

RISK & FINANCE SOLUTIONS FOR COMMUNITY BANKS

Just because you are a Community Bank or a Regional Bank doesn't mean you have to settle for a lesser solution - Ambit BancWare solutions are packaged to meet the budgetary requirements of Community Banks yet built for expansion allowing you to grow into the bank of the future. SunGard's solutions for Community Banks are not watered down, feature stripped versions of more intricate software - they are generously endowed platforms that are not complicated, require less implementation, and are easy to use.

The Bank of the Future: Competitive Strategies for Community Banks

As a Community Bank, you require one cohesive solution to effectively meet your diverse requirements and growth strategy. For Community Banks, things like accessibility, responsiveness and versatility are valued as much as competitive interest rates.

Most importantly, you need solutions that can scale with your bank and in tune with your assets, allowing you to deploy a strategic approach to growth that includes a single technology platform to support you as you move forward. This approach will help to avoid the need to continuously switch software systems as you expand coverage and asset size.

"We're using SunGard's Ambit Risk & Compliance solutions for a number of different reasons. It allows us to see immediate results and provides a true interactive modeling environment, enabling us to make clear and concise decisions."

- Patrick Oate, Senior Vice President, Treasurer of Sterling Bank

Sterling Bancshares, Inc. is a Houston-based, publicly traded, bank holding company that operates 59 community banking offices in the greater Houston, Dallas and San Antonio metropolitan areas through its subsidiary, Sterling Bank. With just over \$4.5 billion in assets at year-end 2007, Sterling services small, owner-operated businesses that value personal service and rely on Sterling to understand their business and provide a consistent source of credit.

A COMPREHENSIVE & INTEGRATED APPROACH TO MAXIMIZING PROFITABILITY, MITIGATING RISK, & ENHANCING CUSTOMER RELATIONSHIPS



SunGard's Ambit BancWare solutions can help fill those needs and provide you with more time to focus on other aspects of your business and increase your profits.

Asset Liability Management

Ambit BancWare Asset Liability Management (ALM) fits your community-centric needs. Every bank's risk and performance management requirements are just as unique as the customers they serve, which is the reason the software within the Ambit Risk & Compliance solution suite provides the maximum controls to meet specific requirements. SunGard's flexible technology supports multi-tiered architectures, allowing you to deploy software in a variety of configurations, and scale efficiently as your business evolves. This is critical for a Community Bank where you are more likely to have a long-term strategy that contemplates expansion and growth.

The Ambit Risk & Compliance solution provide complete multidimensional analysis of balance sheets, incorporating interest rate risk, income simulation and market valuation using deterministic and stochastic modeling. With a flexible, scalable component-based architecture, the solution provides unlimited modeling capabilities and unlimited flexibility in the definition of business assumptions and gives you the most complete view of the communities you serve.

Profitability Analysis - Integrated Risk and Performance

For every bank, but particularly Community Banks, customer care is critical and central to your competitive strategy. Having a clear picture of who your most profitable customers are will help you become more strategic in your approach.

BancWare Profitability is a performance measurement solution that facilitates multi-dimensional analysis combined with flexible reporting and distribution options, giving you the insight into the community you need to actively increase profitability, improve your decision making and increase accuracy. An advanced analytic engine enables efficient and dynamic access to measures of risk-adjusted performance for financial products, legal entities, branches, business units, bank officers, customer segments, and individual clients. Flexible reporting options enable easy enterprise-wide distribution of data. Real-time, interactive pricing tools allow loan officers to price products in real time. Fully integrated with other Ambit solutions, Ambit BancWare Profitability helps Community Banks effectively assess profitability and performance for better decision-making. This is a key aspect of strategic growth planning, allowing you to maximize revenue and customer base.

"SunGard's Ambit Risk & Compliance solutions enable Sterling to perform unlimited scenario analysis using data from the transaction level. The credibility and intelligence of this solution is exactly what we needed to fully model and analyze the bank's sensitivities to interest rates throughout our financial statements and performance metrics."

- Stephen Raffaele, EVP, Chief Financial Officer of Sterling

Community Relationship Management

Today, Community Banks need to demonstrate to their board and stakeholders that the customers they keep and acquire are going to contribute to the profitability of the institution. This can only be achieved by expanding relations with the highest value customers and by negotiating or abandoning the relationships that provide poor returns or erode profitability. How can you tell which is which? At the point of origination, can your loan officers make the right choice?

Ambit BancWare Relationship Manager is a fully-integrated component of SunGard's Ambit Risk and Compliance solutions that help Community Banks determine which commercial, small business and high net worth relationships should be preserved or won. It can be easily implemented as a stand alone module or fully integrated with Ambit BancWare Profitability, Budgeting and Funds Transfer Pricing solutions to provide a comprehensive financial and analysis framework.

With Ambit BancWare Relationship Manager, senior management can enhance your bank's profitability and performance by instilling pricing strategies that motivate officers to pursue highest value, instead of highest volumes. Loan originators can clearly see how credit quality and loan structure characteristics affect capital requirements - allowing them to craft an effective offering that meets your customer's needs, while providing the bank with an attractive return on equity. Finally, lenders can pinpoint the economic break-even levels on the weakest-performing relationships and determine the right combination of collateral, fees, pricing adjustments or higher margin spreads required to meet your bank's established hurdle rates and offset higher risks, costs to serve and range of choices that are necessary to meet your community's needs.

Investment Accounting & Portfolio Management

When it comes to investment accounting and portfolio management, Community Banks need an easy-to-use, flexible solution for the back-office that provides accounting with securities tracking, regulatory compliance, report writing and full import/export capability. Having a solution that can integrate trading, operations and back-office accounting functions with interfaces to the G/L, asset liability, market data services and other disparate systems, helps deliver a clear picture and improved visibility for decision making. Whether you are looking for a basic system that can also be used for the more sophisticated MBS, CMO, strips, multi-currency and derivatives-based portfolios, this solution can help you gain insight to current & historical data.

Budgeting & Planning

An integral part of the SunGard's Ambit Risk & Compliance solutions, Ambit BancWare Budgeting & Planning helps financial professionals build and modify budgets in a decentralized fashion, manage and project cost center-level financial statements interactively, and align plans with the organization's strategic goals.





Developed in partnership with Business Objects, Ambit BancWare Budgeting & Planning is designed specifically for financial institutions, providing insight into net interest margin and full details of non-interest income and expenses. We understand that each Community Bank's needs are distinctive. With our flexible and scalable planning platform, we can tailor a solution that's right for you. Ambit BancWare Budgeting & Planning is integrated with the entire SunGard Ambit Risk & Compliance solution suite for data management, risk management, financial planning, profitability and performance measurement.

Integrated Risk and Capital Management

Ambit BancWare Abacus - today's best practice solution for enterprise-wide risk and capital management. Ambit BancWare Abacus delivers the tools you need for measuring risk, quantifying capital needs and determining risk-adjusted performance. Ambit BancWare Abacus lets your bank rapidly and cost-effectively deploy the type of economic capital framework that more and more banks are adopting to address their most complex risk and capital management needs. With Ambit BancWare Abacus' enterprise-wide approach, you'll be able to explicitly analyze, manage and price the risks you face across all your business lines - lending, trading, processing, asset management and other fee-based businesses - and maximize your return while assuming acceptable levels of risk in the communities you serve.

INTEGRATED RISK & PERFORMANCE SOLUTIONS

A leader in risk management, SunGard offers scalable technology and proven solutions that help Community Banks effectively analyze risk, forecast balance sheet performance, meet regulatory requirements and make critical business decisions. Our asset/liability management, profitability, customer relationship management, budgeting and planning, credit risk and economic capital solutions provide a complete picture of your business. A unified view of risk and performance measurements across all activities and markets drives greater understanding of your complete financial picture and allows decisions to be driven by common strategy and assumptions. SunGard can integrate critical financial management systems, giving you the power to share comprehensive analytics, decision support and performance measurement at all levels of your business.

With over 20 years of banking technology experience and more than 500 clients in 35 countries, SunGard's Ambit Risk & Compliance solutions deliver high-caliber, actionable intelligence to meet the specific needs of financial institutions - both large and small. Ambit Risk & Compliance solutions are part of the Ambit Banking Solutions Suite and is backed by the strength of SunGard, a global leader in integrated software and processing solutions. SunGard serves more than 25,000 customers in more than 50 countries, including the world's 50 largest financial services companies.

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