

TAKE CONTROL OF YOUR COMMERCIAL CREDIT RISK MANAGEMENT

Get better at Credit Risk Management

Protecht.CCRM makes it easier for companies to centralise commercial lending information including: approval data; financial statements analysis; credit risk grading; balance and arrears information and reporting in a single web-based platform.

There is increased pressure from regulators to improve the quality and stringency of processes and systems related to the approval and management of debt. As these processes become more complex, utilising disparate spreadsheets and word documents becomes increasingly impractical. Inconsistencies in approvals and reporting errors becomes more common.



@Protecht_Risk



The Protecht Group



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GET IN TOUCH

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ABOUT PROTECHT.CCRM

Are you tired of using spreadsheets to assess commercial borrowers?

Avoid confusion, reduce errors and simplify processes by centralising all commercial and Small to Medium Sized Enterprise credit analysis, approval, scoring, monitoring and reporting in a single web-based platform. Protecht. CCRM monitors, collates and analyses borrower financial data and qualitative information for improved accuracy in decision making.

NO MORE SPREADSHEETS!

Complex financial processes cannot be accurately managed without a series of discreet manual spreadsheets. Protecht. CCRM ensures all business units and staff collaborate with the same data and processes, updated in a consistent manner. Superior data quality and streamlined processes improve compliance with regulators and boost financial performance.



Credit Scoring



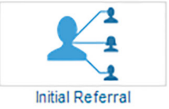
Entity Information



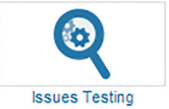
Financial Position



Industry Codes



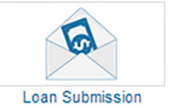
Initial Referral



Issues Testing



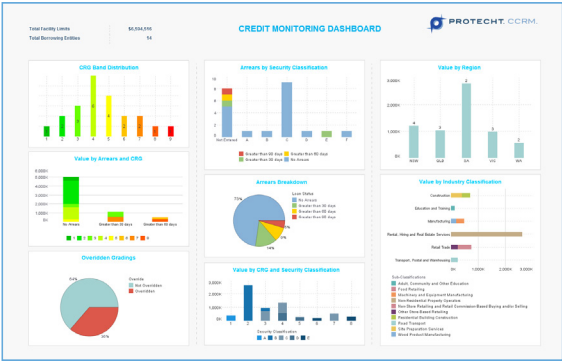
Loan Enquiry



Loan Submission

KEY FEATURES

- Online access to a single installation means all offices and staff work from the same data and processes
- Flexible setup allows you to create assessment forms, ratios and borrower administration registers to suit your specific needs
- Comprehensive financial statement capture, analysis and scenario reporting
- Industry benchmarking
- Covenant monitoring
- Credit risk grading
- Integration



Key risk components for Credit Risk Grading (CRG) assessment:

- Industry analysis
- Business analysis
- Financial analysis
- Security analysis

PRODUCT BENEFITS

- Benchmarking to industry ratios or calculated ratios
- Covenant and compliance monitoring
- Ongoing collection of borrower data on a frequent and timely basis, either input by the analyst or directly by the borrower
- Ongoing frequent and timely assessment of the borrower based on periodic data collections
- Continuous monitoring based on the level of risk associated with each loan
- Highly configurable workflow and escalation rules to facilitate the review and approval process
- Comprehensive suite of standard reports and dashboards that can be customised by end users

TECHNICAL FEATURES

Integrate with your existing core banking data to generate detailed portfolio dashboards and reports from consistent, accurate and up to date data.

Protecht's Credit Risk Scoring Model (CRSM) supports assessment of the underlying credit risk for any Small to Medium Enterprise (SME) that seeks to borrow money. A CRG is determined by an overall score calculated from the CRSM; an important tool for credit risk management at initial loan application as well as for ongoing monitoring.

During the initial application, CRG helps lending staff make informed decisions regarding borrower loan applications. Post loan approval, it facilitates ongoing portfolio monitoring, loan loss analysis and other precautionary measures to be taken.

Credit Risk Rating for Hob Nursery and Landscape Supplies

Category	Considerations	1	2	3	4	5	6
Financial Analysis	Current Ratio			Between 1.21 and 1.6			
	Profitability Ratio		Between 0.11 and 0.15				
	Exposure Ratio		Between 0.21 and 0.6	Between 0.02 and 0.029			
	Turnover Ratio						
	Quality of Financial Reporting	High quality					
Security Analysis	Financial Trends						
	- Profitability Ratio	Strongly positive both periods					
	- Turnover Ratio				Weakening last period or strongly volatile		
Business Analysis	Loan to Value Ratio			Between 55% and 75.5%			
	Liquidity Timeframe			Between 90 and 100 days			
	Security - Natural Disaster						Extensive floodproof and fire proofing
Business Analysis	Owner Commitment	High or locked					
	Length of Ownership		Between 5 and 10 years				
	Infrastructure and Support						
	Strategic and Succession Plan					Poor	
	Risk Regulatory and Compliance		Logical informal plan				



Overall Credit Risk Grade

Moderate Risk

Credit Risk Grade Guide

CRG Band	Grade
1	Unsound
2	Low Risk
3	Moderate Risk
4	Cautious
5	Unsatisfactory
6	Unacceptable

Key Benefits of the Protecht.CCRM CRG Model

- Score individual loan applications consistently
- Provision of insight for quality of an organisations commercial credit portfolio and risk appetite
- Early warning signals of potential exposure deterioration mapped to risk tolerances
- Rating driven assessment frequency
- Facilitation of migration analysis that can highlight changes in the risk profile
- Provide a foundation for risk based pricing mechanisms
- Improve portfolio management including the identification of risks associated with lending on an industry or geographic basis

