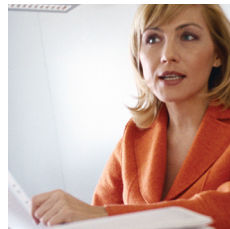


Funds Transfer Pricing

Accurately Value Each Source and Use of Funds



Without in-depth insight into the components of your margin, decision making can become a game of chance. To effectively manage your corporate performance, you must know what's really controlling your net-interest margin.

Because net-interest margin is the largest component of net income, measuring it correctly for each unit, product and customer is critical. Funds Transfer Pricing from Fiserv can simplify the process by breaking the net-interest margin into three components of profitability: asset spread, liability spread and funding center spread.

Funds Transfer Pricing accurately measures the net-interest margin by reflecting the economic characteristics of each customer account and instrument. The system avoids the built-in limitations and inaccuracies of a simple pool-based approach and provides a comprehensive set of allocation techniques. With Funds Transfer Pricing, you can better understand the source of profits and objectively measure performance.

Forecast Net-Interest Margin

Funds Transfer Pricing integrates fully with Asset/Liability Manager from Fiserv, to provide forecasted transfer pricing. Blend the FTP rates associated with your existing

business with the transfer pricing of new business and projected re-pricing events to forecast your net-interest margin.

Analyze the net-interest margin of each instrument and/or product under a variety of rate, balance sheet and other assumption-driven scenarios. Specifically forecast the funding center, or risk position of the institution, to determine how the funding center results impact and/or correlate to overall institution performance. Utilize a series of margin, funding center and gap reporting capabilities to analyze your institution from a whole new perspective, encompassing both historical performance and forecasted scenarios at the institution and/or product level.

Finally, you can make the critical link between your performance management strategies and your asset/liability management unit activities. Strategic planning, budgeting and risk analysis have never been easier.

Simplified Reporting and Analysis

The suite of standard reports supports decision-making and analyzes net-interest margin at any organizational and product level. Standard reports include current process reporting, variance reporting, funding center reporting, as well as exception and account level reports. A batch-processing feature allows all processes, including reporting, to be grouped together and run at one time.



Fiserv is driving innovation in Payments, Processing Services, Risk & Compliance, Customer & Channel Management, and Insights & Optimization, and leading the transformation of financial services technology to help our clients change the way financial services are delivered. Visit www.fiserv.com for a look at what's next, right now.

Additional standard reports include transfer income and expense; transfer pricing analysis; audit and documentation; new origination and origination history; and reconciliation reporting.

Funds Transfer Pricing is also fully integrated with Executive Insight™ from Fiserv, a Web-enabled, client/server solution for management reporting and analysis. With its online analytical processing (OLAP) tools, Executive Insight provides multidimensional views into an organization's profitability information.

Solutions You Can Trust

Do you have a keen understanding of your best growth opportunities – and their costs and risks? Fiserv can help you uncover this knowledge and implement the right strategy for success. Fiserv helps solve today's problems and anticipate tomorrow's needs with:

- Web-enabled analytic tools to understand key performance indicators
- Enterprise budgeting and planning tools that deliver critical information
- Financial accounting solutions that automate and streamline processing and reporting

Key Benefits

- Determine the source of net-interest margin profitability components
- Better understand the overall profitability of assets and liabilities
- Objectively measure the performance of lending officers and branch managers
- Identify pricing risks and opportunities otherwise hidden in the balance sheet
- Analyze net-interest margin of each instrument and/or product under a variety of scenarios
- Forecast the funding center, or risk position, of the institution
- Analyze your institution from a whole new perspective, encompassing both historical performance and forecasted scenarios at the institution and/or product level
- Choose from 11 transfer pricing methods
- Define and include prepayment assumptions
- Adjust transfer rates for items such as credit quality, liquidity premiums and prepayment risk
- Set up product- and organizational-level structures to support reporting
- Calculate and analyze remaining-term FTP

Connect With Us

For more information on Funds Transfer Pricing and other Financial Performance Management solutions from Fiserv, please visit www.fiserv.com or contact us at 800-872-7882.



Fiserv, Inc.
255 Fiserv Drive
Brookfield, WI 53045

800-872-7882
262-879-5322
getsolutions@fiserv.com
www.fiserv.com