

Broker/Dealer Services

At Balance Sheet Solutions, LLC, we have a partnership approach to investment services. Our registered representatives work with you to understand your credit union's needs and identify customized solutions. Balance Sheet Solutions reflects our commitment of becoming your credit union's strategic business partner, and a provider of solutions on both sides of the balance sheet. This includes investments, liquidity options, asset/liability modeling, and investment advisory services. We have a unique blend of expertise: many Chartered Financial Analysts (CFA) on staff; former investment managers; former natural-person credit union executives; and a team with deep capital markets experience – all working to provide comprehensive solutions for your credit union.

Our goal is to enable your credit union to achieve its investment objectives; balancing your organization's unique risk profile with its policies and income needs. We emphasize an industry leading approach to portfolio management, focusing on relative value, various investment strategies, and the security selection process.

We provide many educational resources, such as market reports focused on our total return approach, publications, and frequent workshops and online learning sessions addressing asset/liability management and portfolio investment strategies. Our consultative approach also encompasses ongoing individual education that is provided by our registered representatives.

Our broad selection of fixed income investments includes:

U.S. Treasury Securities - U.S. Treasury Securities are issued by the Treasury department with the timely payment of principal and interest guaranteed by the full faith and credit of the United States government. Most market participants consider U.S. Treasuries the highest credit quality in the world markets.

Federal Agency Securities - Federal Agency Securities are issued by Government-Sponsored Entities (GSEs), most of which are privately owned, publicly chartered companies. Each was created by Congress to provide liquidity and reduce the borrowing costs for sectors of the economy deemed critical, such as farming, education, and mortgage financing.

Mortgage-Backed Pass-Through Securities - Mortgage-Backed Pass-Through Securities represent a direct interest in a pool of underlying mortgages. Investors receive a pro rata share of the interest (less a servicing fee), and principal cash flows generated from the mortgage pool. The principal payments include scheduled amortization, and any early principal payments resulting from prepayments, refinancings, or defaults. These payments are "passed through" to the investor on a monthly basis.

CMOs/REMICs - The landscape of the Mortgage-Backed Securities market was dramatically changed in 1983 with the issue of the first Collateralized Mortgage Obligation (CMO). CMOs are backed by large pools of mortgages, or mortgage-backed securities, whose cash flow is distributed to the holders of the issue. Unlike pass-throughs, however, the cash flows are not distributed pro rata. Instead they are directed to different classes, or "tranches," of the CMO based on their individual characteristics. This structure allows investors to choose a CMO class that fits their maturity, volatility and yield parameters.

A CMO's yield and average life will fluctuate depending on the actual rate at which mortgage holders prepay the mortgages within the CMO. They will also fluctuate due to changes in interest rates.



Member FINRA/SIPC

Advantages

- **State-of-the-Art.** We provide risk/return analytic tools with a best practices approach to portfolio management, including marketable securities. We engage in a proven approach to portfolio management that assists your credit union in assessing its risk and value in the marketplace.
- **Convenient.** Balance Sheet Solutions allows your credit union to access all of its investment options through a trusted business partner.
- **Knowledgeable.** Our expertise in the investment markets is unique in its singular focus on credit unions.
- **Flexible.** You can select from a broad mix of fixed income investments, including Government and Agency Securities, Mortgage-Backed and Asset-Backed Securities, and Money Market Instruments.

Getting Started

Simply contact your Balance Sheet Solutions Account Executive at 888-796-6389 to get started.

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Balance Sheet Solutions, LLC is a Securities and Exchange Commission (SEC) registered broker-dealer and investment advisor and is a member of the Financial Industry Regulatory Authority (FINRA) and Securities Investor Protection Corporation (SIPC).

www.balancesheetsolutions.org