



CEIS REVIEW INC.

Commercial Portfolio Advisors EST 1989

- ▶ **Loan Review Programs**
General & Specialized
Acquisition Due Diligence
- ▶ **Loan Loss Reserve**
ALLL to CECL Conversion
ALLL / CECL Validation
- ▶ **Portfolio Stress Testing & Concentration Analysis**
CRE & C&I
Impairment Analysis
- ▶ **Credit Process & Procedures Reviews**
Adherence to Regulatory & Industry Best Practices

CEIS Review, Inc. was formed in 1989 for the specific purpose of providing commercial credit consulting services to banks and other financial institutions. CEIS focuses its activities entirely on the loan portfolio and its risk profile. The company is not affiliated with any accounting firm or bank holding company.

CEIS' primary service areas are; Loan Review, Portfolio Level Stress Testing, and CECL/LLR Methodology Validations. Other services which we are retained for are Credit Risk Process Review, Loan Policy assignments, CLO or other Due Diligence Reviews, and other specific research projects.

Our commitment to excellence includes delivering clear & concise reporting, utilizing cutting edge credit and portfolio management techniques, maintaining an objective viewpoint, providing adequate flexibility to clients' needs and consistently staying ahead of emerging industry and regulatory matters.

Ultimately, we are dedicated to our Client's success and growth.

CEIS Offices:

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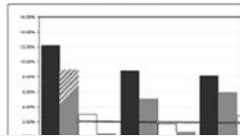
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Loan Review Programs: General & Specialized Domestic & Offshore Acquisition Due Diligence

Classified Loans/Total %	11.53%	8.89%	11.1
Classified Loans/Total A/R %	14.42%	11.99%	10.2
IM/Total A/R %	19.17%	21.85%	11.1
Classified Loans/Total A/R %	19.29%	20.89%	10.1

*These amounts based on 12/31/16 Call Report capital and reserve numbers



Reserve	Purpose
NR - Non-Reserve	Acq - Acquisition
R - Reserve	Const - Construction
L - Limited	Revs - Revenues
	Rts - Refinance
Loan Type	Ref ER - Refinance with Equip Place
Cont - Contention	OTH - Other
IP - Inquire Property	
LL - Land Loan	
BLG - Based by Letter of Credit	

Borrower	Loan Type	Purpose	Reserve	No. of
Borrower A	IP	OTH	R	
Borrower B	BLG	Const	R	
Borrower C	IP	Revs	R	
Borrower D	IP	Acq	R	

CEIS Loan Review -Bank - Classified/Classified - July 2016

The following loans were considered or classified credits. Grades are assigned in consideration of Federal Classification standards and in consideration of the bank's internal rating definitions. Each loan is assigned a credit risk grade and is compared to the bank's risk rating. The conclusions in this report are based on a review of the credit files as presented to the reviewer as well as in consideration of discussions, which may have taken place with the Bank. It is possible that material may have been in the Bank's possession, related subsequent to the review and/or placed into the file since the review. Further developments may have also materialized since the review which may have been considered or with which the reviewer may have not been informed prior to the release of this report.

Borrower International Group - continued

Administration	Comments (include specific for any items)	Watch	Keep	None
Required to provide registration or loan approval	Statement Date - last 6 months for			
Last Fiscal Statement		X		
Last Return Statement (Specialized, JAR, MLI)			X	
FFIEC Call Statements (Specialized)		X		
Last Financials (approved or in approval)			X	



Client Benefits

- ▶ Identification of potentially problematic assets or specific portfolio segments prior to incurring delinquencies or loss
- ▶ Monitor & identify accuracy of Loan Officers risk rating assessments
- ▶ Provide feedback with lending personnel on deal structures and best practices if applicable
- ▶ Make recommendations for loan Policy & Procedure improvements where warranted
- ▶ Facilitate a holistic understanding of commercial credit quality & administration for Management & the Board
- ▶ CEIS shares valuable insights on market conditions and regulatory focus areas
- ▶ Our Professionals each bring ~25+ years' Lending and/or Executive-level experience



Portfolio Stress Testing: "Bottom Up" Loan Level Approach & "Top Down" Capital Adequacy Assessment



CEIS' Stress Testing process includes:

- Applying singular & multiple stress scenario's to portfolios to determine the direction of risk given those singular, or multiple stress combinations
- Analyzing results to estimate potential impact on: charge-offs, reserve levels, and ultimately capital requirements
- Determining whether results suggest higher levels of risk for certain segments and evaluating potential action plans (portfolio re-balancing, underwriting refinements, etc.)
- Board & Committee presentations

ALL & CECL Consulting:

✓ Validation of ALL Methodology - CEIS assesses an Institutions compliance with regulatory requirements, GAAP requirements (ASC 310 and ASC 450-20), and leading industry best practices, and and

✓ CECL Validation - CEIS' validation will be on the CECL model (Expected Loss and the process for the establishment of the ACL, incorporating the relevant regulatory requirements of ASU 2016-13 (Financial Instruments - Credit Losses).

