

Balance Sheet Risk Management

Interest rate risk management is top of mind for many financial institutions and has been Chatham's focus for decades.

Optimizing and protecting your financial institution's balance sheet

As a completely independent firm, Chatham partners with clients to implement integrated solutions, tailoring our focus on advisory and technology in order to meet the needs and goals of your financial institution now and into the future.

Apply a holistic approach to interest rate risk

Chatham's risk management consultants and hedge accounting experts can educate your institution on using derivatives to manage risk, advise on which derivatives products to use, and support your institution on implementing and executing a strategy. We apply a powerful framework that helps your team achieve its desired interest rate risk management objectives regardless of size, sophistication, or complexity.

Inform and prepare

Chatham will partner with your team to understand your current interest rate risk position, layer in your institution's policy, and help implement your institution's interest rate risk view.

Your team will get the necessary information to evaluate each decision, and we will work alongside you to prepare your hedging strategy and transactions.

Derivatives hedge accounting advisory

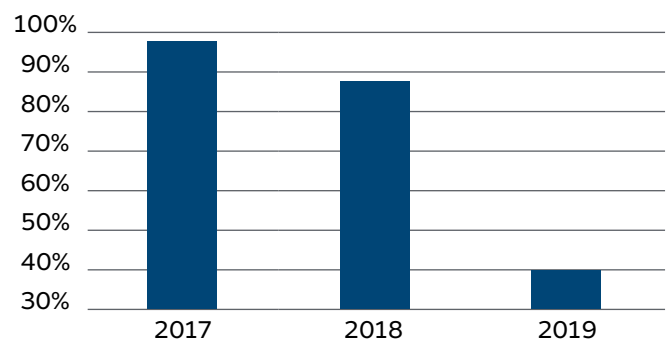
Chatham's hedge accounting experts manage all aspects of accounting for each hedge transaction, including structuring accounting-friendly hedging relationships, writing hedge designation memos, preparing monthly journal entries, reviewing disclosures, and performing effectiveness testing when required.

LIBOR transition

The market's transition away from LIBOR represents one of the largest shifts in risk management processes that has occurred in recent memory. Managing your institution to this new paradigm will carry important economic, accounting, and regulatory considerations with which Chatham, as the largest independent hedging advisor to financial institutions, is well positioned to assist.

With the likely discontinuation of LIBOR, Chatham has collaborated with financial institutions ranging from over \$100B to under \$500M in managing interest rate risk during volatile markets, while facilitating the transition away from LIBOR. Our approach to assisting clients has always been to focus on building long-term partnerships and proactive investment in tools that evolve with your institution's needs.

LIBOR index on balance sheet swaps



Source: Chatham client transactions



Strategy development and execution

Chatham will help develop strategies that satisfy your institution's risk policies and asset-liability management objectives. We work on your behalf to deliver hedging solutions through our strong capital markets presence, analytical models, accounting expertise, and valuation platform.

Integrated service, advisory, and technology

Chatham consultants are available to help with your institution's risk management challenges. Clients have 24/7 online access to Chatham's leading technology for hedge portfolio information, including updated valuations, market pricing, payment and collateral information, and all transaction-related accounting documents.

Keeping your institution informed and ready

Through our expertise and influence in the market, Chatham will keep your institution informed of new and upcoming market changes.

Our regulatory experts advise on upcoming derivative regulatory changes so that your institution can remain compliant with an ever-changing regulatory landscape.

An extension of your finance team

Chatham Financial is the largest, independent financial risk management advisory and technology firm providing financial institutions strategic and tactical risk management advice, hedge accounting, and execution services for derivatives and capital market transactions.

Are you ready to learn more?

Speak to a Chatham advisor by contacting
fi@chathamfinancial.com.

Chatham Hedging Advisors, LLC (CHA) is a subsidiary of Chatham Financial Corp. and provides hedge advisory, accounting and execution services related to swap transactions in the United States. CHA is registered with the Commodity Futures Trading Commission (CFTC) as a commodity trading advisor and is a member of the National Futures Association (NFA); however, neither the CFTC nor the NFA have passed upon the merits of participating in any advisory services offered by CHA. For further information, please visit chathamfinancial.com/legal/notices/.

Transactions in over-the-counter derivatives (or "swaps") have significant risks, including, but not limited to, substantial risk of loss. You should consult your own business, legal, tax and accounting advisers with respect to proposed swap transaction and you should refrain from entering into any swap transaction unless you have fully understood the terms and risks of the transaction, including the extent of your potential risk of loss. This material has been prepared by a sales or trading employee or agent of Chatham Hedging Advisors and could be deemed a solicitation for entering into a derivatives transaction. This material is not a research report prepared by Chatham Hedging Advisors. If you are not an experienced user of the derivatives markets, capable of making independent trading decisions, then you should not rely solely on this communication in making trading decisions. 20-0006

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