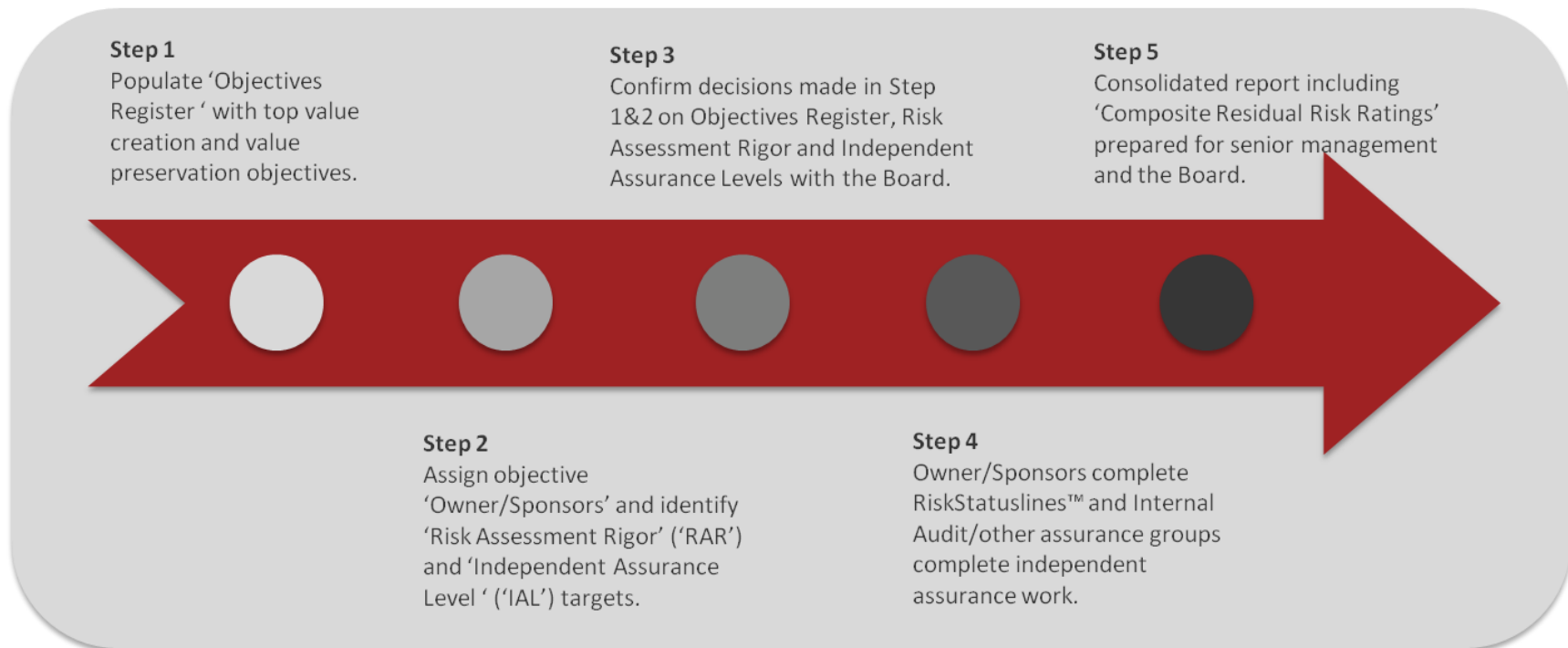


Objective Centric ERM & Internal Audit: 5 Step Overview and Building Objective Statements

Objective Centric ERM & Internal Audit can be broken down into a simple 5 step process.

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Below is a sample objective register including value creation and preservation objectives:

Category	Objective Statement	Owner/Sponsor	Target Risk Assessment Rigour	Target Independent Assurance Level	Composite Residual Risk Rating
All	Ensure risks related to the ABC's business model of outsourcing management and advisory services have been identified, assessed and reported on to key shareholders	Board	Medium	Medium	TBD
All	Provide a liquid, balanced, single-point liquid access to private equity and private equity related assets	Board	Medium	Medium	TBD
All	Ensure the company maintains sufficient critical mass/ size/ scope of operations to maintain share liquidity/ capital market visibility whilst maximising short and long-term value for shareholders and aiming to optimise the shareholder base	Joan Smith, CEO	Medium	Medium	TBD
All	Deliver returns of 5% p.a. net outperformance over public markets over a 10 year period	Joan Smith, CEO	Medium	High	TBD
All	Ensure senior management and the board meet or exceed in-force governance requirements for Toronto listed public companies	Board	Medium	Medium	TBD
All	Safeguard ABC against fraud	John Miller, CFO	Low	Medium	TBD
All	Ensure the risk/ reward trade-offs relating to appropriate contractual provisions and insurance are understood and considered	John Miller, CFO	Low	Low	TBD
Financing	Ensure all financial obligations and covenants are met whilst optimising the cost of capital and balancing risk and reward	John Miller, CFO	Medium	Medium	TBD
Investing	Optimise investment portfolio to produce target returns whilst complying with investment guidelines	Monty Frederick, Vice President Finance	Medium	Medium	TBD
Investing	Ensure that investment funds comply with the partnership agreement and disclose all actual and potential conflicts of interest	John Miller, CFO	Low (target medium)	Low	TBD
Legal	Ensure the company complies with all applicable laws and regulations	John Miller, CFO	Low (target medium)	Medium	TBD
Legal	Protect the company's interests regarding existing and potential judicial, administrative and regulatory legal proceedings	Louise Smith, VP Legal	Low	Medium	TBD
Operations	Maintain the ability to operate in the event of a termination of the outsourced IT services provider	Chuck Clark, VP Information Technology	Low (target medium)	High	TBD
Operations	Ensure financial statements are reliable and in accordance with IAS and Canadian rules and that investments are included at fair value	John Miller, CFO	Low (target medium)	Medium	TBD
Shareholders	Safeguard and enhance the company's reputation	Ann Peabody, VP Investor Relations	Low (target medium)	Medium	TBD

Implementing Objective Centric ERM & Internal Audit? Need help?

Call Risk Oversight Solutions or an authorized service provider today

Risk Oversight Solutions Inc. was established to help companies, boards, internal auditors, and risk specialists implement a dramatically better approach to ERM and internal audit - Objective Centric ERM & Internal Audit to meet new expectations.

Objective Centric ERM & Internal Audit has been specifically designed to focus the efforts of top management, work units and assurance groups on an organization's top value creation and preservation objectives – integrating the efforts of all assurance providers. The central goal is to generate better information on the true state of retained risk to help senior management and the Board make better resource allocation decisions and drive long term value creation and preservation. Using end result objectives as a foundation for integrated assurance is a simple step that quickly aligns strategic planning and the need to create and preserve long term value with the efforts of ERM and internal audit groups. Want a lot more value from your ERM and internal audit spending? Objective centric ERM and internal audit is the answer.

Our firm has over more than 30 years global experience helping company boards, senior management/workgroups, internal auditors and other assurance specialists implement more cost effective risk management and risk oversight frameworks. Objective Centric ERM & Internal Audit aligns with both COSO ERM and ISO 31000.

Call us today to start implementing Objective Centric ERM & Internal Audit.

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