RISK GOVERNANCE SURVEY

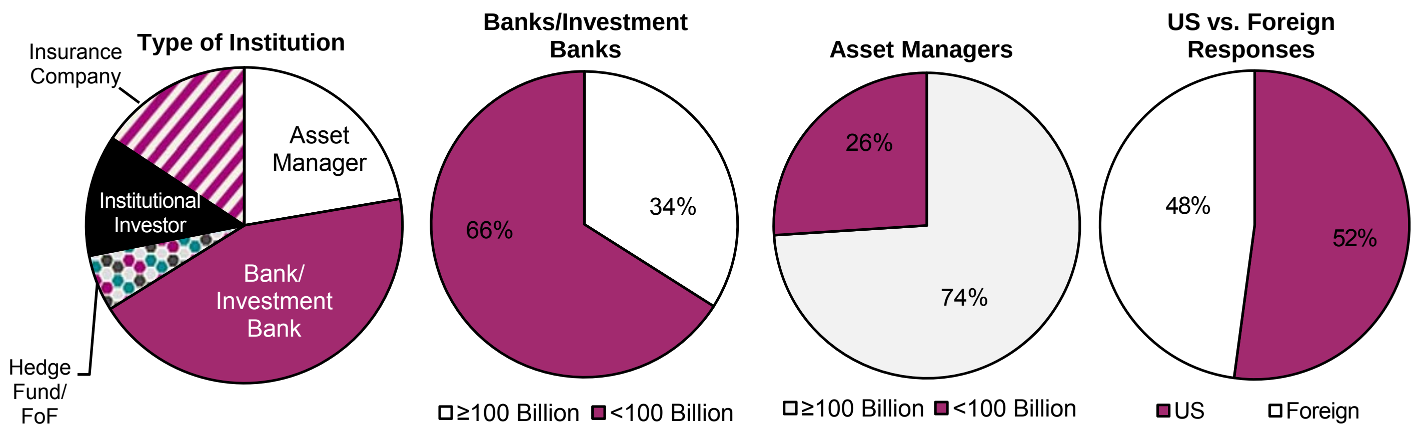
Groundbreaking Risk Governance Survey Finds That 85% of Financial Institutions Have a Chief Risk Officer, but 25% Are Limited to a Control Role

New York, NY July 28, 2009. PRMIA (www.prmia.org) and Capital Market Risk Advisors (www.cmra.com) today released the findings of their Risk Governance Survey benchmarking risk governance practices of banks, insurance companies, asset managers, hedge funds and institutional investors.

"Never has there been more focus by the regulators and the media on the role of the Board in Risk Governance and we are proud to have undertaken this important initiative to benchmark current practices," said Leslie Rahl, founder and Managing Partner of Capital Market Risk Advisors, Board member and member of the Risk Committee of CIBC, and former Board member and Chair of the Risk Committee of Fannie Mae.

"PRMIA and its C-Suite subgroup have been leaders in facilitating interactions among Chief Risk Officers (CROs) across industry lines and we are confident that this survey will help inform best practices," said Steve Lindo, Executive Director of PRMIA.

121 participants from 26 countries participated in the survey.



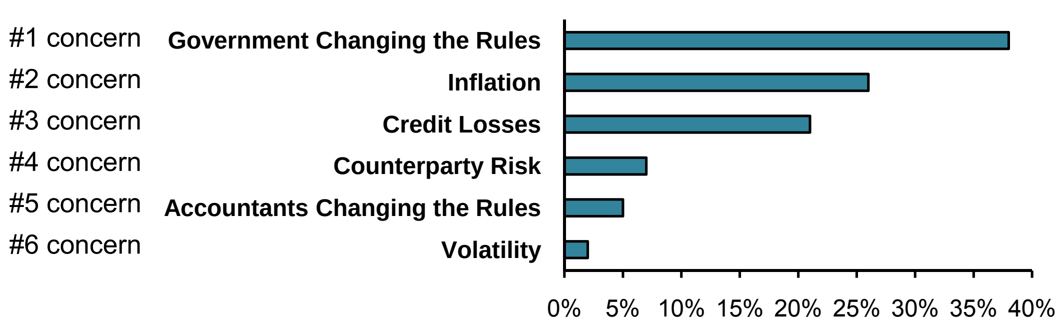
To download a complete report, please go to http://www.cmra.com

KEY FINDINGS

THE TOP CONCERNS OF RISK MANAGERS FOR THE 2ND HALF OF 2009

While overall respondents' top 3 concerns for the 2nd half of 2009 were Credit Losses, Volatility and "Government Changing the Rules," US respondents ranked "Government Changing the Rules" as their #1 concern, followed by inflation and credit.

US Respondents



CHIEF RISK OFFICER (CRO)

Across all respondent types, there is wide agreement on the need for a Chief Risk Officer, but influence on strategy vs. control varies.

- 70% of respondents have a CRO, and 15% have someone with a different title, but an equivalent function.
- 25% of CRO's have a control role only.

The need for the CRO to report at a very senior level and be independent of the business is well-established.

- 70% of CRO's report to the CEO, 14% to the CFO, and 16% to the Chairman of the Board.

The importance of the CRO having regular and unfettered access to the Board is still evolving.

- 44% of respondents with a Board and a CRO have executive/in-camera sessions at most meetings, while 13% have executive/in-camera session ONLY once a year, and 20% NEVER have such sessions.

RISK APPETITE STATEMENT

- 37% of overall respondents have a written "Risk Appetite Statement," and 23% are considering adopting one.

DOES BOARD APPROVE RISK POLICIES?

- 60% of Boards approve risk policies

Participants will receive detailed, customized results comparing their practices to those of their peer group.

PARTICIPANTS

While many of the participants preferred to remain anonymous, the following have agreed to acknowledge their participation:

AIG, Ascent Brazil, Aspis Pronia, Bank Zachodni WBK S.A., Canaccord, Commercial Bank of Dubai, Cooperative Bank of Karditsa, Daiwa Securities, Deutsche Asset Management, Employees Retirement System of Texas, Fortress, Guardian Life, Horizon Blue Cross Blue Shield of New Jersey, GIC, IDB Bank, Imene Investment Partners, Infiniti Capital, ING Investment Management, Kayne Anderson Capital Advisors, Lord Abbett, Man Group, MassMutual Financial Group, Nationwide Insurance, Old Mutual U.S. Life, OppenheimerFunds, Inc., PAAMCO, Platinum Bank, Prudential Corporation Asia, Renaissance Investment Management, SDCERA, South Carolina Retirement System , State Street, Sun Trust, Weyerhauser Asset Management LLC

ABOUT PRMIA

The Professional Risk Managers' International Association (PRMIA) (www.prmia.org) is a higher standard for risk professionals, with more than 60 chapters around the world and over 61,000 members from 190 countries. A non-profit, member-led association, PRMIA is dedicated to defining and implementing the best practices of risk management through education, certification, events, networking and online resources.

ABOUT CAPITAL MARKET RISK ADVISORS (CMRA)

CMRA (www.cmra.com) is the pre-eminent financial advisory firm providing risk management advisory and litigation support services to institutional investors, hedge funds, funds of funds, mutual funds, investment and commercial banks, insurance companies and other market participants. Founded in 1991, we offer clients a unique perspective based on founder Leslie Rahl and partners Barbara Lucas and Peter Niculescu's collective 100 years of hands-on experience in risk management, trading, portfolio management, development and implementation of legal and compliance programs, and knowledge of industry best practice.

The synergy between our advisory and litigation practices helps us provide advisory clients with insight about what can and does go wrong and provide litigation clients with insight about prevailing industry standards.

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