



Risk Management Report Generator

OUR COMMITMENT

CU*Answers owners and partners consistently perform due diligence activities on our network product and service offerings, but documenting these events is complex and often difficult to complete. With the introduction of the new Risk Management Report Generator (RMG) there is a template to follow, creating a standardized model.

Last year through focus groups and resources providing expertise in the areas of regulatory review, CU*Answers created a software application which could not only guide an organization through the completion of these assessments but would also allow them to view the due diligence assessments of peers in their network. This software has come to the point of implementation. CU*Answers has finalized this new online tool, Risk Management Report Generator, and invites you to use it to complete third party evaluations on cuasterisk.com network partners.

Your peers have been using the RMG product, populating the site with valuable data you can view and use in performing your own due diligence. The site, rmg.cuanswers.com is ready for primetime and even better – it's free to all CU*BASE credit unions .

A template for the evaluation of your relationship with cuasterisk.com network partners

- CONTRACT MANAGEMENT
- RISK ASSESSMENT AND PLANNING
- DUE DILIGENCE
- RISK MANAGEMENT AND MONITORING



RISK MANAGEMENT REPORT GENERATOR

6000 28th Street SE
Grand Rapids, MI 49546

Phone: 800.327.3478 | Email: jvilker@cuanswers.com
cuanswers.com





**FREE
OFFER***

Third Party Risk Assessments are time consuming, difficult, and one of the last things on your mind when making a decision about a new service or product. Even choosing a template to complete your due diligence on third parties is difficult. Our owners brought this requirement to the CUSO and asked if collectively we could address this with a standardized toolset which we all could share. We answered with Risk Management Report Generator. With this new tool you can complete your third party evaluations on any cuasterisk.com partner or business division and at the same time develop a data base of information to share with the entire community.

Key Elements

Collaboratively we built an engine to help credit unions get through third party evaluations and took it one step further. We have built a community that allows you to see how your peers are managing the process as well.

— Jim Vilker, Manager cuasterisk.com

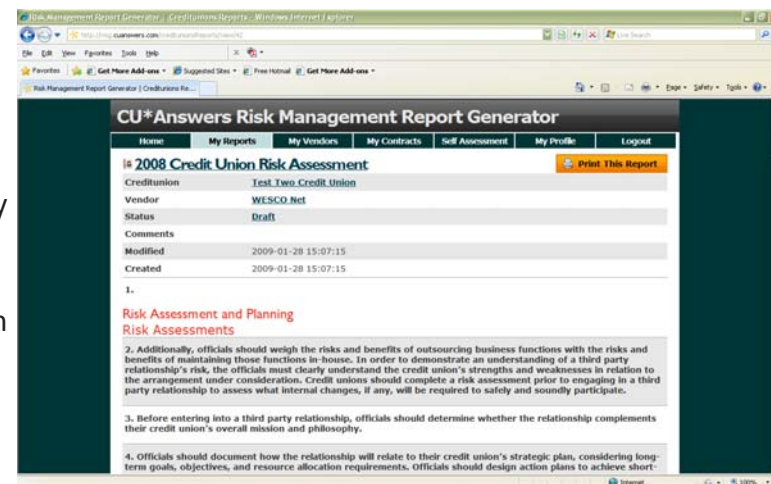


What NCUA Says

AN EXPLANATION OF THE SUPERVISORY LETTER ISSUED BY THE NCUA IN 2007 OUTLINING A CREDIT UNION'S RESPONSIBILITY IN EVALUATING THIRD PARTY RELATIONSHIPS, AND HOW IT AFFECTS YOUR DUE DILIGENCE PRACTICES.

To expand services through product offerings, credit unions increasingly outsource functions and programs through collaboration with third parties. Developing sound third party relationships and alliances can assist credit unions in meeting their strategic objectives. The NCUA issued a letter in 2007 to Federally Insured Credit Unions outlining a credit union's responsibilities in evaluating third party relationships. This guidance was developed to assist in the evaluation of basic planning, due diligence, and controls credit unions should have in

place when engaging in third party relationships. The planning, due diligence, and controls required to safely engage in these relationships will depend upon credit union risk profiles and the type of relationship with the vendor.



What is RMG

AN EXPLANATION OF WHAT THE RISK MANAGEMENT REPORT GENERATOR IS, AND HOW IT CAN HELP YOU MEET YOUR DUE DILIGENCE REQUIREMENTS.

The Risk Management Report Generator is a template designed to assist you [credit unions] in completing the three phases of your evaluation of your relationships with CU*Answers and our partners. It is divided into three areas:

- Risk Assessment and Planning
- Due Diligence
- Risk Management and Monitoring

How it Works

AN EMPHASIS ON THE EASE OF USE OF THE RISK MANAGEMENT REPORT GENERATOR

The format follows the Supervisory letter line by line and the checklist at the end of this table follows the same list examiners will use when reviewing your evaluation process. It allows you to review the recommendations of the letter, has suggestions from our internal teams, and then allows you to document your answer or steps you have taken to complete the requirement. In some cases, your answers are not private, as a majority of them will be available for others to see and use. The goal of this template is to allow partners to view how other credit unions have answered the questions and built a database of answers given by peers. Once complete, you may then print the document and present it to your Board and Executive Team for final review.

IT'S EASY TO GET STARTED

1. To get started, contact Jim Vilker at 800-327-3478 x167 or Leah Sutherby at x211 to obtain log-on information.
2. Go to <http://rmg.cuanswers.com> and log in.
3. Update the "My Profile" section. Keeping this current is very important for ongoing communication
4. Next update the "My Vendor" section. Begin with the partner on which you will be performing your assessment. If it is not a cuasterisk.com partner you are still able to use the site but information regarding the vendor will not be saved or viewable by other credit unions.
5. Click "My Contracts" and enter all relative contract data. This section is what you will use to monitor contract status and review dates. You will be notified of the review dates via the e-mail address entered in your profile.
6. Next, go to the "My Reports" page and click "Begin New Report".
7. Answer the questions or review how your peers answered it. If you desire, you can simply copy an answer from one of your peers directly into your report.
8. You can save a draft of your report at any time. When you're ready to resume, simply go back to the "My Reports" menu to update. Clicking on the report allows you to view and print the report. Clicking on the answers will allow you to update the report. Once you finalize the report, click on "Draft" and update the status to "Completed".
9. Congratulations! You have just completed your first risk assessment.

*The Risk Management Report Generator is FREE to all CU*BASE Clients.