

## FAS157 Fair Value Measurements Reporting Service

[Bank Reporting Sciences](#) is one of the Nation's leading independent providers of Asset/Liability Management modeling and reporting services to financial institutions. For over 10 years, we have made the arduous task of year-end reporting easier and less stressful for hundreds of bankers by preparing their FAS107 Fair Value Disclosure quickly, reliably and cost-effectively. Now, we are applying our expertise in financial instrument modeling and valuation to provide reporting for the new [FAS157 Fair Value Measurements](#).

Provided to banks and non-bank entities such as health care, insurance, and general finance companies, our [FAS157 Reporting Service](#) enables efficient compliance with [Level 2](#) and [Level 3](#) Inputs for entire loan portfolios or individual loan sectors. The FAS157 analysis is performed at the individual loan level. Our proprietary, independently validated, ALM Modeling software evaluates each loan's remaining maturity, credit quality, allocated reserve, and other risk factors to develop a rational and mathematically sound estimation of its Fair Value. That is, the market price at which a hypothetical buyer could reasonably expect to purchase a given loan.

Our FAS157 Report has 3 components: An Executive Summary, A Detailed Loan Analysis, and a Discussion of Calculation Methodologies. The data inputs to perform the FAS157 analysis must be provided in electronic form and certain data fields must be present for an effective analysis. The accompanying [FAS157 Reporting Service Data File Guide](#) provides all the information you need to prepare a usable loan data input file.

Our fee for a FAS157 Report is based on the scope and complexity of your reporting needs. We will provide you a non-binding Service Agreement, including a fee quote, for your approval before any work is performed. Additionally, we will provide our Statement of Confidentiality and will gladly sign your Confidentiality document as well.

For more information

☎ 410-799-7002 • ✉ [FAS157@BankReportingSciences.com](mailto:FAS157@BankReportingSciences.com).

[We look forward to making your year-end reporting easier!](#)

## FAS157 Reporting Service Loan Data File Guide

Your Loan Data File will be downloaded into our Asset/Liability Management modeling software for automated analysis and reporting. To do this, we require your loan data file meet the following criteria:

1. The data file must be an unformatted flat file, where each line represents an individual loan. The data file **cannot** be a report.
2. Blank lines and totals cannot be present within the body of the data set.
3. **All required data fields must be present.** (See Loan Data File Fields table below.)
4. Acceptable data file formats are: Excel, Comma Separated Value, or Fixed Field Text.
5. Data column headers are optional.
6. Data columns do not need to be in a particular order as long as they can be identified.

A standard data file produced by your internal core processing or accounting system, generated in a usable file format (see above), that contains the required data fields as well as numerous other data fields is an acceptable loan data file. We will ignore the data fields we do not need.

If you are unable to produce a usable data file, then BRS can provide you an Excel template into which you can input your loan data detail.

Loan Data File Fields

#	Field	Type	Description
1	Balance	Required	The ending ledger balance as of the reporting period
2	Rate	Required	The contractual rate expressed in decimal form
3	Maturity Date	Required	The final maturity date expressed as MM/DD/YY
4	Re-Price Date	If Applicable	The next rate reset date for a floating or adjustable rate loan expressed as MM/DD/YY
5	Cash Flow Type	Optional	Amortizing or Single-pay Bullet. If not available, Amortizing will be assumed
6	Performance Status Code	Required	Code indicating loan performance status—e.g. Current, Past-Due <90 Days, Past-Due >90 Days, or Non-accrual
7	Loan to Value Ratio	Required	Ratio indicating the Loan to Value relationship
8	G/L Number	Optional	The G/L Code for mapping to provided loan category

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## FAS157 Reporting Service Loan Data File Guide

### Items Needed for Summary Reporting

#### Reporting for Homogeneous Loan Portfolios

For a homogeneous loan portfolio, loan detail will be rolled-up into a single balance, and reported along with accompanying statistics reported at the portfolio level.

#### Reporting for Heterogeneous Loan Portfolios

To enable the summary reporting for non-homogeneous loan portfolios, we require the items below to consolidate loan detail into the major loan categories that are reflected on your balance sheet.

Reporting Reference Keys	
G/L Code Category Prefixes	Major Loan Balance Sheet Categories
<p>The first portion of a General Ledger account number that represents a particular major loan category.</p> <p>This enables the mapping of individual loans to a loan category and the consolidation of their balances into a single category total.</p>	<p>The major loan categories, as broken out on the Balance Sheet, to which individual loans are mapped. Examples: "Real Estate Construction", or "SBA Loans".</p>

### Loan Loss Reserve Information

#### The Loan Loss Reserve for Homogeneous Loan Portfolios

For a homogeneous loan portfolio, Loan Loss Reserve will be allocated across the entire loan portfolio according to the relative credit quality of each individual loan within the portfolio.

#### The Loan Loss Reserve for Heterogeneous Loan Portfolios

If internal calculations have been performed to allocate the Loan Loss Reserve across the major loan categories then please provide that data, and we will replicate your internal Loss Reserve allocations. Otherwise, we will allocate the Loan Loss Reserve according to the relative risk-weightings we assign to your various major loan categories. The allocation of Loss Reserve may be further refined By BRS by assigning additional risk weighting to individual loans based on their credit quality.

#### When There is No Loan Loss Reserve

If a Loan Loss Reserve is not carried on your balance sheet, we will assume a total Loss Reserve of 1% to 1.50% of the total loan volume being valued.