



Addressing ORM Software needs in the financial services market

The market requirement for Operational Risk software within the financial services sector has changed dramatically over the last 3 years. Today, financial services organisations require a much greater emphasis on business benefits, market expertise, risk aggregation, capital allocation and the ability to cater for differing views of risk in a single platform.

In addition to the base requirements of Risk and Control Self Assessment (RCSA), Loss Event Capture, Key Indicators, and Reporting, our view is that the market requires a total solution for Operational Risk which includes the following:

Market Requirements	Chase Cooper Solution aCCelerate
<ul style="list-style-type: none"> • Rapid deployment 	<ul style="list-style-type: none"> • Specialised in-house implementation team ensures rapid deployment • Functional requirements addressed through configuration and not customisation
<ul style="list-style-type: none"> • Risk aggregation over multiple business lines, geographies and risk appetites 	<ul style="list-style-type: none"> • Aggregates risk across a wide spectrum of criteria • Multi-level hierarchies effectively models the organisational structure of an institution presenting multiple views of risk aggregation for differing risk appetites • Enables deployment at small stand alone business units and aggregated into an Enterprise Wide deployment at a Tier 1 institution
<ul style="list-style-type: none"> • Linkage of ORM to profit and loss of individual business units and business entities • Fully integrated modelling of RCSA data • Utilisation of RCSA data to complement loss data for Capital Charge purposes • The availability of analytical tools to model risk scenarios, to provide the Operational Risk executive similar tools that are available to Market and Credit risk executives 	<ul style="list-style-type: none"> • Real Time Risk Analytics (RTRA) models RCSA data and analyses control effectiveness • Highlights where resources can be deployed with greater benefit • Analysis of a firm's sensitivity to changes in risks and controls • Computation of Residual Risk from RCSA data. • Enables multiple 'what-if' scenarios to be modelled to investigate the P&L impact of, for example, the introduction of additional controls or the introduction of new risks • Used to meet regulatory capital calculation requirements e.g. ICAAP • Fully integrated within our suite of products and shares the same data-set, or a stand-alone basis

Market Requirements	Chase Cooper Solution aCCelerate
<ul style="list-style-type: none"> Fully integrated Capital Charge modelling and capital allocation Modelling tools which embed the mathematics and statistics within the module, enabling users to focus on the business issues 	<ul style="list-style-type: none"> Real Time Capital Analytics (RTCA) module provides full functionality for calculating capital charges A unique feature is its integration with Real Time Risk Analytics which enables RCSA data to be used in a very structured and mathematically rigorous manner to derive a regulatory capital charge. Enables capital allocation purposes by business line or entity without being constrained by Basel categories only Our modelling tools have sophisticated mathematical and statistical functions embedded
<ul style="list-style-type: none"> Dashboard reporting with interactive access to underlying data Integrated, interactive reporting with maintenance of user security 	<ul style="list-style-type: none"> Our reporting is embedded within our solution and thus maintains all the security of the users profile throughout. Interactive dashboard – over 50 standard reports
<ul style="list-style-type: none"> ORM systems must be a facilitator for the elimination of inefficiency by providing ‘what-if’ scenarios and simulations and supporting 6 Sigma techniques 	<ul style="list-style-type: none"> RTRA module simulates the effect of planned changes in the control environment. In this way, we effectively have a ‘6 sigma test bench’ whereby the effect of action plans can be assessed and modified in a structured and systematic way
<ul style="list-style-type: none"> Composite Key Indicators 	<ul style="list-style-type: none"> Functionality rich it monitors key risks, key controls, and key performance on both a unitary and composite basis
<ul style="list-style-type: none"> Multi-level escalation processes 	<ul style="list-style-type: none"> Fully integrates with a client’s email system and has the facility to create and monitor action plans. It is also possible to set up automatic monitoring of risk and control assessments with automated escalation if they are not carried out
<ul style="list-style-type: none"> Facilitation of firm-wide loss event reporting 	<ul style="list-style-type: none"> Ranked First by Risk magazine, the loss event database is – functional rich A web capture form which can be configured by the client, and is accessible to ALL of their staff without them being registered users of the system. It requires no knowledge of aCCelerate and greatly facilitates the loss data collection process
<ul style="list-style-type: none"> User defined data collection and analysis 	<ul style="list-style-type: none"> ‘User Defined Fields’ give a client the ability to define their own reference point for their data, and capture data fields specific to their business, without reference to Chase Cooper or requiring a change in the system Enormous flexibility
<ul style="list-style-type: none"> Must support multiple risk frameworks e.g. Basel, Sox, COSO, Solvency II, process view of risk 	<ul style="list-style-type: none"> Highly flexible and supports differing views of risk throughout a group. Can be aggregated upwards Unique hierarchical structure functionality enables us to meet this market requirement entirely
<ul style="list-style-type: none"> ORM system must be able to reflect changes in organisational structure rapidly 	<ul style="list-style-type: none"> With unlimited hierarchical levels to model a large organization, organisational changes can be made at a click with ALL underlying data moving with it

The aCCelerate software suite delivers extensive functionality and reporting capabilities to provide a powerful and effective solution for your operational risk management requirements.

Accelerate Analyst - Operational Risk Assessment

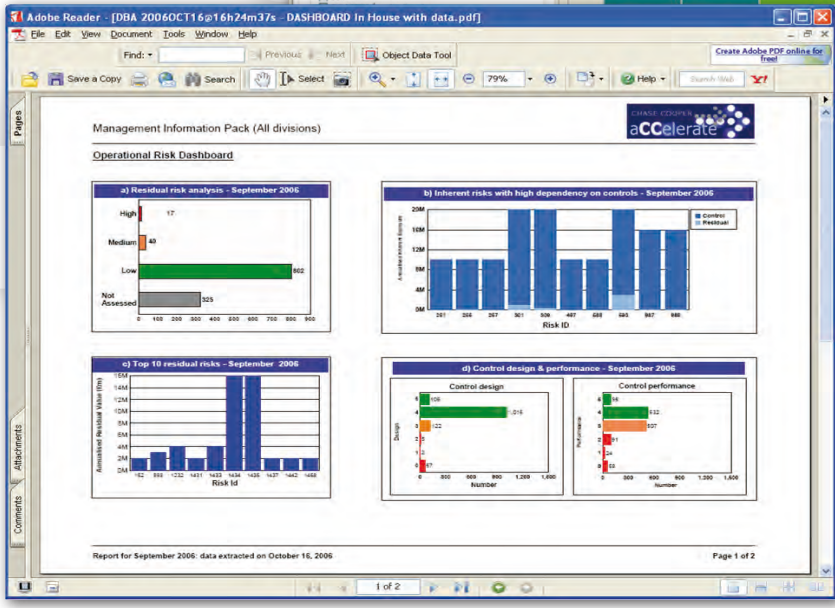
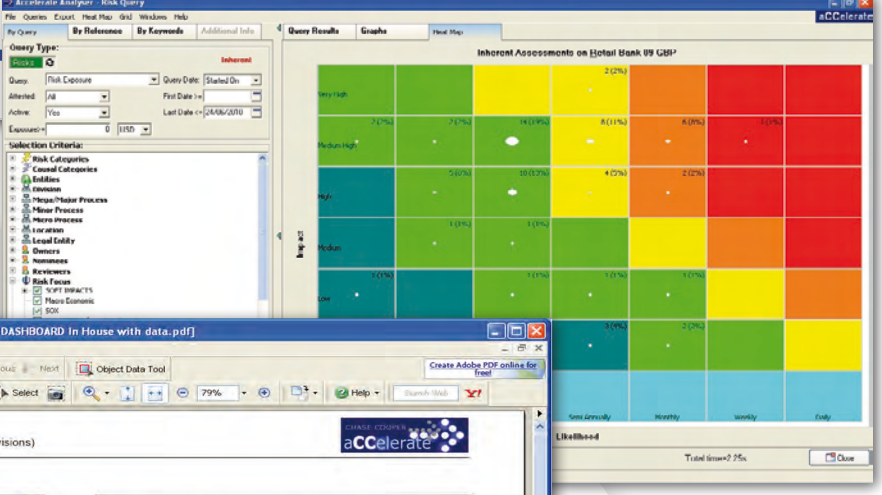
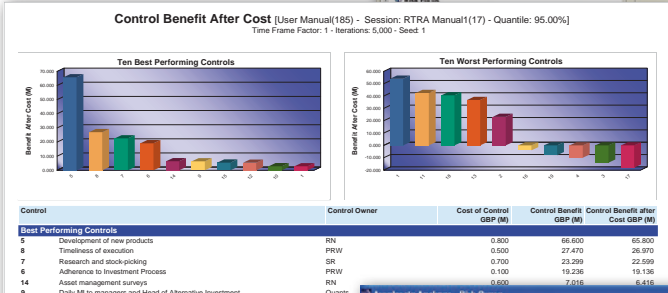
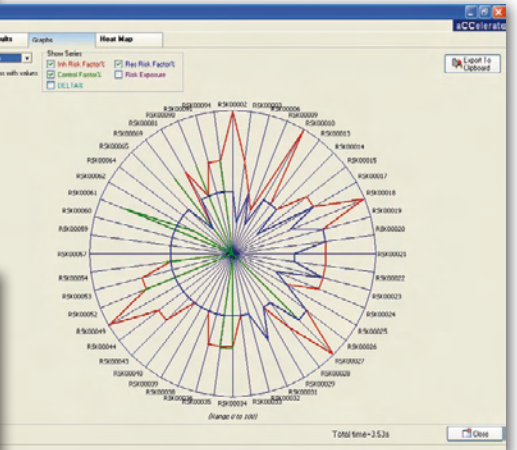
Entity: ENT0000 Retail Risk Ref: RSK00001
 Location: Glasgow, Basel Business Line: Retail Banking, Divisions: Retail, Legal Entity, Group Plc, Process: N/A
 Description: Risk: Failure to attract, recruit and retain key staff
 Risk Category: NS Not Set
 Causal Category: Not Applicable

Assessment: Date: 30/04/2007, NOT ATTESTED, Due on: 30/04/2007
 Assessed by: DBA Database Administrator
 Consistency: Consistent

Ref	Date	Attended	Y	R	T
ASR00001	30/04/2007				
ASR00002	24/02/2007				
ASR00003	20/02/2007				
ASR00004	31/01/2007				
ASR00005	31/01/2007				
ASR00006	31/01/2007				
ASR00007	31/01/2007				
ASR00008	31/01/2007				
ASR00009	31/01/2007				
ASR00010	31/01/2007				
ASR00011	31/07/2006				
ASR00012	31/07/2006				
ASR00013	31/07/2006				
ASR00014	31/07/2006				

INHERENT: Medium (10,000) RESIDUAL: Medium (5,000) TARGET: Low (2,000)

Impacts (bars per event):
 Direct All: High 5,000,000 / Low 7,500,000 / Medium 7,500,000 / Min 1,000,000 / Max 100,000
 Financial Worst Case: Low 7,500,000 / Medium 7,500,000 / High 7,500,000
 Reputation: Medium / N/A / N/A / N/A / N/A
 Lost Income: N/A / N/A / N/A / N/A / N/A
 Unbudgeted Staff: N/A / N/A / N/A / N/A / N/A



Overview

Chase Cooper is a dynamic risk and compliance management solutions provider. Focusing on the financial sector, it provides unique all round solutions for for the Governance Risk & Compliance (GRC) space including Enterprise Wide Operational Risk, incorporating leading frameworks such as Basel II, COSO, FERMA, SOX, Solvency II and ICAAP.

Through its strategic partnership with Dion Global Solutions (Dion) a market leading provider of solutions to global financial institutions has afforded Chase Cooper with access to an established global distribution channel. As Part of a large diversified business group, Dion's domain expertise spans more than 25 years in Trading, Clearing & Settlement, Messaging, Customer Management, Technical Analysis & Research and Information services providing a complete holistic offering. Committed to providing the very best, Dion works alongside clients and world renowned technology partners to implement and support solutions to increase productivity, reduce costs and facilitate growth.

Our risk and compliance management solutions are used by many of the world's leading financial institutions. Our risk solutions are flexible, scalable and easily adaptable to meet the individual risk management requirements of our clients. We build long term partnerships with our clients ensuring we understand their needs and by embedding our solutions, our clients are kept up to date with best market practices.

Our purpose built, **award winning** software solution **aCCelerate**, is a combination of comprehensive functionality, a highly effective modern architecture and a wealth of in-house intellectual capital, providing a market leading user intuitive approach to risk management. We passionately believe in the value of GRC management and the business benefits it provides.

Our Differentiators

- ✓ Our dynamic end-to-end solutions are underpinned by a combination of cutting edge, award winning enterprise-wide risk management technology, award winning consulting services, compliance solutions, resourcing and training.
- ✓ Our thought leadership in GRC management is underpinned by practical first-hand business experience.
- ✓ Our vision of the industry is reflected in the comprehensive functionality of our purpose built software which is fully integrated, scalable and modular.
- ✓ Our solutions are cost effective delivering real corporate value beyond regulatory compliance pressures.

Our solutions are delivered through a combination of:

aCCelerate – includes market leading RCSA, KRI and Loss Data Management software incorporating fully integrated modelling, supporting capital calculation and control efficiency modelling.

Consultancy – award winning consultancy team specialising in ORM, helping firms realise the business benefits of ORM and among many other services, carrying out AMA model reviews and assisting in preparing waiver applications.

Compliance Solutions – the team specialises in helping clients meet their strategic compliance objectives and among many other services carries out pre-ARROW visit review and recommendations, post-MiFID reviews and enabling risk management and compliance functions to achieve effective enterprise-wide risk management.

Education – We run bespoke education programmes for our clients and specialist risk and compliance seminars and workshops for the Industry.