DAWOOD MOHAMMED SECURITIES (PRIVATE) LIMITED

TRE Certificate Holder, PSX

Internal Control and Risk Management Policy

Version 1.0

Process	Action by	Date
1	Reviewed by Company Secretary	13-09-2023
2	Approved by Board of Directors	14-09-2023



Policy Compliance

Consistent compliance with this policy is essential to its effectiveness. The Company including all Staff,Management and Executives are expected to adhere to this policy. Internal Audit and Compliance Dept.will monitor and assess the compliance of all Branches and report quarterly to the Board of Directors.Non-complianceorbreachofthis policy mayresult indisciplinaryaction.

PolicyRevision

The Internal Control policy is reviewed everytwo years or at planned intervals whenever materialchangesoccur to reflectthe company's requirements.

POLICYSTATEMENT

The Board of Directors is ultimately accountable for the management of risk in the company and areresponsible forensuring adequate and effective internalcontrols exist. The **DAWOOD MOHAMMED SECURITIES (PRIVATE) LIMITED**Management & Staffenables the Board to meet these responsibilities by

implementingstandardsandsystemsofinternalcontroltoprovidereasonableassuranceastotheintegrityandreliabilityofthefinancialstatementsintermsofIFRSandtoadequately safeguard,verifyandmaintainaccountabilityforthe assetsas wellas ensuringthe sustainabilityof theorganization.

Based on the information and explanations given by Management Staff and the assurance Providers, theboard is able to provide an opinion on the internal controls and that the financial records may be reliedupon for preparing the financial statements in accordance with IFRS and maintaining accountability forthe assets and liabilities. In addition, the board is required to confirm that nothing has come to theirattention to indicate that a breakdown in the functioning of these controls, resulting in material loss tothe company.

This policy therefore sets out the Key Internal Control objectives and principles as well as duties of theBoard, Audit and Risk Committee, Management and Staff, Risk Assurance, Compliance, Internal Audit,ExternalAuditandotherInternalControl FunctionsatDAWOOD MOHAMMED SECURITIES (PRIVATE) LIMITED.

DEFINITION

InternalControl:

Internal control is a process, affected by an entity's board of directors, management and otherpersonnel,designedtoreasonablymanageriskaffectingtheachievementofobjectivesinthefollowingcategories.

- Effectiveness,efficiency,economyandaccuracyofoperations.
- Reliabilityand relevanceofreporting.
- Compliancewithapplicablelawsandregulations.
- Safeguardingofassetsandresourcesand
- Appropriategovernance.

POLICYOBJECTIVES

Implementing a system of internal control allows the organization to stay focused on the strategic andbusiness objectives while operating within the confines of relevant policies, laws and regulation therebyminimizing any surprises or risk along the way. Internal Control enables the organization to deal moreeffectively with changing economic environments, leadership, priorities and evolving business models. Itpromotes efficiency and effectiveness of operations and supports reliablereporting and compliancewithlawsand regulations.

The Internal Control Policy is intended to strengthen the governance of DAWOOD MOHAMMED SECURITIES (PRIVATE) LIMITED Internal Control Processes and in its operations. The objectives of the policy are toprovidereasonable assurancetotheDAWOOD MOHAMMED SECURITIES (PRIVATE) LIMITEDBoardthat.

- Dataandinformationpublishedeitherinternallyorexternallyisaccurate,reliableandtimely;
- The actions of the DAWOOD MOHAMMED SECURITIES (PRIVATE) LIMITED Board, Management and Staff are incompliancewiththe policies,standards,proceduresandallrelevantlaws andregulations.
- TheAssetsandresourcesincludingitspeople,systemsanddata/informationbasesareadequate ly protected.
- TheOrganization'sstrategicandbusinessobjectivesplanandprogramsareachieved.

- The exposures toloss which relate totheir particulararea of operationshave beenidentifiedandevaluated;and
- Practical controlling processes have been established that require and encourage the board,Management and Employees to carry out their duties and responsibilities in an efficient andeffectivemanner.

SCOPEOFPOLICY

TheInternalControlPolicyappliestoallStaff(Permanent,parttimeandcontractors)ManagementandtheBoard ofDAWOOD MOHAMMED SECURITIES (PRIVATE) LIMITEDanditssubsidiaries(ifany)orBranches.

KEYPOLICYPRINCIPLES

TheOverallobjectiveoftheInternalControlPolicyistoensurethatadequateandeffectiveinternalcontrolsareinplaceandthatthesecontrolsareappliedconsistentlythroughoutthecompanyinordertoprotecttheDAWOOD MOHAMMED SECURITIES (PRIVATE) LIMITEDanditsstakeholdersfrompotentiallosses.InthiscontexttheInternal Control Policywill bemanagedwithinthefollowingKeyPrinciples.

DETAILEDCONTROLS

A.BROKRAGEOPERATIONS(BOTHATHEADOFFICEANDBRANCHES,WHEREAPPLICABLE)

1. AccountOpening,KYC/AMLProceduresandProcesses

- Anaccountopeningdepartmentshouldmaintainalistofallnewand existingcustomersandalsokeeparecordoftheiraccountopeningforms.

- Effective*KnowYourCustomer(KYC*)and*CustomerDueDiligence(CDD)*policiesandproce dures shouldbedevelopedbytheDepartmentscovering:

  - CustomerIdentification;
  - SourcesofIncome(IncaseofIndividuals/Soleproprietorship);
  - RiskAssessmentofCustomers;
  - Circumstanceswhereenhancedduediligenceisrequired;
  - Circumstanceswheresimplifiedduediligencecanbeadopted;

- Compliancefunctionwithsuitablehumanresource;
- Data Retention
- MISreportingcapability;
- Trainingofemployees.

- KYCandCDDpoliciesandproceduresshouldcontainthefollowinginformationanddocuments:

Individual/ Sole proprietorship	Partnership	Institutions/ Corporates
▪ Copy of CNIC of Principal and Joint holders/ NICOP for Non-Residential Pakistanis ▪ Passport for Foreign Nationals ▪ Evidence of sources of Income ▪ Business/ Employment Proof ▪ NTN Certificate (If available) ▪ Nominee details (Not in case of Joint holders) ▪ Proof of ownership of mobile number in the name of investor.	▪ Name of Partnership and Partners ▪ Copy of CNIC/NICOP of all Partners ▪ Partnership Deed ▪ Copy of Latest Financials ▪ Certificate of Registration (If registered partnership firm) ▪ NTN Certificate	▪ Name of Directors and Officers ▪ Registered Address ▪ Copy of CNIC/NICOP of all Directors and Authorized Signatories ▪ Certificate of Incorporation ▪ Certificate of Commencement of Business ▪ Certified copy of Board Resolution ▪ Memorandum & Articles of Association/ Bye Laws/ Trust Deed ▪ Audited Accounts of the Institutions/ Corporates
Trust	**Club Societies and Associations**	**Executors/ Administrations**
▪ Copy of CNIC of all Trustees ▪ Certified copy of Trust Deed ▪ Copy of Latest Financials of the Trust ▪ Document Evidence of Tax Exemption (If any)	▪ List of Members of Governing Body ▪ Copy of CNIC/ NICOP of Members of Governing Body	▪ Copy of CNIC of all Executors/ Administrators ▪ Certified Copy of Letter of Administration
▪ Trustee/ Governing Body Resolution	▪ Certified Copy of Certificate of Registration ▪ Certified Copy of by-laws/ Rules and Regulations ▪ Copy of Latest Financials of Society/Association	

- Therelevantdepartmentshouldhaveacontroltoensuretheretentionoftherecordsofthecustome r's
- identificationtheirupdation onatimelybasis.
- Seniorpersonnelofcompliancefunction;preferablytheComplianceofficershouldgiveapprovalof the opening of account of the customers and should prepare a checklist for all the relevantsupporting documents. The approval should be based on a checklist which covers the majorareasofKYCguidelines.
- Totalnumber ofaccountsopened/clientcodesshouldbematchedbythecomplianceofficerwiththeaccountopeningfo rmsandthechecklistattachedonregular intervals.
- Sufficientinformationasreferredaboveshouldbeobtainedanddocumentedon theintendednatureoftheaccountto beopened/maintained.
- Reasonablesteps/checksshouldbetakenbytheaccountopeningdepartment toassessthecorrectnessofinformation,providedbycustomeratthetimeofopeningaccount.
- Alltheupdationinclient'sprofileshouldbesupported byreasonableevidenceandretainedbyAccountOpeningDepartment.
- AlldepartmentalHeadsshouldarrangeOrientations& trainingsessionsfortheirdepartmentsregardingcomplianceofallrelevant lawsandotheranti-moneylaundering obligations.
- AccountOpeningDepartmentshouldprovidethecustomerwitharisk disclosure documentinaccordance with the specimen provided by the securities exchange containing basic risksinvolvedintradinginsecurities.
- Writtenacknowledgementshouldbeobtainedfromthecustomerconfirmingthathe/shehasunder stoodthenature/contents oftheriskdisclosuredocument.
- ClientshouldbeprovidedtheCDCsetupreportforsignatures.Copyofcomplete setofAccountOpeningformshouldbeprovidedtotheclientforhisrecord.
- TheComplianceDepartmentshouldfollowthepolicyandprogramsforreportingsuspicioustransactions andsuspiciousaccountsas per requirementsofKYCguidelines.

2. PeriodicReportingtoCustomers

- The adherence of reporting framework with regulatory requirements should be ensured by theComplianceDepartment/compliancefunctionintermsoffrequencyandcomprehensiveness.Th is may include compliance with CDC regulatory requirement for sending securities balancereportsandwithPakistanStockExchange(PSX)rulebook foraccountstatements.

- Thecomplianceofficershouldcheckadherencewithreportingframeworkincludingmaintenanceofevidence ofsendingthereports tocustomers.

3. AccountClosing

- AccountOpeningDepartmentshouldmaintainthedetails ofaccountsclosedduringtheyearandalsoensurethatitis incompliancewiththeregulatoryrequirements.
- ComplianceDepartmentshouldcheckthat:

  a. Thereisnobalance/securitiesoutstandingagainstthecustomers;

  b. Customer'smoneyhasbeentransferred/settled;

  c. Notransactionwascarriedsubsequenttoaccountclosingdate.

- Thereshouldbeclearpoliciesforaccountclosingfor:

  d. Settlementofoutstandingbalanceintheclient'sregularbankaccount(moneyandshares/Securities heldon client'sbehalf);

  e. Criteriaforaccountclosingdate;whetheraftersettlementorthedateofapplicationofaccountclosing.

Adherencewiththeabovepoliciesshouldbecheckedbythecompliancefunction.

4. Controlsoverorderacceptanceandexecutiontoensurecompliancewithregulatory Requirements.

- EquityDealers,Traders,KatsOperators,agentsoranyotherpersonperformingregulatedactivityby whatsoever name should not deal in securities on account of customer without instructions ofsuchCustomer.
- Compliancedepartmentassuresthisobjectiveincludingmaintenanceofevidenceofinstructionsby the customers and matching the trades executed on behalf of customer with the instructionsbycompliancefunctionon atestbasis.

- Authorized personnel should take reasonable measures to execute the orders placed by thecustomersonthemostadvantageoustermsasexpeditiouslyaspracticalintheprevailingmarketconditions.
- AllordersplacedbycustomersthroughtelephoneshouldberecordedbyITDepartmentauthorizedpersonneloverdedicatedtelephonelines.
- Orders received in-person from visiting customers should be adequately recorded andacknowledgementshouldalsobeobtainedfromthecustomers.Priorityshouldbegiventoout standingcustomerorders.
- Thechronologicalregistershouldbemaintainedinelectronicformincludingthelogsgeneratedfromthesystemandtelephonerecording.
- Recordspertainingtoallordersreceivedfromcustomersinwritingorthroughanyotherdocument,fax,email,or throughanyothermeansshouldbepreserved.

- **COREFINANCIALTRANSACTIONSCONTROLS.A**

ccountopening/closing

Approval for opening of bank accounts along with name of signatories authorized to operateshould be obtained from the Board. The finance department is responsible to fulfill necessaryrequirementswhicharereviewedandapprovedthebythecompanyCFO.Itisthesoleresponsibility of the finance department to obtain prior approval from the Board before closingany Bank Account.

Bankreconciliations

The finance department shall prepare bank reconciliation of all bank accounts which are laterreviewedandapprovedbytheChiefFinancialOfficer(CFO).Allunusualitemsinbankreconciliation shouldbe investigatedby the approver.

Payment/receiptsoffunds

Payment vouchers are prepared by the finance department personal after the invoices or billsare received. Payment shall only be processed after the Payment Voucher is approved by therelevant authority. The finance department maintains all necessary documents in order to makerelevantentries inthe finance software.

Moreover, the company hasclearly defined on receiptsand payments fromclients throughcross cheques only. The companydoes not deal in anysort of cash receipts exceeding Rs.25000/- whichifexceeds aretobe reportedto thestockexchange

Pettycash

The Chief Financial Officer (CFO) will authorize finance personal to maintain cash in means ofpetty cash to run the daily expenditures of the company. Periodic physical count should beperformed by the relevant person in presence of Chief Financial Officer (CFO). No petty cashwillbedisbursedwithoutthepriorapprovaloftheheadofdepartswithsupportingdocuments.

Profitcomputationonsavings/PLSaccounts

Itisthesoleresponsibilityofthefinancedepartmenttocomputetheprofitondifferentaccounts using applicable rates which are by approved by the CFO. Once the profit is credited inthe bank account by the respective bank, a receipt voucher shall be prepared by the financedepartmentpersonnelandanentryforthereceiptwillberecordedinthesystem.Anydifference betweensuchamountsshallberecordedinthesystemaftertheapprovalofCFO.

EXPENSES

Apurchaseordershouldbeprepared/controlledforalltheexpenditureincurredbythecompany above the threshold specified by the board or senior management. Approval of thepurchaseorderis tobesignedbytherelevantauthorizedpersonbeforebeingprocessed.Invoices are compared with the purchase order for proper verification. Payment disbursementvouchers should be prepared and authorized by a relevant individual. All expense transactionsandothercashdisbursementaretoberecordedinseparateheadinthesystem.Alltheempl oyeerelatedexpensereimbursementsareseparatelymaintainedwhichcarriesa validvoucherwith approvalofthepersonal

INFORMATIONTECHNOLOGYGENERALCONTROLS(ITGCS)

AccessSecurity

Thecompanyhasapprovedthenatureandextentofuser-accessprivilegesfornewandmodified user access. Certain individuals are provided with authorized software which carryrights defined by the management for department wise need. User accounts are terminated ortransferred in a timely manner in accordance with the documented securities broker policy. Amaster user has been created with privileged access. The relevant individual periodically reviewsthe user access in accordance with the established requirements in the policy. Separate logrecordingismaintainedtodetectunauthorizedorinappropriateactivity.Certainpasswordparamet ers are well defined keeping up with the professional policies and standards includingcomplexityof password, idle logoutandpasswordexpiration.

Datacenterandnetworkoperations

Physical security mechanisms and environment controls are established toprotect its IT assetsin I.T. department from intentional or unintentional damage. Financial data is backed up on dailybasis with a backup stored in an appropriately secure location. Furthermore, backup processesare monitored for successful execution and failures are escalated and corrected toensure datais usable and available for retrieval and restoration if needed. Restoration testing of backups areperformedonfrequentbasisto determinetheusability and integrityof thefiles.

ApplicationAcquisition,Development&Maintenance

A guideline to acquire, develop, modify and run periodic maintenance of application systems,databases, Network/Domain controller and communication software, systems software, andhardware to establish consistency of development and maintenance activities within the entitymanagementofthecompanyisdone withproper approvalofthemanagement

ITGovernance

The company has enforced as strict IT strategic Plan which address towards both long and shortterm IT related projects. An I.T committee is formed to govern all I.T related matters. Moreover,anITriskmanagementframeworkisestablishedthatisalignedtotheorganization'sriskman agement framework. A disaster recovery plan has been developed, approved and tested ona regular basis. IT policies and procedures are formally documented, approved and update onperiodic basis. Security awareness training programs are conducted on periodic basis in order toenabletheusers tounderstandapplicablesecurity policies and the measuresare taken tosafeguard organizational assets. Furthermore, the Internal Audit function is overlooked andreviewedrelatingtoITrelatedmatters.

Network

Unique user IDs and passwords or other such methods are placed as a method mechanism forvalidating that users are authorized to gain access to the system. Password parameters are alsofollowed using industry standards. Certain scans of the network parameter should be performedbythenetworkmanagementteamwhoalsoinvestigatepotentialvulnerabilities.Thedepar tmentissuescertainnotificationsofthreatsifidentifiedbytheintrusiondetectionsystems. Network firewalls are placed appropriately and reviewed to secure the company'snetwork.

Disasterrecoveryplanning/BusinessContinuityPlan

Business Continuity and Disaster recovery plan are in place duly approved by the Board ofDirectors,havingcapabilityofrestoringboththeIToperationsandbusinessprocesses.

Coordinatedstrategyshouldbedevelopedthatinvolvesplan,proceduresandtechnicalmeasures to enable the recovery of systems, operations and data after a disruption. Disasterrecoveryplanistestedonperiodicbasisandproperdocumentationofthesame

COMPLIANCEDEPARTMENT

Structure

Thecompanydesignatedorappointedcomplianceofficer,whichfulfillsthefitandpropercriteria specified in theRegulations, is in place. Appointment of compliance officer is done bytheCEOsubjecttotheapprovalofAuditCommittee/BOD.Complianceofficerisheldresponsible for monitoring compliance of the company with the applicable regulatory regime.Thecomplianceofficeris toreportfindingsdirectlyto theAuditCommittee/BODfortheactions.

- **BOARDOFDIRECTORS**

Theboardofdirectorsareultimatelyaccountableforthemanagementofriskintheirdawood mohammed securities (private) limitedandareresponsibleforensuringadequateandeffectiveinternalcontrolexistwithinthecompany. The Board shall, under the direction of the Chairperson of the Board of the company. Beresponsibleto:

- Provideoversightonthegeneralconductoftheoperatingofthecompany.
- Providingoversightonthemaintenanceofinternalcontrolstominimizeriskandfinanci allosstothe company: and
- Ensurethefairpresentationofinterimandannualfinancialstatement.

- **AUDITCOMMITTEE**

TheAuditCommitteeisasub-committeeoftheBoardandprovidesassurancetotheBoardontheadequacyandeffectivenessoftheinternalcontrols.TheAuditCommitteeisresponsibleforunderstanding the DAWOOD MOHAMMED SECURITIES (PRIVATE) LIMITED's Major risk areas and ensuring thatappropriateinternalcontrolsareinplacetomanagetheriskexposures.Additionally,theAuditCommitteeisresponsibleforthemonitoring of the control process and the adequacy of thesystem of internal control byreviewinginternaland externalauditreports.TheAuditsCommittee'skeyresponsibilitiesareto:

- BecontinuallyawareofthecurrentareasofsignificantriskexposuresandensureDAWOOD MOHAMMED SECURITIES (PRIVATE) LIMITEDManagementiseffectivelymanagingtherisk.

- Ensure that effective systems of internal controls are established and maintained toManagethe riskexposure:
- Satisfy itself as regards to the integrity and prudence of management internal controlsystem,includingthe review ofpolicies and/orpractice:
- Determine whether the CEO or Executive Management are aware of any matters thatmight have a significant impact on the financial state of affairs of the DAWOOD MOHAMMED SECURITIES (PRIVATE) LIMITED,and
- Report on the effectiveness of internal controls and comment on its evaluation of thefinancialstatementsinthecompany'sannualreportbasedonmanagementassuranceaswellasinternal andexternal assurance providers.

TermsofReferenceoftheAuditCommittee:

The board of directors shall provide adequate resources and authority to enable theauditcommitteetocarryoutitsresponsibilitieseffectively.Thetermsofreferenceofthe auditcommittee include the following:

a) Determinationofappropriatemeasurestosafeguardthecompany'sassets;

b) Review of annual and interim financial statements of the company, prior to theirapprovalby theBoardofDirectors, focusingon:

   - majorjudgmentalareas;
   - significantadjustmentsresultingfromtheaudit;
   - goingconcernassumption;
   - anychangesinaccountingpoliciesandpractices;
   - compliancewithapplicableaccountingstandards;
   - compliancewiththeseregulationsandotherstatutoryandregulatoryrequirements;and
   - Allrelatedpartytransactions.

c) Review of preliminary announcements of results prior to external communicationandpublication;

d) Facilitatingtheexternalauditanddiscussionwithexternalauditorsofmajorobservations arising from interim and final audits and any matter that the auditorsmaywishtohighlight(inthe absenceofmanagement,wherenecessary);

e) Reviewofmanagementletterissuedbyexternalauditorsandmanagement'sresponsethereto;

f) Ensuringcoordinationbetweentheinternalandexternalauditorsofthecompany;

g) review of the scope and extent of internal audit, audit plan, reporting frameworkandproceduresandensuringthattheinternalauditfunctionhasadequateresourcesandisappropriatelyplaced withinthecompany;

h) Consideration of major findings of internal investigations of activities characterizedby fraud,corruptionandabuse ofpowerandmanagement'sresponsethereto;

i) Ascertaining that the internal control systems including financial and operationalcontrols, accounting systems for timely and appropriate recording of purchases andsales, receipts and payments, assets and liabilities and the reporting structure areadequateandeffective;

j) Reviewofthecompany'sstatementoninternalcontrolsystemspriortoendorsementbytheboardof directors andinternalaudit reports;

k) k) instituting special projects, value for money studies or other investigations on anymatter specified by the board of directors, in consultation with the chief executiveofficer and to consider remittance of any matter to the external auditors or to anyotherexternal body;

l) Determinationofcompliancewithrelevantstatutoryrequirements;

m) Monitoring compliance with these regulations and identification of significantviolationsthereof;

n) Review of arrangement for staff and management to report to audit committee inconfidence, concerns, if any, about actual or potential improprieties in financial andothermattersandrecommend institutingremedialandmitigatingmeasures;

o) Recommend to the board of directors the appointment of external auditors, theirremoval, audit fees, the provision of any service permissible to be rendered to thecompany by the external auditors in addition to audit of its financial statements. Theboard of directors shall give due consideration to the recommendations of the auditcommitteeandwhereitacts otherwiseitshallrecordthereasonsthereof.

p) Considerationofanyotherissueormatterasmaybeassignedbytheboardofdirectors.

ReportingProcedure: Thesecretaryofauditcommitteeshallcirculateminutesofmeetings of the audit committee to all members, directors, head of internal audit andwhere required to chief financial officer prior to the next meeting of the board. WherethisisnotpracticableAuditCommitteeshallcommunicateasynops isoftheproceedingstotheboardandtheminutesshallbecirculatedimmediatelyafterthemeet ingofthe board

- **MANAGEMENTANDSTAFF**
  Managementandstaffarechargedwiththeresponsibilityforestablishinganetworkofprocess es with the objective of controlling the operations of the DAWOOD MOHAMMED SECURITIES (PRIVATE) LIMITED. The day-to-dayresponsibility for designing implementing &monitoringcontrolsinthebusiness processes rests with Management. These areas andthe required systemofinternal control are identified, documented and regularlyreviewed bymanagementtoensurethey are appropriate and relevant and that anynecessaryimprovementisimplemented.
  ManagementandStaff'skeyresponsibilitiesareto:
- Plan,develop,implementandmonitortherequiredbusinesspolicies,processesandsystemto achievethe company's objectivesandstrategies.
- Identify. Quantify, control and manage all exposures to loss and risk within the companyina prudentmanner:
- Implement and maintained adequate systems of internal control and monitor theircontinuedeffectiveness:
- Ensurethatallsystemsandprocessesareefficient,effectiveandeconomical:
- Safeguardandmaintainthequalityoftheassetsofthecompany:
- Monitor the performance of all aspects of the business activities of the company on aregularbasis:
- Implement those measures as recommended by the Risk Function, Internal and ExternalAuditoraswellasotherAssuranceProviderswhich,inTheiropinionwillenhancecontr olsatreasonablecost:
- ComplywiththeDelegationsFramework:
- Ensurethatlegislation,policiesandproceduresarestrictlycompliedwith:
- EnsurecompliancewiththesystemofinternalcontrolandthecodeofEthics:
- Ensure compliance with policies standard procedures and applicable legislation andregulation:and

- Provide assurance to the Chief Executive Officer and Board of Directors on the effectiveness of the internal controls system through the management Assurance Letter on an annual basis. This assurance letter will be phased in to the Division over a period of 12 months.

The Limitations of Internal Controls

The existence of a sound internal control environment provides company with an assurance that activities are being carried out in an efficient and effective manner and that its assets are secure. Even with effective internal controls, errors and inappropriate activities are not entirely eliminated. The following are factors not entirely eliminated by an internal control framework:

- Human error may cause breakdown in internal controls when staff are pressured with tight timeframes; exercise poor judgments; lack appropriate understanding of their responsibilities and delegations and when they lack appropriate training
- Abnormal or non-routine transactions may not be appropriately captured by internal controls designed for routine transactions
- Inappropriate behavior by a number of staff acting together in collusion to bypass the systems of internal control
- A deliberate decision to not implement cost prohibitive internal controls
- Internal controls not being updated immediately when changes in procedures or changes in technology occurs.

APPROVED BY

CHIEF EXECUTIVE

Dated : September 14, 2023