

Predictive Analytics Engine (PAE)

Quantar's Predictive Analytics Engine is a unique software solution, utilizing patented methodologies to deliver the ability to analyze actual threats posed to operational continuity by technology dependencies, both currently and in the future, to your organization.

OpRisk Analysis

Analytics is a term generalized by many software vendors. Predictive Analytics Engine (PAE) employs stochastic analysis of your organizations risk data for accurate assessment and reporting. Using PAE, you are able to select the statistical method most appropriate to your data and risk management requirements.

Being able to measure and value operational risks to satisfy regulatory and compliance goals also drives overall risk coverage within your organization.

Intuitive to use and robust in use, PAE offers rapid deployment, with low cost of ownership and without the need for expensive post-implementation and configuration services.

Future Trend Analysis

PAE utilizes actual organizational threat data to predict future trends for those risks posed to your organization. It calculates and hypothesises on the basis of actual organization-specific data and user defined data to derive a future trend analysis for your organization.

Using PAE enables your organization to maximize operational efficiencies by optimizing capital allocations to managing current and future risks.

Using simple click-to-navigate functionality enables users to quickly get to the reports they need as well as to input user-defined preferred parameters.

PAE utilizes both historic data and projected data, so that your organization can increase operational excellence, reduce operational risk exposure and align corporate strategy with business operations.

Quantar's PAE creates the transparency required for both enhancing your overall GRC and OpRisk programs and driving efficiency. Enterprise resilience is more easily attained, and with reporting and monitoring of your organization, the burden of regulatory compliance is eased.

PAE simplifies risk, compliance and resilience through delivering a rapidly deployed flexible solution, providing intuitive use and ease of understanding for effective risk management and regulatory compliance.



Benefits

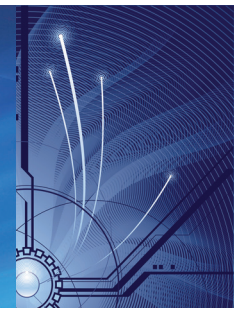
Provides clarity and transparency, ensuring management oversight and audit / compliance requirements being fulfilled.

Multi-model approach to risk assessment:

- Time series Model
- Risk Calculation
- Post-processing layer
- Linear or exponential process model
- Normal or weighted data models
- Standard L-S or Robust models

Monte-Carlo simulation runs 10 000 iterations, even on laptops

Calculation engine computes probability and distribution functions



PAE Multi-Model Approach

Network operational risks threatening business process continuity are those associated with virus attacks, targeted attacks (hacking) and physical attacks (damaging or immobilizing technology infrastructure).

Use of quantitative modelling techniques within PAE enables quantification of risk metrics for such risks, which are then utilized in the estimation of the VaR resulting from technology and business process interdependency.

PAE provides greater stochastic modelling capabilities than within n-ORM and are able to compute a wider range of analytical measures aimed at meeting new and emerging regulatory requirements relating to stress testing of risk models.

PAE comprises a dual-phase approach to modelling, with these being a time-series component and a post-processing layer.

Within phase one, there are a number of optional features that may be enabled or disabled by the end user, these being:

- linear or exponential process model
- normal or weighted data model
- standard L-S or robust model

Within the second phase, a Monte-Carlo simulation module is utilized, which takes a range of input and configuration data and computes risk distributions.

The calculation engine generates probability functions, enabling various statistical outputs to be drawn and utilized within overall GRC, OpRisk and business continuity programs.

The system is delivered in English, with the capability of alternative languages upon request. Once configured, PAE will then run at start-up in the language assigned. Using this capability can be useful for multi-geography; multi-language organizations.

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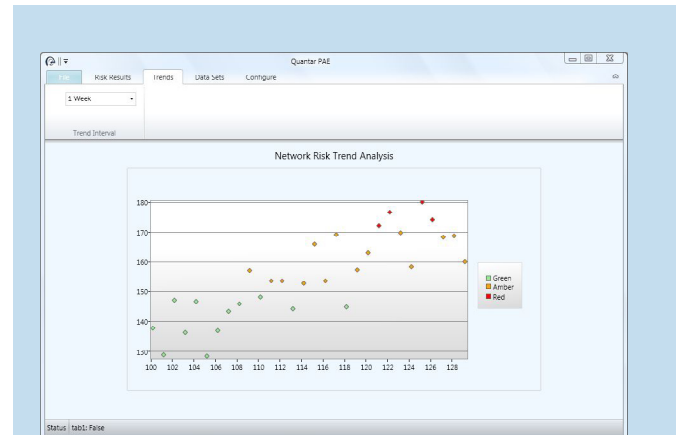


Fig 1. Network Risk Trend Analysis

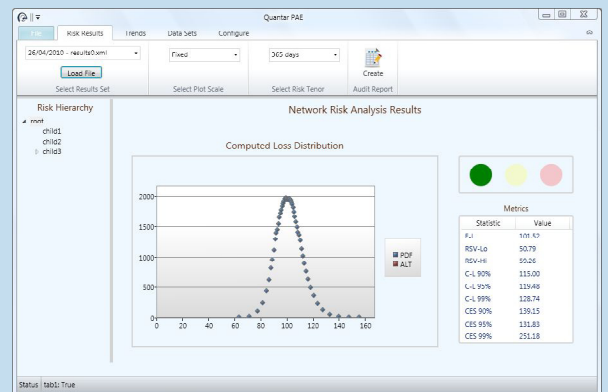



Fig 2. Analysis Results – Computed Loss Distribution With Variance Threshold



PAE Network Risk Audit Report

26-April-2010

RAG Risk Value: 119.48 GBP

Risk Measure	Value
E-L	101.52
RSV-Lo	50.79
RSV-Hi	59.26
C-L 90%	115.00
C-L 95%	119.48
C-L 99%	128.74
CES 90%	139.15
CES 95%	131.83
CES 99%	251.18

Fig 3. GRC / OpRisk Audit Report Example