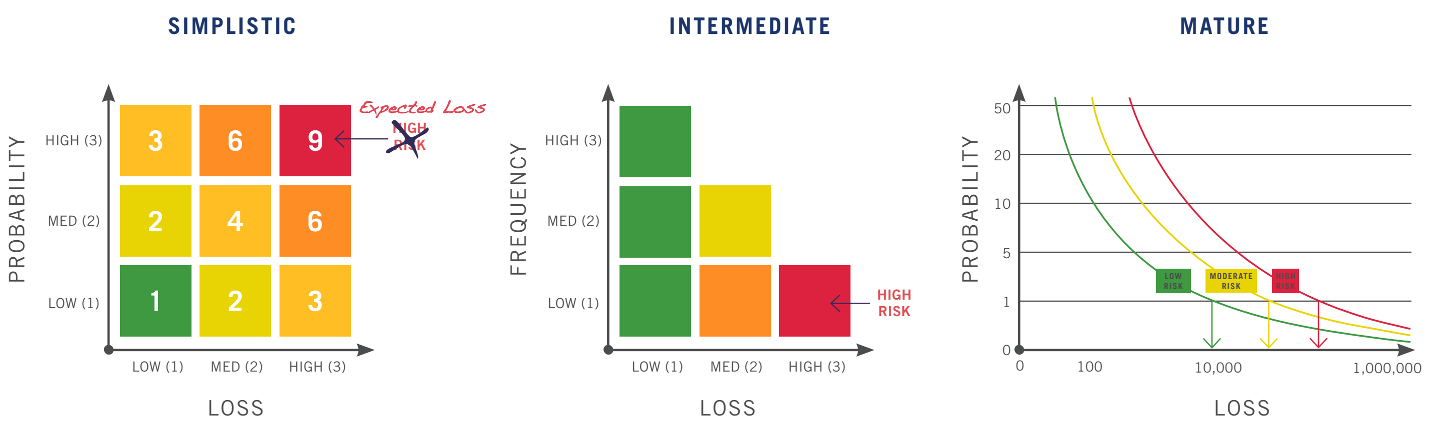
ENTERPRISE RISK MANAGER

The Enterprise Risk Manager™ is the first risk management solution that enables practitioners to systematically identify and assess their key enterprise/operational risks in an objective, transparent and theoretically valid manner. It is also the first solution that allows executive line managers to explicitly incorporate risk information into strategic decision making.

Key Features and Functionality

- Allows for all key risks and sub-risks (at any level of granularity) to be assessed based on a mature, theoretically valid conception of risk.
- Enables managers, senior managers and C-level officers to optimize risk-reward, risk-control and risk-transfer, in the context of cost-benefit analysis, at the risk tolerance level of the stakeholders. Perfectly suited for executive decision-makers.
- Offers myriad practical risk management applications. Can be used to analyze the feasibility of new business proposals, as well as the viability of investments in risk mitigation (improved controls) and risk transfer (insurance) – based on the *Cost of Risk* method.
- Allows for all relevant information, i.e., hard data, soft data and/or expert opinion – and any combination of the three, to be incorporated into the analysis.
- Produces virtually instantaneous risk results by employing an ultra-high speed Monte Carlo simulation engine. Ideal for "what-if" scenario analysis.
- Leverages complex algorithms and mathematical techniques, such as the Annualized Loss Exceedence Curve (ALEC) method (patent pending) and advanced Monte-Carlo simulation. Nevertheless, this highly intuitive and user-friendly tool requires virtually no prior knowledge of mathematics or statistics.

Simplistic, Intermediate and Mature Conceptions of Risk Assessment

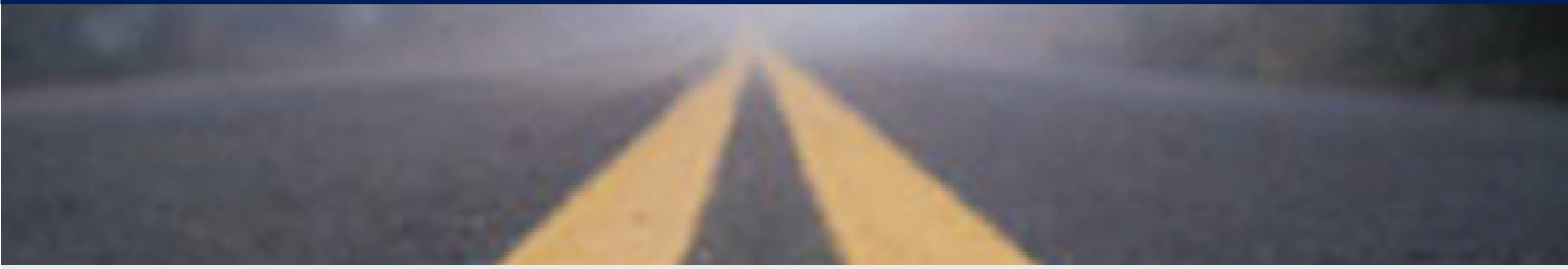


Risk does not represent probability x loss; risk represents the full range of potential adverse (loss) outcomes (i.e., a curve). To assess risk of loss means to estimate the potential loss at a specified probability level (e.g., 1%). In the figure on the right, the high risk curve lies above the moderate risk curve, which lies above the low risk curve – indicating that where the risk is high, the potential for loss is greater at all probability levels.

Risk curves show that there is a natural relationship between probability and loss, such that, for a given risk, the larger the potential for loss, the lower the probability of exceedence, e.g., a $1,000,000 loss exceedence is less probable than a $10,000 loss exceedence.

SRA Stamford Risk Analytics

OUR MISSION



A key goal of risk management is to create a transparent process for business decision making, whereby executives can confirm that they are pursuing strategies which are in conformity with the risk tolerance standards of the stakeholders.

Stamford Risk Analytics has a unique mission. Our goal is to help our clients–across all industries–understand the benefits of Modern ERM and to assist them in adopting this holistic approach to managing risk.

Modern ERM is a risk management framework. It is the only ERM framework based on a mature conception of risk, an intuitive and consistent risk taxonomy and an integrated measurement-management methodology. Modern ERM addresses the core risk management requirements of small, medium and large sized organizations.

Stamford Risk Analytics is headed by Ali Samad-Khan, a globally renowned expert in risk management. For his thought leadership work in this field, Mr. Samad-Khan has been recognized as "one of the 100 most influential people in finance" by Treasury & Risk Management Magazine.

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