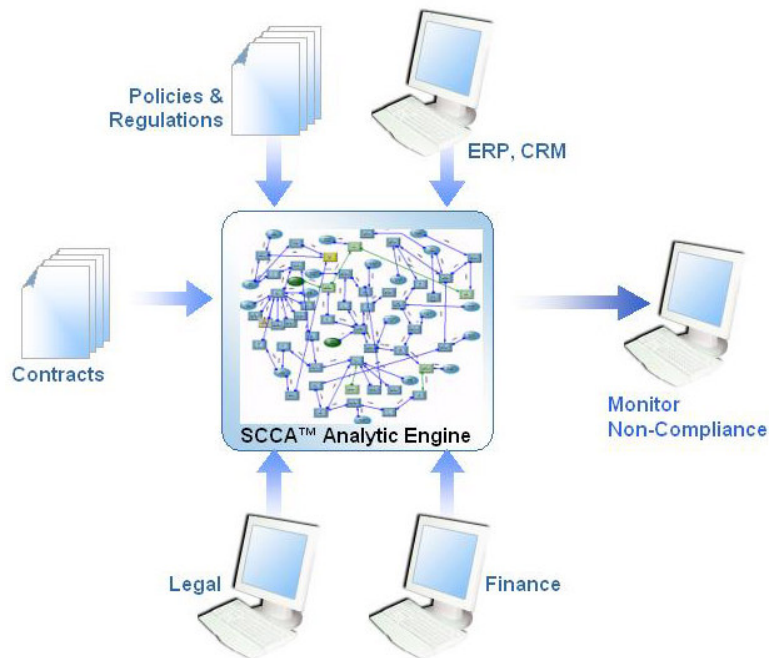


SCCA™ - Scio's Contract Compliance Analyzer

Corporate management is currently facing a slew of external regulations like the Sarbanes-Oxley Act, HIPAA, the USA Patriot Act, State Department Export limitations and others. The cost of failure (non-compliance) has serious implications for the companies as well as personal consequences for their management teams. At the same time, the same regulations are perceived as a distraction from the main objectives of business.

Reviewing hundreds or thousands of contracts (reflecting enterprise obligations as well as commitments made to the enterprise) for compliance with regulations, risk exposure, policies and objectives is costly and time-consuming. Implementing procedural controls does not release management from comprehending and analyzing each and every one of the contracts and all its implications.

CCA™ - Scio's Contract Compliance Analyzer dynamically monitors and analyzes all enterprise contracts for compliance with regulations and policies. **SCCA™** automatically identifies any non-compliance and alerts management for further action. Where other systems present the whole written document to management for review, **SCCA™** shows the exact non-compliant clause in the contract with analysis on the nature of the non-compliance. In addition, the dynamic characteristics of the system allows for simulation and predictive analysis. It not only flags areas of non-compliance for immediate corrective action, it provides the tools to avoid non-compliance altogether, converting what is often a burden into a competitive advantage.

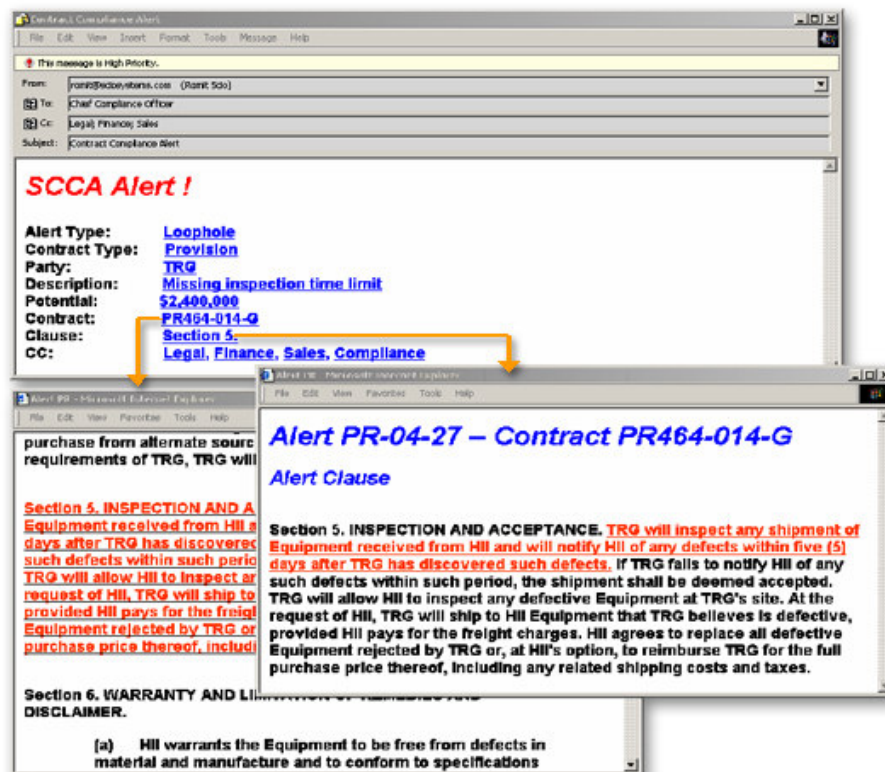


SCCA™ automatically captures the knowledge and logic embedded in a company's contracts and relates them to the company's policies and regulations. Every addition or change to the policies and the contracts is automatically fed and understood by the system. The system presents a comprehensive and understandable analysis of the consequences of those changes.

SCCA™ tells you where and why a contract is non-compliant and helps you resolve it

Scio's Contract Compliance Analyzer

- **Automatic loading.** 'Knowledge capture' of existing contracts, internal policies, regulations and ancillary documents. No need for manual feed of contract terms and conditions into rigid predefined templates. Just point at the relevant documents and press the 'Load' button. **SCCA™** will automatically read the documents, extract the needed information and incorporate it into its software structure.
- **Add-on to existing systems.** Extract information from existing systems. Non-intrusive.
- **Verify the structural completeness of a contract.** Checks for required sections, clauses, terms, signatures, etc. according to the type of contract.
- **Verify the logical completeness of a contract.** Checks for inconsistencies and missing parameters, such as missing return time limit, contradictory volume pricing, etc.
- **Verify compliance with policies.** Checks for procedural completeness including approvals depending on the nature and amount of contract. Checks for appropriate insurance, delivery requirements including penalties and bonuses, volume discounts, payment terms, etc.



- **Verify compliance with regulations.** Checks that required provisions are included and properly defined according to the type and nature of the contract. For example, limits export where required, stipulates environmental requirements, stipulates privacy assurances, etc.
- **Dynamic analysis of contracts, policies and regulations.** Analyze consequences to dynamic changes in contracts, policies and regulations. For example, when a change in export regulation occurs, it is input into **SCAA™** which automatically flags those contracts affected by the change and points to the specific affected clause.

- **Monitor and analyze risk transfer between contracts.** Checks for consistency between related buy and sell contracts and analyzes restriction gaps in delivery, payment terms, volumes discounts, penalties and bonuses, etc. Checks for contract duplication and redundancy.
- **Identify risks derived from contracts. Checks liabilities** and compares to respective sources of revenue (like demand forecast). Points to risk factors, particularly those required for financial reporting.
- **Simulation engine. SCAA™** allows for analysis of hypothetical scenarios, examining the sensitivity of parameters. This aspect could be critical when complying with financial regulations.
- **A distributed system.** Allows sub-units to monitor compliance at a local level, while connecting them for overall enterprise compliance.
- **Quick Return on Investment** – Operational in short time.

SCCA™ - avoid the failure, minimize risk and convert compliance into a competitive advantage

Contact us to discuss your particular application