

# FINANCIAL SERVICES INDUSTRY PRACTICE



Critical thinking at the critical time.™

FTI Consulting helps financial services companies respond to and effectively resolve challenging financial and economic issues, including regulatory investigations, litigation, and competitive or operational threats in an efficient and expedient manner.

## WHO WE ARE

FTI Consulting, Inc. is a global business advisory firm dedicated to helping organizations protect and enhance enterprise value in an increasingly complex legal, regulatory and economic environment. With more than 3,700 professionals located in all major business centers throughout the world, we work closely with clients every day to anticipate, illuminate, and overcome complex business challenges in areas such as regulatory issues, investigations, litigation, mergers and acquisitions, reputation management and restructuring. Specifically, our clients include nine of the ten world's largest bank holding companies and 97 of the top 100 law firms.

FTI Consulting's Financial Services Industry practice has a team of experienced professionals including former senior managers at bank regulatory agencies and financial institutions who have the know-how and experience to add value and address client concerns. Our financial professionals are CPAs, attorneys, economists, bankers, forensic specialists and other financial professionals with expertise in compliance, risk management, credit risk, transactional due diligence, information technology, asset valuation and strategic communications. Team members include former staff members of the SEC, FASB, Federal Reserve Board, Office of the Comptroller of the Currency, FDIC, Department of Justice and various State Attorney General offices. We understand the evolving framework of financial services regulations and the regulatory enforcement environment, and help clients mitigate risk, ensure compliance and effectively address and resolve regulatory inquiries.

## WHAT WE DO

At FTI Consulting, we have a long-standing track record of helping financial institutions navigate difficult challenges. We anticipate, intercept, and address critical issues before they escalate to crisis, and ensure key stakeholders understand how an organization is addressing the issues by ensuring effective communication. For more than 25 years, FTI Consulting has been the trusted adviser to entities affected by the events that make headlines, move markets, and create business history. Through a multidisciplinary approach tailored to each engagement, we work with clients to meet the challenges raised by bank and securities regulators, the Department of Justice (DOJ), private litigants, and other parties, before, during and after a crisis.

The following summarizes the services that are most often requested by our clients in the financial services industry:

### Regulatory and Compliance

We assist clients in responding to issues raised by a wide range of regulatory agencies, including federal and state bank regulators, European regulatory authorities, the SEC, HUD, FinCen and FINRA, among others. Because of our diverse and current experience, we understand the current regulatory "hot buttons" and have a track record of identifying practical and effective solutions to potential issues before they escalate into crises. Our regulatory and compliance services include:

- Regulatory risk assessments
- Fair lending reviews
- Bank Secrecy Act/ Anti-money laundering and OFAC program development and reviews
- Management and corporate governance reviews
- Anti-bribery and foreign corruption (FCPA/UK Bribery Act) investigations
- Compliance Program design and training
- Assistance with preparation of "living will" plans

### Risk Management and Credit Risk Governance

Successful financial institutions understand that having state-of-the-art risk management is critical to their long-term health and profitability. FTI Consulting is a recognized leader in the development and assessment of enterprise-wide risk management frameworks. Our risk management services include:

- Independent risk management evaluations
- Credit process design and credit policy reviews
- Model validation and analysis
- Capital and liquidity related analyses
- Loan portfolio/credit quality/asset management reviews
- Enterprise risk management system implementation
- Stress testing of key assumptions and models
- Operational risk assessments and management

### Accounting, Reporting and Valuation

We provide comprehensive accounting, financial reporting and valuation services to financial institutions, including:

- Analysis and implementation of complex accounting rules, (both U.S. GAAP and IFRS), including evaluation of the requisite systems requirements
- Conducting research and preparing documentation to support client accounting approaches
- Application of FASB's fair value and impairment requirements to hard to value financial assets
- SEC and regulatory filing (call report) reviews, including preparation or review of disclosures
- Allowance for loan losses (ALLL) analyses and reviews
- Regulatory capital analyses and calculations
- "Pre-review" of SEC filings and responding to comments raised by SEC and/or bank regulators

### Corporate Finance and Transaction Advisory Services

FTI Consulting assists institutions with a wide range of financial and transaction advisory services:

- Performing due diligence on target acquisitions
- Independent valuation of loans, derivatives, securities or entire banks and business segments
- Strategic options assessments
- Interim financial management services (CFO, Controller, Treasurer, etc.)
- Preparing for and responding to unsolicited acquisition offers

### Strategic Communications

FTI Consulting provides strategic communications services to help organizations articulate their strategy to target audiences during times of change. These services include:

- Designing strategic communications to respond to and manage the implications of regulatory investigations, litigation, or other crises to help maintain stakeholder confidence
- Developing financial communications about transactions to help preserve and develop company valuation and build a supportive ownership base
- Developing corporate communications to build brands and attract customers
- Conducting market reviews and analysis to appraise stakeholder perceptions and inform ongoing communications

### Litigation Support

We support clients on litigation and disputes, including civil and criminal actions filed by the SEC and DOJ, securities class actions, commercial litigation, and alleged violations of fiduciary responsibilities or allegations of fraudulent underwriting. We help quantify and resolve alleged claims and minimize the cost and demands of the litigation process. Our services include:

- Early case assessment and risk analysis including analysis of class certification issues
- Independent internal investigations and forensic accounting
- Assistance in the preservation, review and production of requested email and financial data
- Economic analysis of loss causation and damages issues
- Evaluation and re-underwriting of loans and loan pools
- Expert testimony
- Electronic discovery

### Independent Monitoring, Compliance and Claims Resolution

FTI Consulting does not perform audit attestation services and has unmatched credibility with bank and securities regulators. Accordingly, we are a reputable provider of monitoring and claims resolution services, including:

- Assuming monitoring assignments, undertakings and remedial actions imposed in connection with regulatory settlements
- Serving as independent monitor or third party claims administrator for large-scale restitution funds or class action settlement funds
- Functioning as neutral arbitrators and mediators in domestic and international proceedings



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#### About FTI Consulting

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