



Current Expected Credit Loss (CECL)

Confidently employ powerful loss methodologies simultaneously across your loan pools using a completely flexible pooling strategy. Baker Hill NextGen® CECL enables a data-driven strategy leveraging reliable loan level insight providing you a pragmatic view of your expected credit loss.

Baker Hill NextGen® CECL is an efficiently manage your expected credit loss and provision with powerful loss methodologies, reliable loan level data, integrated consumer credit rating services, and automated credit risk scoring.

Baker Hill NextGen® CECL combines the best of risk management, loan origination, and ongoing loan monitoring capabilities within a unique CECL solution that provides a view across the entire loan lifecycle. With a focus on every aspect of risk associated with your loans, this Baker Hill solution will ensure confidence in your expected credit loss calculations.

Most importantly, with Baker Hill NextGen® CECL, the insights you gain will allow you to improve underwriting standards, drive more profitable loan growth, as well as better manage risk across your portfolio. Baker Hill's uncomplicated CECL approach allows you to incorporate powerful loss methodologies with complete flexibility to the segmentation of your portfolio, to give you targeted loss insights specific to your lending profile. Our powerful, scalable, customizable, and flexible CECL solution addresses CECL in a simple, straightforward manner.

Baker Hill NextGen® CECL provides various credit risk scoring options, including integration with consumer credit rating services for consumer credits, and automated credit scoring functionality for nonconsumer loans such as commercial and industrial credits. This allows you to address every situation, regardless of its complexity or structure.

Complete Loan Lifecycle Risk Perspective

Baker Hill NextGen® CECL fully integrates with our lending and risk management solutions, providing you the engine to power your CECL solution with a complete loan lifecycle risk perspective, from initial credit underwriting through the entire lifecycle of each loan.

Robust Loan Level Data Store

Our robust data store supports the data demands required by CECL. In addition, our data store supports uploads of any type of data available within your loan organization such as core loan, loan origination, loan monitoring, and other types to enrich the data that powers Baker Hill NextGen® CECL.

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Explore how your institution can manage CECL with confidence and improve your lending portfolio performance with Baker Hill NextGen® CECL.

www.bakerhill.com/cecl

Powerful Loss Methodologies

Baker Hill's NextGen® CECL solution supports powerful loss methodologies including PD/LGD in concert with migration analysis. Other supported loss methodologies include the incurred loss, cumulative loss, and vintage loss rate methodologies. Our mix of loss methodologies can be employed individually within each loan pool or in combination. Our mix of relatively simple and complex loss methodologies makes it possible for you to address CECL in a simple, straightforward manner when data availability and other factors allow. Additionally, you can compare loss methodologies by running them in parallel at a pool level with a few clicks of your mouse.

Promote Proactive Relationship Management

The Baker Hill NextGen® CECL solution gives you complete flexibility in pooling your loan data, so that you can easily segment your data to best serve you; for example:

- ▶ Multiple loan pools can be merged into a single pool
- ▶ Individual loan pools can be split into multiple pools as pool sizes and loss data availability increase
- ▶ Account holder correspondence may be automatically generated
- ▶ The flexible loss pooling method offers nearly unlimited customization
- ▶ Loans can be moved from one pool to another

Automated Risk Rating and Configurable Scorecards

Automating the assessment of risk within Baker Hill NextGen® CECL streamlines the effort required to determine the probability of loss for your portfolio at the loan level. Combining Baker Hill NextGen® CECL and Statement Spreading allows you to create powerful insights such as automated risk rating and configurable scorecards to drive significant improvements in your bottom line.



Baker Hill is in the business of evolving loan origination by combining expertise in technology with expertise in banking. Built on decades of walking alongside banks and credit unions as they provide vital resources to their communities, Baker Hill NextGen® is a configurable, single platform SaaS solution for commercial, small business, consumer loan origination, and risk management that grows along with you as your business needs change. Baker Hill is lending evolved. For more information, visit www.bakerhill.com.