

<b>POLICY/PROCEDURE TITLE</b>	Risk Assessment Policy
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<b>DEPARTMENT</b>	Corporate Compliance Department
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### **I. PURPOSE:**

This Risk Assessment Policy documents the authority of ReachOut Healthcare America LTD d/b/a Smile America Partners (“Smile America Partners”) to conduct investigations and take actions as required to assess risks to the organization and take mitigating actions to reduce, eliminate, or manage risks. This policy specifies how and when risk assessments will be done and who will be responsible for them.

This annual Risk Assessment Policy is intended to specify the process Smile America Partners uses to identify risk in order to remediate it. Risk assessments are conducted under the authority of the Chief Compliance Officer. The Chief Compliance Officer works with the Corporate Compliance Committee on an annual basis to identify and prioritize risks to the company according to likelihood and level of harm factors. All those involved with a risk assessment must fully cooperate with the organizational members conducting the assessment. Cooperation must be complete for both the risk assessment and the remediation process since this is a critical business function.

### **II. DEFINITIONS:**

Risk - The chance that a threat will have an undesirable outcome combined with the amount of harm that may occur.

Risk Assessment - An examination of all possible risk along with implemented and non-implemented solutions to reduce, eliminate, or manage the risk.

Threat - A potential incident or activity which may be deliberate, accidental, or caused by nature which may cause physical harm to a person or financial harm to an organization.

### **III. PROCEDURE:**

1. On an annual basis, Corporate Compliance Committee members will self-report and identify new or ongoing risks by department or process.

2. The Corporate Compliance Committee should list the threats and identify the vulnerabilities faced by Smile America Partners, evaluate the security controls in place to manage these risks, and identify probabilities of the risk materializing using the risk assessment forms.
3. Using the internal risk rankings, the Corporate Compliance Committee will further score the risks and place a dollar amount on the damage where possible. This will help when looking at cost of controls to reduce the risk. Mitigation and monitoring actions will primarily focus on the top 20 identified risks.
4. The Corporate Compliance Committee will evaluate and recommend controls to reduce or eliminate risk. They will identify existing controls and those that may further reduce probabilities or mitigate specific vulnerabilities. These risks and controls will be used to create or enhance the annual Compliance Work Plan.
5. Once the risk assessment and work plan are reviewed and approved by the Corporate Compliance Committee, the Chief Compliance Officer will review these deliverables and then present them to the CEO and Board of Directors.
6. Under the supervision of the Chief Compliance Officer, the Corporate Compliance Department will monitor the effectiveness of risk mitigation actions and document the results. Smile America Partners will perform the risk assessment process every year in the light of new risks and technologies. Audits, inspections, and incidents that occurred over the last year are used to evaluate the effectiveness of the assessment.
7. Risk assessment reports and findings are confidential.