

The AMXi Enterprise Risk Management Program

Executive Summary

The AMXi Enterprise Risk Management Program is an innovative and comprehensive approach for the implementation of an SEC compliant enterprise risk management solution. Our approach provides the agility needed to aggressively maximize business performance and the scalability to support the integration of new business lines and acquisitions. It also strikes a sustainable balance among quantitative methods, qualitative observations, hands-on experience and good business judgment. Our approach provides directors, senior executives and key decision makers with a process to significantly improve risk management, business resiliency, financial performance and stakeholder value.

The approach leverages the corporation's existing investment in employees, methodologies, frameworks, industry standards, policies, procedures, models and infrastructure, where possible. It enhances the understanding of risks through training conducted throughout implementation. Directors, senior executives, managers and staff benefit from actionable, timely and accurate risk management reports and dashboards, with drill-down information.

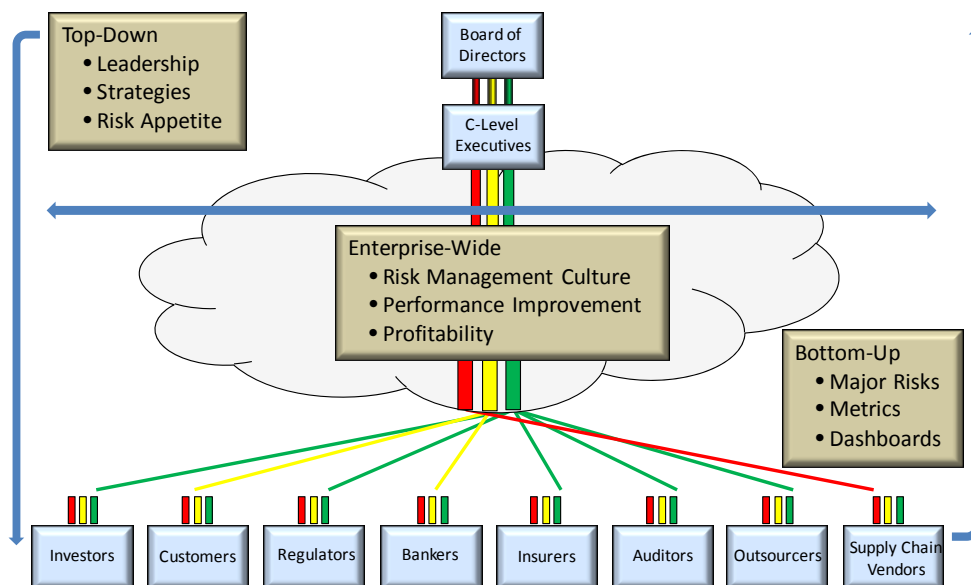
Directors – Risk management is a major issue for directors. It is imperative that directors increase their understanding of major risks facing the corporation and access to tools to research major risks so they can independently validate senior executive claims. Business judgment rules only protect directors that are actively engaging senior executives.

Senior Executives – It is critical that senior executives maintain a keen awareness of major risks and opportunities. Uniform, timely, accurate and complete risk information improves corporate communications and decision making, allowing senior executives to take risks that create greater stakeholder value.

Federal Legislation and the SEC – The federal government has increased its focus on corporate risk management. Pending legislation requires directors and nominees to disclose their risk management experience, qualifications and skills. The SEC has also released new rules requiring disclosure of the board's risk management oversight.

Analyst Evaluations and Credit Ratings – Credit rating agencies are now including enterprise risk management assessments in their corporate credit rating process. Our approach will improve your evaluation and credit rating.

Approach – Our top-down, bottom-up and enterprise-wide solution makes risk management an integral part of the corporate culture. Our approach is designed to make risk management less challenging by linking stakeholder expectations, corporate objectives, corporate strategies and major risks. We focus on business performance and the proactive management of major risks. Directors and senior executives establish the corporate risk appetite. A working committee starts with the highest priority corporate strategy and drives down and across the enterprise taking into account existing risks, processes, methodologies, frameworks, metrics and employee risk awareness. On the way up and across the enterprise, silos, gaps and overlaps are eliminated, risk processes are aligned, new risks are identified, real-time metrics are created, dashboards with drill-down information are developed and employees are trained.



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