



Model Risk Management – Model Validation Service

Comprehensive regulatory compliant service provides a thorough independent assessment

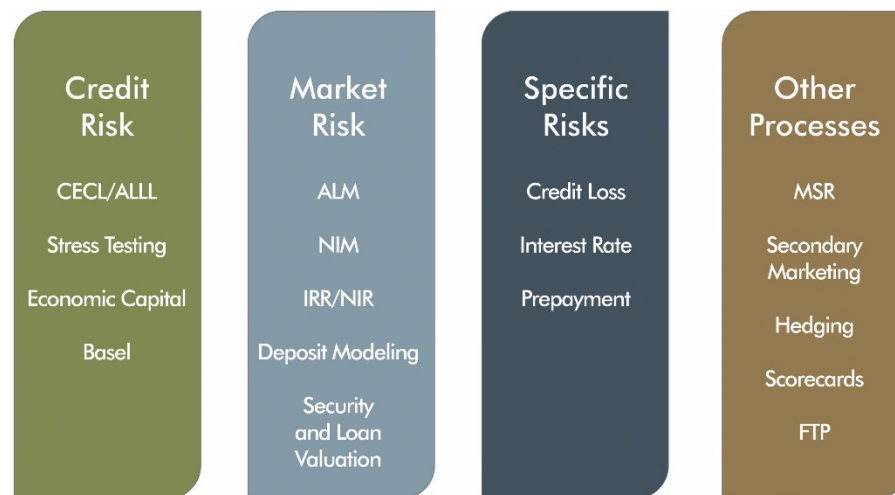
Our industry-leading Model Validation Service delivers proven technical solutions that correspond to each point of the advisory bulletins as well as industry best practices. Montana Analytics personnel have been involved with developing, testing and validating complex risk models for over two decades. This program focuses on seven core components as highlighted by the primary financial regulators including FDIC, OCC, NCUA, and Federal Reserve. We provide a detailed report that comprehensively addresses each component with a high level-of-service in a short amount of time for a competitive price.

Our unique Test Case approach transparently details the steps taken to validate the model. Each specific Test Case includes a description of the tested components with a pre-established “expected” result, a summary of actual results and a clear conclusion. Recommendations are provided for model improvements based on best practices and alignment to regulatory standards. This rigorous and transparent approach provides model managers the detail needed to take corrective actions and is considered superior to minimalist methods that provide a qualitative opinion of a model.

Our program can be customized to fit your requirements or internal methods while still delivering the in-depth analysis for which our program has received numerous accolades. Constant and clear communication of results is also part of the great service and value Montana Analytics provides to its clients.

Our team is highly experienced with developing and validating credit, prepayment and interest rate analytics for all Bank fixed-income products. This includes loans, securities, derivatives, and deposits. Our prior model validation engagements have encompassed the validation of internally developed as well as all leading vendor models in virtually all financial risk functions. Montana Analytics has also developed challenger models for many Bank products.

Validation Services



Value-Add:

- Complete turn-key structured Model Validation Service
- Highly experienced analytical staff minimizes internal staff time
- Validation customized for the model and your requirements
- Aligned with regulatory guidance and industry best practices
- Complete transparent documentation of 50+ detailed Test Cases
- Results benchmarked to an alternative model
- Competitive pricing, excellent client service
- All solutions require minimal staff time