



Risk Integrated

CASE STUDY

Anglo Irish Bank further enhances centralized risk management with Risk Integrated

Anglo Irish Bank is a lender of financing for property acquisition, construction and land acquisition.

In 2003 Anglo Irish Bank recognised the value of implementing a quantitative risk measurement system for controlling its specialized property assets and to comply with the Basel regulations.

Anglo Irish Bank saw that the lenders and credit committee needed to be fully aware of the capital implications of any decisions made regarding issuing new loans. They required a comprehensive view of how risk and capital could be managed by modifying the deal structure before the deal was closed. To achieve this, the Bank needed the models to be implemented in a system that was fully integrated into the workflow of its credit approvals process.

This requirement for advanced risk models implemented in an enterprise-level system was met by Risk Integrated's Specialized Finance System (SFS). Risk Integrated developed and tailored detailed risk models for investment and construction commercial real estate assets, delivering them in client-based and server-based IT architectures. The robust architecture enabled the Bank to update their entire banking system and still connect to the Specialized Finance System (SFS) without any modifications to the SFS code.



Throughout the Anglo Irish Bank and Risk Integrated project, the development was matched with extensive working sessions with the Irish Financial Regulator to ensure that the regulatory requirements would be met by the SFS. Christine Mooney represents the bank on the Financial Regulator's Basel Implementation Forum and has been closely involved with the SFS said, "With the Specialized Finance System we have the results we need to quantify the risk, calculate capital, and deliver all the supporting statistics for the portfolio."

James Shaw, Head of Group IT at Anglo Irish Bank comments, "Part of my role at Anglo includes overseeing the implementation of the new Basel-compliant risk system. I was very happy with the delivery of the SFS. The support we have had from Risk Integrated during and since the end of the project has given us everything we needed for a smooth implementation of the system."

Risk Integrated's SFS provides both advanced Basel compliance and a quantitative framework for the bank's senior management to oversee the rapid and profitable expansion of the business.

Chris Marrison, founder and CEO of Risk Integrated agrees, "Working with Anglo Irish Bank has been very successful for both parties. This implementation has clearly shown the adaptability and flexibility of the Specialized Finance System and has demonstrated how swiftly it can be tailored to meet the needs of the user. We look forward to continuing our relationship with Anglo Irish Bank and working with them in the complicated world of regulation and risk management for the commercial real estate market."

Since the initial implementation project, Risk Integrated has continued to support Anglo Irish through a six year maintenance



About Anglo Irish Bank Corporation



Anglo Irish Bank Corporation plc, headquartered in Dublin, is a business bank, operating in the U.K., U.S. and Ireland. Anglo's business banking includes commercial property finance and asset finance and services in corporate treasury and international trade.

Anglo's property team maintains offices in London, Dublin, Birmingham, Manchester, Glasgow, and Boston offering experienced property specialists in many assets types such as office, retail, warehouse, and multi-family housing. The customer base of the banking division ranges from individuals with private investment transactions to large companies funding multi-million pound development projects.

About Risk Integrated

Risk Integrated is the leading consulting and software firm focusing on risk measurement for specialized lending including commercial real estate, project finance, object finance, commodities, and asset-backed securities. Our core product, the Specialized Finance System, is a complete, enterpriselevel platform to assist financial institutions to quantify, manage and report their risks. Our objective is to give each client a clear, integrated view of their risk in structuring new assets and managing portfolios of thousands of assets. ■