The Risk Intelligent Framework

Before the digital age Boards operated in an analog, in person, central and conforming way. They worked within a strict framework; regularly met in person, at a specified location typically a boardroom, communications were limited to in person or over the phone, few memos or letters were used to document Board business, communications and documents were not transported over an Internet but rather were exchanged by hand and kept only in physical files at a known location. Board meetings were accompanied by formal Agendas, Minutes and other documents that were reviewed and modified in a way so that all drafts and communications were not available. The final document(s) was the only legal representation of the Board; otherwise, the thought process, views and opinions leading up to the Board's conclusions were no longer debatable nor discoverable.

With the advent of the digital age Boards operate in a much different environment. Technology has provided us with digital tools that accomplish an even greater degree of mind sharing through the use of email, file sharing, etc. The ease in which we can now share our views and opinions is unprecedented. Unconsciously, and many times without mindful consideration, we share our thoughts and opinions quickly and openly among our colleagues due to the efficiency and convenience that the digital age has facilitated. Every thought, view and opinion becomes encapsulated in digital breadcrumbs that are easily discoverable. The ability to take these bits and pieces of perspective out of context is unparalleled. This change has created new risks and associated liabilities that the analog framework was never designed to protect against. Boards and their members have become exposed to risks and associated liabilities at an unprecedented level in today's society.

As we use technology to transact our lives we typically operate within at least one if not two frameworks, our personal and our business. This distinction comes naturally as we have been conditioned to keep our personal lives separate and distinct from our work. As an example, we typically have a work email and a personal email. So, what happens when you decide to become a Board Member? Board Members of any entity, public or private, small or large, for profit or not-for-profit, have fiduciary and legal responsibilities that are subject to inspection, scrutiny and lawsuits and require their own separate framework. As you would never co-mingle your personal life with your work or business nor should you do so with your Board responsibilities. You must insure that the Board you serve on has the appropriate framework in place to support the management, communication and collaboration needs of the entity you serve.

So how do you easily and safely, protect yourself from these newly acquired liabilities? Yes, there are financial insurance products such as Directors and Officers (D&O) insurance that were designed in a less transparent time when claims were easier to defend. Insurance companies have recognized the deficiencies inherent in this legacy product and are quickly adjusting to today's ultra-transparent world by increasing premiums and deductibles and shrinking coverages. Additionally policies have become laden with caveats and exclusions. Insurance companies will be the first to tell you the digital world has changed the game and financial insurance alone is just not enough. In today's world you need to proactively manage your risk and associated liability.

Risk and Liability

Boards that continue to operate and govern without a digital framework are finding it virtually impossible to adequately mitigate risk and liability exposures. It is not uncommon to find Board emails and other Board documents commingled with a Board Member's personal and work emails and documents. This practice exposes personal and work email accounts, computers and electronic devices to scrutiny both during and after each Board Member's tenure. Add in committee members, managers, lawyers, accountants and other professionals and the exposure grows exponentially.

Managing Risk and Liability in a Framework of Efficiency and Utility

Without a digital framework, when Board Members or others who serve the entity leave, many of the Board's records leave with them. This not only leads to lack of continuity and preservation of a historical record, but also, when one Board Member leaves the next one has to try to recreate the record, rather than picking up where his predecessor left off.

This unforeseen consequence of today's digital age is translating into serious liabilities both personal and financial.

Some facts:

- During the last 10 years, 64% of all Nonprofits have had a claim. More than the Private and Public sectors combined. Contradicting popular opinion that claim activity is a public company phenomenon.

- Average cost of a settlement is $28,000.

- Average legal cost of defending a claim $35,000.

- One in every 10 claims costs more than $100,000.

- In the last 12 months 41% of Nonprofit/Private organizations have experienced an increase in D&O insurance premiums.

Efficiency and Utility

Office of the Board provides an operating framework to support the Board's management, communication and collaboration needs. Instantaneously, Board members are provided with a systematically customized entity email account, a document management system with folders jurisdictionally tailored to your entity, a Board-centric calendar and contacts system, features for Board discussion, documentation, voting, e-signing, the ability to consult with Board Members outside of your Board and other relevant features. All of these resources are securely contained within a customized patent-pending Risk Intelligent Framework that is accessible by permitted members of your Board and the people who work with them whenever and wherever convenient for them.

Board information can be created, managed and maintained within the Framework for as long as required. Permitted Board Members and others can securely access information that is needed to satisfy their obligations and responsibilities. Even third parties can be given one-time secure and restricted access to specific information. No

more searching for necessary information or relying upon others before obligations and responsibilities can be met. Board members and others may come and go but the information will remain with the entity and controlled by the Framework.

Whether the Board Members and others working with them should have email, document management, a calendar, contacts, publisher and other features and resources, is totally within your control. The Board administrator has access to all features so you'll be able to decide whether all members should have every feature or just some of them. With a novel daily billing system users are afforded the best cost without compromise to security. When members change, you can turn features off for the outgoing member and on for new members. The Office of the Board preserves the historical record and continuity in transitions. New members can pick up exactly where the outgoing members left off.

Office of the Board – The Risk Intelligent Framework

Office of the Board with its patent pending Risk intelligent Framework is a revolutionary technology centric business process Framework. Designed from the ground up to mitigate risk and facilitate the operational management of an entity's Board, Board Members and Affiliates. It is an easy, safe, affordable way for entities to instantaneously have a permanent Framework for communications, document management, collaboration and other resources so its Members are protected.

The moment an entity creates an Office of the Board its proactive Risk Intelligent Framework immediately establishes an environment designed to insure quality governance, best practices, internal controls, and a culture of compliance. Office of the Board will proactively notify you of pending actions requiring your attention, insure that your Board communications are separate, safe and secure, it will allow you easy and convenient access to Board documents, it will provide a level of transparency as to compliance and general record keeping.

Please visit us at http://www.officeoftheboard.com for more information.

Managing Risk and Liability in a Framework of Efficiency and Utility

Key Risk Intelligent Framework Features

1. **Intelligent Boardroom Dashboard:**
   The "Boardroom" is a comprehensive dashboard that enables each Member to quickly evaluate pending and historic activity and see if there is anything required of them or other Members within their Office of the Board.

2. **Intelligent Boardroom Information Management and Presentation:**
   All activity inside the Office of the Board Risk Intelligent Framework is systematically tracked, logged and archived, including items such as: Member acceptance of policies, document creation and deletion, electronic signing, voting, uploads and downloads, and many more. However, the Office of the Board Risk Intelligent Framework will compile and present to Members the information that is important and actionable to them in a timely manner.

3. **Intelligent Notification:**
   The Office of the Board Risk Intelligent Framework will automatically notify Members by email of various predefined Board activities such as voting and signing. Additionally, the Framework will automatically send a Daily Notification Email to each Member alerting them to activities within their Office of the Board that may require their attention. Through the Daily Notification Email the Member can quickly evaluate which, if any, activities need their attention and proceed accordingly.

4. **Intelligent Policy Creation and Management:**
   Legally required or best practice policies can be created using custom templates, from scratch or from existing documents in Publisher. Rules can be set to present Members with specific policies when they enter the Framework or whenever the administrator requires. Different groups (e.g., Board Members, officers, committee members, etc.) can be required to accept different sets of policies. The Office of the Board Framework tracks and retains a record of Member acceptance of policies.

5. **Intelligent Administration and Configuration:**
   Office of the Board will configure your Office of the Board using specific criteria gathered during the registration process and running it through the Risk Intelligent Framework algorithms. Type of entity, location of entity, size of entity and applicable regulations are some of the criteria that are taken into account by Office of the Board in the initial setup. After initial setup, Administrators and other permitted Members can fully manage their Office of the Board including adding, deleting, disabling Members, setting permissions, functionality, features, etc.

6. **Intelligent Email and Document Attachment:**
   All Office of the Board emails and attachments stay within the Office of the Board Risk Intelligent Framework. When emailing documents from the Document management system, documents can be attached as links so the documents always remain in the Framework. Additionally, documents attached to inbound emails can be saved directly into the Document management system.

7. **Intelligent Board Member Email Warning and Disclaimers:**
   Board Member email addresses are shown in "Red" for identification purposes. Additionally, a configurable email disclaimer to is provided and can be compelled for all outbound emails.

8. **Intelligent Email Management:**
   All emails are archived, searchable and managed through a professional eDiscovery interface. Emails can be purged or preserved pursuant to a document retention policy or impending litigation requirements making your Office of the Board email system litigation ready.

9. **Intelligent Official Records Setup:**
   Official Records section is automatically configured by the Office of the Board Risk Intelligent Framework algorithm when your Office of the Board is established providing predefined folders with associated legal requirements for your particular entity. Type of entity, location of entity, size of entity and applicable regulations are some of the criteria that are taken into account by Office of the Board in the initial setup. Relevant statutes or regulations may be available and clickable as support for Official Records folders.

10. **Intelligent Official Records Management:**
    Official Records folder structure may be updated from time to time if legal requirements change. Office of the Board will run an Official Records synchronization that will update the folder structure and provide the Board Administrator with a simple to use interface to reorganize affected documents or folders.

11. **Intelligent Official Records Controls:**
    All documents uploaded into Official Records are automatically converted into .PDF format for control purposes. Documents can only be deleted from Official Records pursuant to a "double authorization" requirement that can be managed by the Board Administrator.

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12. **Intelligent Folder and File Sharing:**
Folders and files can be shared with Office of the Board Members with permission level management (read, write, delete, or watch) as well as with non-Members through a customizable secure hyperlink sharing system. Hyperlinks can be password protected and can be set to expire after period of time or number of downloads. Additionally, file hyperlinks can be set to allow view only, print or download. Folders can be set to allow non-Members to be able to upload documents.

13. **Intelligent Folder Activity Logging and Watch:**
All workspace, folder and document activity is logged the Office of the Board Risk Intelligent Framework including uploads, deletes, modifications, views, logins, etc. The Office of the Board Watch feature can be set by a Member on both files and folders for modification, consultation, or both. The Watch feature allows the Member to track all activity by all Users pertaining to the "Watched" file or folder. A Watch log and notification is available through each Member's Boardroom dashboard as well as their Watch Alerts.

14. **Intelligent Template and Form Creation:**
Publisher provides relevant form templates systematically customized for your entity configuration. Templates include complimentary, valuable forms such as governance and meeting forms, policies, contracts, administrative, resale certificates, etc. based on your entities specific configuration as well as best practice templates created by professionals.

15. **Intelligent Template and Form Management:**
Publisher allows you to keep all Topics within your control in your own "Topics Library". Publisher comes with systematically generated tabs, some with present templates for required governance documents. Publisher provides administrative control over which Members have access to certain categories of Topics, and which members sign or vote.

16. **Intelligent Topic Creation:**
With respect to virtually any Topic, authorized Members can review, discuss, sign, vote and perform other functions without leaving Framework. A systematically generated name, position and date stamp is included when Members electronically sign a Topic.

17. **Intelligent Topic Management and Controls:**
Topics can be converted into PDF documents for security and can include title, votes, electronic signatures and comments. Comments by authorized Members include a systematically generated name, position and date stamp. Topics are all contained in one "Topic Library" so they can be retained or purged according to a retention policy.

18. **Intelligent Voting Management and Control:**
Voting can be set for blind or open voting. Voting tabulation and history is systematically preserved and accessible by authorized Members. Voting is systematically maintained for open and closed votes. A color based (Red/Green) visual indication will provide Members with the status of whether a vote is open or closed. Additionally, voting events are systemically added to your Office of the Board calendar.

19. **Intelligent Contact Management:**
A Board-specific centralized contact address book automatically populated based on Office of the Board Member profiles. Authorized Members have their own contacts that are managed within the Framework. Contacts can be historically preserved for effective transitions.

20. **Intelligent Boardroom Pricing:**
Office of the Board provides a unique, transparent, and variable pricing model that allows Board Administrators to manage their cost as never before. Pricing is calculated daily and based on the number of Users and services active for any specific day. Administrators are provided with an easy to use pricing calculator and control panel that enables the turning on and off services.

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