



## SRA Company Profile

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*Reinventing Risk Management*

### SRA Company Background

- Stamford Risk Analytics (SRA), formerly OpRisk Advisory, was founded in 2004.
  - SRA was founded by Ali Samad-Khan, who also founded OpRisk Analytics (2001) – a leading provider of operational risk software.
  - SAS acquired the principal assets of OpRisk Analytics in 2003.
- SRA has advised more than 100 of the world's leading banks, investment banks, energy, technology, transportation and insurance companies, multi-lateral organizations and national and international regulators in over thirty countries in North America, Europe, Asia, Africa and Australia.
- We returned to the software space in 2009 after discovering the ALEC Method – a new method of modeling risk.
  - ALEC transforms risk management from a compliance exercise to a process that genuinely supports risk-based decision making and adds tangible value.
  - ALEC is applicable to market, credit and operational risk.

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## SRA Founder – Ali Samad-Khan



**Ali Samad-Khan** is Founder and President of Stamford Risk Analytics. He has over 14 years of experience in risk management and more than 25 years of experience in financial services and consulting.

Ali has advised more than 100 of the world's leading banks; insurance, energy and transportation companies; and national and international regulators on a full range of risk management issues. Key elements of his Modern ERM/ORM framework and methodology have been adopted by leading institutions around the world.

Recognized globally as a thought leader in the risk management space, Ali's provocative articles and white papers have served as a catalyst for change in the way organizations manage risk. For his pioneering work in this field, Ali was named "one of the 100 most influential people in finance" by Treasury & Risk Management magazine. Ali is also a charter member of Who's Who in Risk Management.

Prior to founding Stamford Risk Analytics, Ali served as a Principal in the ERM Practice at Towers Perrin (now Towers Watson), where he was also Global Head of Operational Risk Management Consulting. Previously, Ali was Founder and President of OpRisk Analytics LLC, a software and data provider, which was acquired by SAS in 2003. Before that Ali worked at PricewaterhouseCoopers in New York, where he headed the Operational Risk Group within the Financial Risk Management Practice. Prior to that, he led the Strategic Risk Initiatives Group in the Operational Risk Management Department at Bankers Trust. He has also worked as a policy analyst at the Federal Reserve Bank of New York and at the World Bank.

Ali holds a B.A. in Quantitative Economics from Stanford University and an M.B.A. in Finance from Yale University.

## SRA's Products and Services Offering

- Research Projects
- Educational Seminars
- Advisory and Consulting Services
- Software Products



## SRA's Advisory and Consulting Service Offering

To help confirm that your organization's enterprise risk management framework is consistent with the evolving standard for industry best practices, we can provide a framework review, gap analysis and Modern ERM/ORM roadmap.

We jointly review the assumptions underlying your overall management approach and regulatory compliance strategy.

Through a pilot project or a firm-wide implementation of an integrated enterprise risk measurement-management program we can help your organization increase transparency, improve operational efficiency, minimize losses, reduce risk and optimize risk-reward, risk-control and risk-transfer decisions.

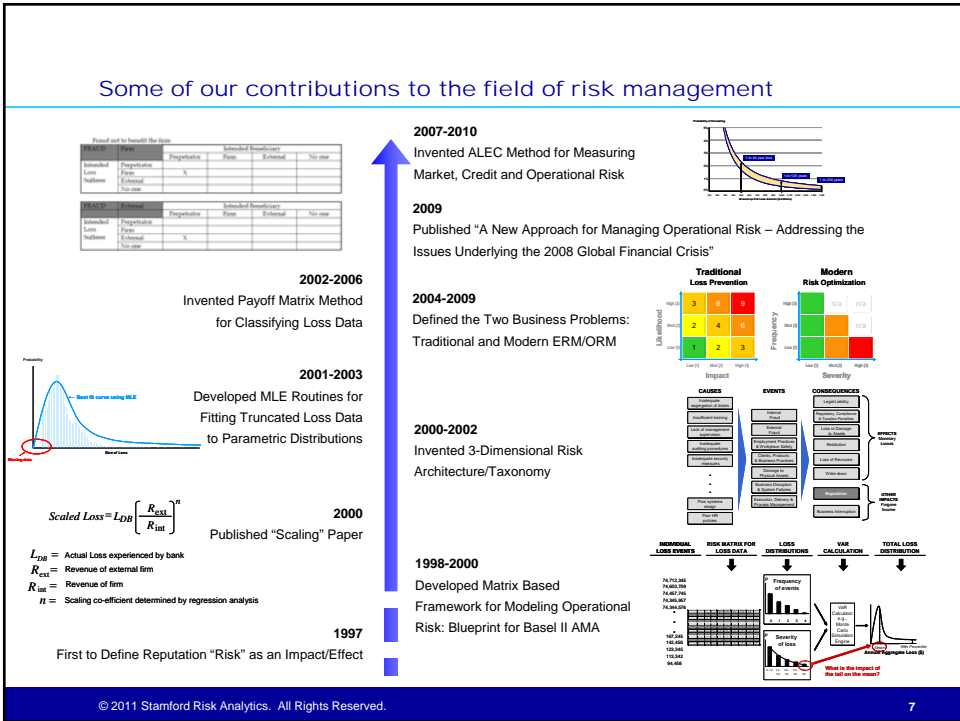
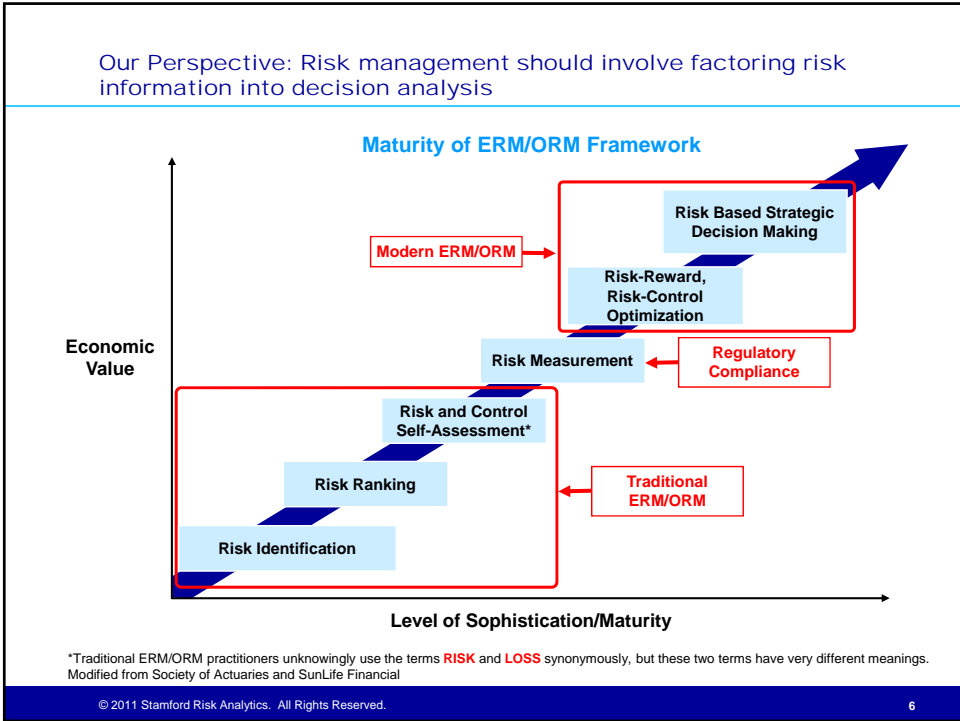


- Educational seminars
- ERM/ORM framework review, gap analysis and roadmap
- ERM/ORM framework design
- Risk architecture/taxonomy design
- Risk tolerance policy and strategy
- Governance: policies and procedures; roles and responsibilities
- Advanced ERM/ORM VaR measurement capability and economic capital allocation methodology
- Scenario analysis/stress testing
- Model review
- Internal operational loss event data collection process
- Metrics: risk indicators identification and implementation
- Control self-assessment questionnaires design and implementation
- ERM/ORM software assessment: make or buy; system, external loss data evaluation
- Internal model development
- System implementation

## SRA's four software products – released in 2010 – make implementing Modern ERM/ORM a practical reality

- Business Decision Analyzer
- Stress Economic Capital Assessor
  - Market Risk
  - Credit Risk
  - Operational Risk
- Model Validator
- OpRisk Modeler
  - Loss Distributions Approach
  - Scenario Analysis

All four products leverage the revolutionary new ALEC methodology – which is causing a paradigm shift in risk management practices – across all areas of risk management and all industries, globally.



Many leading institutions have adopted key elements of our Modern ERM/ORM framework; our innovative thinking has served as a catalyst for change in the world of finance

**OPRISK ADVISORY CEO ALI SAMAD-KHAN NAMED AMONG 100 MOST INFLUENTIAL IN FINANCE**

Stamford, CT – June 26, 2006. OpRisk Advisory President and CEO, Ali Samad-Khan, has been named one of the 100 most influential people in finance by Treasury & Risk Management in the June 2006 edition of the magazine.

In describing its process for making this selection the magazine stated: "Singling out the 100 most influential people in finance each year is probably Treasury & Risk Management's hardest task. The editors speak to a raft of executives, bankers, economists, technology vendors and consultants to come up with the final list. The search is not just for the smartest or most successful—although all of the following could fit those criteria—but those who have been making waves in the last 12 months."

The magazine further explained that Ali Samad-Khan was included on this list because:

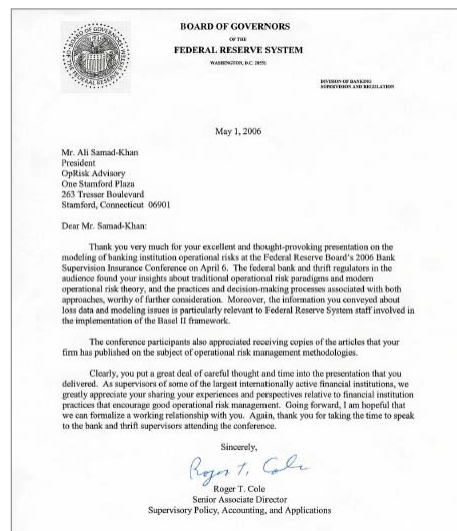
"... (his) pioneering work in operational risk management has had a significant impact on the way banks manage risk."

This year's list also includes a number of familiar names, such as:

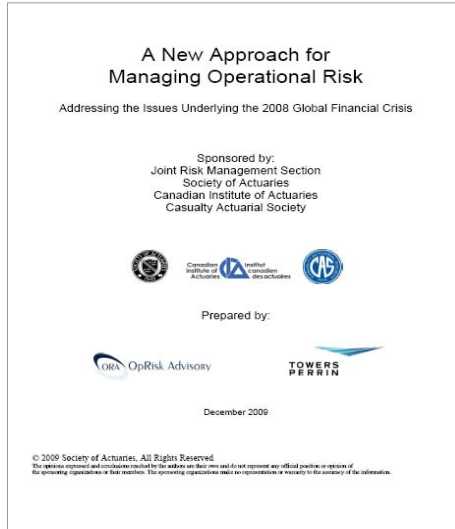
- Warren Buffett, Chairman and CEO, Berkshire Hathaway Inc.
- Christopher Cox, Chairman, Securities and Exchange Commission
- Ben Bernanke, Chairman, U.S. Federal Reserve Board
- Toshihiko Fukui, Governor, Bank of Japan
- Sir David Tweedie, Chairman, International Accounting Standards Board
- Zhou Xiaochuan, Chairman, Monetary Policy Committee, People's Bank of China
- Stan O'Neal, Chairman, CEO and President, Merrill Lynch & Co.
- Henry Kravis, Founding Partner, Kohlberg Kravis Roberts & Co.

"While it's a tremendous honor to be part of such an illustrious group, it's equally rewarding to know that so many banks are employing the methods we developed to manage this significant exposure," said Ali Samad-Khan. "We have only just scratched the surface of this new field. I hope we will continue to make many more discoveries in this area in the coming years."

The value of our "Modern" approach to risk management has been acknowledged by leading regulators, including Roger Cole, who was Chairman of the Risk Management Group of the Basel Committee



For more information on Modern ORM, please refer to the following research paper, which is freely available on the SRA website [www.stamfordrisk.com](http://www.stamfordrisk.com)



OpRisk Advisory LLC has been rebranded as Stamford Risk Analytics LLC since late 2009

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Our thought leadership pieces have been published in English, French, German, Russian and Chinese. These papers are available at no charge at [www.stamfordrisk.com](http://www.stamfordrisk.com)



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## Modern ERM/ORM must become a strategic imperative for every major corporation and its stakeholders

Implementing a Modern ERM/ORM framework allows organizations to accomplish the following:

- Facilitate the holistic management of all risks across the enterprise, based on a consistent definition of risk and a comprehensive risk architecture/taxonomy.
- Embed a risk culture that reflects and harmonizes the goals of key decision makers and external stakeholders.
- Create a structured and transparent process for factoring risk into the business decision-making process — at both a tactical and strategic level. Specifically, provide managers, senior managers and C-level executives the tools and information they need to optimize risk-reward, risk-control and risk-transfer in the context of cost-benefit analysis.
- Reduce information asymmetries between managers and stakeholders to help confirm that managers are pursuing strategies that conform to the risk tolerance standards of the stakeholders, i.e., mitigate principal-agent risk.
- Accurately incorporate the impact of rare “black swan” events into risk measures and risk-based profitability metrics.
- Incorporate soft data and expert opinion into risk models in an objective, transparent and theoretically valid manner – in order to update the risk profile when historical data becomes obsolete.

## Contact us

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