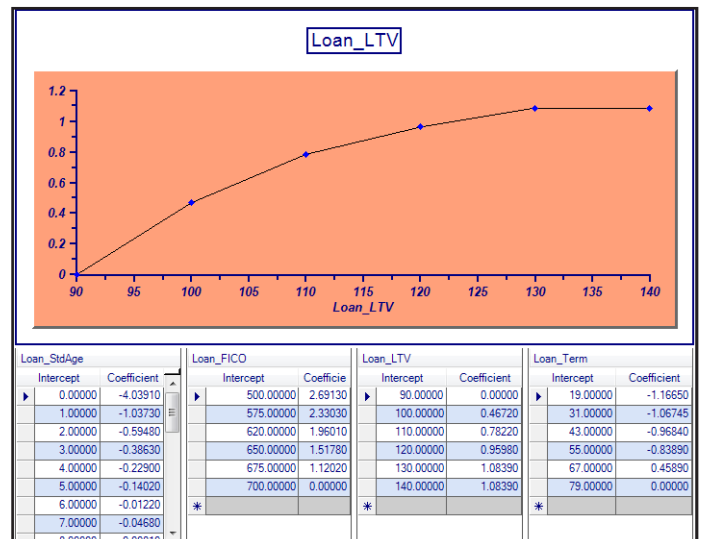


Create Run Scenarios

- One run scenario can process the three DFAST scenarios simultaneously

Enter Default Projection Formulas

- Users can choose DFAST or other drivers used by default forecast equation
- Here Age, FICO, LTV and Term are used



Load Data Once

- During data loading process, users can attach any default model type to each instrument
- Each ALM account is mapped to DFAST/CALL report

Run Bank under DFAST Scenario

- Each instrument will be run with the assigned default model to generate default adjusted cash flows for each scenario



OCC DFAST 10-50 - Adverse Scenario
Income Statement for DFAST ExampleBk
OCC Charter ID #####
(Dollar Amounts in Thousands)

Income Statement Impacts	Projected	Year 1: 2015 -- Projected (in the quarter)			
	As of 12/31	Q1	Q2	Q3	Q4
Net Charge-Offs					
First lien mortgages	0	152	0	148	
Closed-end junior liens	0	0	0	0	
HELOCs	0	38	0	37	
C&I loans	0	0	0	0	
1-4 family construction loans	0	101	0	99	
Other construction loans	0	0	0	0	
Multifamily loans	0	253	0	247	
Non-farm non-residential owner occupied loans	0	0	0	0	
Non-farm non-residential other loans	0	0	0	0	
Credit cards	0	25	0	25	
Automobile loans	0	51	0	49	
Other consumer	0	76	0	74	
All other loans and leases	0	0	0	0	
Total loan and lease net charge offs	0	696	0	679	
Net interest income	1,027	1,027	1,018	1,018	
Non-interest income	1,518	806	726	1,025	
Non-interest expense	1,032	1,032	1,032	1,032	
Pre-provision net revenue	1,513	801	711	1,011	
Provision for loan and lease losses	0	696	0	679	
Realized gains (losses) on HTM securities	0	0	0	0	
Realized gains (losses) on AFS securities	0	0	0	0	
All other gains (losses)	0	0	0	0	
Taxes	308	308	305	305	
Net income	1,204	-204	406	27	

Get in front of regulatory reporting with an integrated solution, instead of being left behind. Schedule a demo with us today.

Contact us via:

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About ZM Financial Systems

ZM Financial Systems brings practical solutions to complex financial problems, offering complete solutions in securities and fixed-income analytics, credit-adjusted ALM, liquidity, risk management, budgeting and funds transfer pricing. We also offer large bank solutions to meet the evolving regulatory risk reporting requirements.

With 2,000 institutions depending on ZMFS products/analytcs to identify, measure and monitor risk and value in their balance sheets, we are one of the fastest growing financial software companies in the U.S.

Founded in 2003, ZMFS is a privately-held corporation headquartered in Cary, N.C. In addition to the 25 percent of our staff who have PhD's in the advanced quantitative field, our development and product support teams all have experience in the finance arena. Because our teams continuously collaborate, we can quickly navigate complex solutions to complete client-requested enhancements in days or weeks, versus months or years.

Delivering state-of-the-art risk/reward analysis tools, such as ZMdesk, OnlineALM.com™, OnlineBudgeting.zmfms.com™ and ZXBondSwap™, our clients are empowered to uncover hidden risk while maximizing performance; test lending, investment and funding strategies; and respond to various regulatory requirements while efficiently delivering actionable information.

