

***RISKS AND CONTROLS ARISING FROM THE USE OF CORPORATE CARDS***

<b>ORDINAL No.</b>	<b>RISKS FOR THE COMPANY</b>	<b>INTERNAL CONTROLS</b>	<b>AIMS OF CONTROLS</b>
1.	Unauthorized possession of the card	<ul style="list-style-type: none"> <li>- Obtain the approval of HR for the corporate cards for the specified job holders.</li> <li>- Distribute corporate cards to other employees, relevant to needs, with prior approval of the responsible director, and then provide the approval of HR.</li> <li>- Introduce the information about corporate card distribution into relevant employees' master record of cards.</li> <li>- Insure that the HR procedure defines employees' entitlement to two or more corporate cards.</li> </ul>	Define the protocol about corporate cards distribution to prevent their unauthorized distribution and usage
2.	Inappropriate usage of the corporate cards for business purposes	<ul style="list-style-type: none"> <li>- Insure that the procedures for use of the corporate cards define all expenses coverable by them.</li> <li>- Provide individual employee statement of all activities debiting corporate cards. The statements to be approved and signed off by the corresponding senior and responsible person.</li> <li>- Unauthorized expenses deductible from the payroll of the relevant employee.</li> <li>- Provide the procedure to define when corporate cards can be used in Internet transactions</li> </ul>	Prevent inappropriate usage of the corporate cards

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3.	Excessive usage of the corporate card	- Define the limit for each holder i.e. job requirements.	Improve distribution of total amount available.
4.	Incorrect clasification of expenses and incorrect statements of activities	- Insure the procedure to define the set of documents to be submitted to Finance for documentation of activities. - Define deadlines for submission of documents.	Insure correct documenting of activities by their nature and timely updating of business changes.
5.	Unharmonized activities, arising from the usage of the corporate cards, with other processes within the company.	- Insure the procedure to define usage of technical literature bought with the corporate card. - Insure the procedure to define submission of required documentation for VAT refund.	Insure better management of company's property.
6.	Risk of misuse of the corporate cards after expiry of entitlement to them or in the event of their loss.	- Insure the procedure of HR defining the procedures in the event of expiry of entitlement to the card. - Insure the Finance procedure defining the procedures in the event of card loss and cancellation.	Prevent presenting of inappropriate activities in the company's expenditures.