



STAFF REPORT INFORMATION ONLY

PricewaterhouseCoopers LLP Audit Results - 2015

Date:	May 31, 2016
To:	TTC Insurance Company Limited Audit Committee
From:	Chief Executive Officer

Summary

Each year, the Audit Committee receives the attached report from TTC Insurance Company Limited's external auditor, expressing their opinion on the financial statement for the company. It should be noted that no issues of concern have been identified.

Financial Summary

There are no financial implications resulting from the adoption of this report.

The Chief Financial & Administration Officer has reviewed this report and agrees with the financial impact information.

Accessibility/Equity Matters

There are no accessibility or equity issues associated with this report.

Decision History

On February 10, 2010, the City's Audit Committee approved the appointment of PricewaterhouseCoopers LLP for the provision of external audit services for the City and its agencies, boards and commissions.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.AU15.3>

On June 22, 2015, the Audit Committee appointed PricewaterhouseCoopers LLP to perform the 2015 financial year-end audit of TTCICL.

http://www.ttc.ca/About_the_TTC/Audit_Committees/Toronto_Insurance_Company_Limited/2015/June_22_2015/Reports/Appointment_External_.pdf

Issue Background

In accordance with Section 102 of the Insurance Act (Ontario), a statement of the condition of affairs of the Company shall be accompanied by a report of an auditor prepared in the manner required by the Superintendent.

Comments

PricewaterhouseCoopers LLP has audited TTC Insurance Company Limited's financial statements for the year ended December 31, 2015. The independent auditor's report is a statutory reporting requirement and forms part of the annual submission to the Financial Services Commission of Ontario.

Contact

Vincent Rodo

President, TTC Insurance Company Limited

Phone: 416-393-3914

Email: Vincent.rodo@ttc.ca

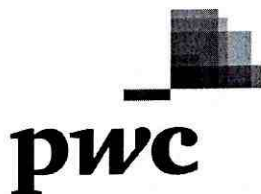
Attachments

PricewaterhouseCoopers LLP, Independent Auditor's Report

TTC Insurance Company Limited

*2015 year-end report
to management*

*Prepared as of
February 16, 2016*





February 17, 2016

Mr. Vincent Rodo
President
TTC Insurance Company Limited
Toronto Transit Commission
1900 Yonge Street
Toronto, ON M4S 1Z2

Dear Mr. Rodo:

We have substantially completed our audit of the financial statements and accompanying notes and Return (collectively the financial statements) of TTC Insurance Company Limited (the Company) prepared in accordance with Public Sector Accounting Standards (PSAS) for the year ended December 31, 2015. Our signed auditor's reports are included as Appendix A.

We prepared the accompanying report to assist you in your review of the financial statements. It includes our commitment to you and audit quality, an overview of our audit approach, an update on the status of our audit and a discussion on certain accounting auditing, and financial reporting matters.

We would like to express our sincere thanks to the management and staff who have assisted us in carrying out our work. If you have any questions or concerns please do not hesitate to contact me.

Yours very truly,

A handwritten signature in black ink, appearing to read "Akif Siddiqui", written in a cursive style.

Akif Siddiqui
Partner

c.c.: Sharon Tippett, Manager
Nancy Thai, Accounting Supervisor

*PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, Canada M5J 0B2
T: +1 416 863 1133, F: +1 416 365 8215, Direct T: +1 416 814 5879, Direct F: +1 416 814 3220, www.pwc.com/ca*

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Communications to management

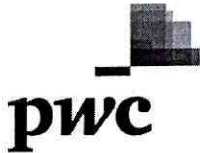
<i>Key matters for discussion</i>	<i>Comments</i>																
Status of the audit	We have completed our audit of the financial statements (the financial statements) of the Company.																
Status of other reporting - Specified procedures report to the appointed actuary	All procedures have been performed and no exceptions were noted. The report will be issued concurrently with the audit opinion on the financial statements of the company.																
Significant accounting, auditing and reporting matters discussed with management																	
Valuation of claims liabilities	<p>Claims liabilities are subject to a significant amount of subjectivity and uncertainty. The key audit risks are appropriateness of reserves and reasonableness of methodologies and assumptions used by management and the appointed actuary.</p> <p>Management has the following processes and controls in place to address this risk:</p> <ul style="list-style-type: none"> • valuation is performed by an external Appointed Actuary who is a member of the Chartered Institute of Actuaries; • reconciliations are performed between the data used in the valuation and the information from the underlying financial systems; and • review and approval of actuarial liabilities by senior management. <p>We performed the following audit procedures to gain comfort over the claims liabilities balance:</p> <ul style="list-style-type: none"> • we tested claim files on a sample basis to assess the accuracy and completeness of data used in the reserve calculations; • we reviewed reconciliations of data to underlying systems; • we reconciled the amounts recorded by the Company to those reported by the Appointed Actuary; • we independently projected the total estimate of reserves and compared the estimates to those of the Company; and • we reviewed methodologies and assumptions for the remaining balance. <p>In comparing discounted actuarial liabilities recorded by management to the estimate projected by our actuaries we noted the discounted actuarial liabilities were different as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>Appointed Actuary (000's)</th> <th>PwC (000's)</th> <th>Difference (%)</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>182,212</td> <td>167,429</td> <td>8.8</td> </tr> <tr> <td>2014</td> <td>155,419</td> <td>152,859</td> <td>1.7</td> </tr> <tr> <td>2013</td> <td>141,462</td> <td>140,472</td> <td>0.7</td> </tr> </tbody> </table> <p>We generally expect the differences to remain in the range of $\pm 5\%$. Differences outside of this range are further analysed in the context of the nature of risks and time it takes to settle claims. Based on our further analysis, we have accepted management's valuation of actuarial liabilities is reasonable.</p>		Appointed Actuary (000's)	PwC (000's)	Difference (%)	2015	182,212	167,429	8.8	2014	155,419	152,859	1.7	2013	141,462	140,472	0.7
	Appointed Actuary (000's)	PwC (000's)	Difference (%)														
2015	182,212	167,429	8.8														
2014	155,419	152,859	1.7														
2013	141,462	140,472	0.7														

<i>Key matters for discussion</i>	<i>Comments</i>
Management override of controls	<p>We have assessed the standard audit risk of material misstatement due to fraud or error involving management override of controls.</p> <p>Management has the following processes and controls in place to address this risk:</p> <ul style="list-style-type: none"> • segregation of duties exist between staff responsible for accounting records and senior management; • management performs a detailed review of manual journal entries; and • oversight by the Audit Committee. <p>In response to this risk the following auditing procedures were performed:</p> <ul style="list-style-type: none"> • we updated our understanding of the internal controls designed to prevent and detect fraud, specifically surrounding journal entries and the financial reporting processes; • we reviewed accounting estimates for biases that could result in material misstatement due to fraud, including retrospective review of significant prior year estimates; • we have performed tests of details on all significant financial statement line items; and • we included an element of unpredictability in our audit procedures. <p>There are no matters to report based on work performed.</p>
Related party transactions	<p>Given the nature of the organization, related party transactions have a pervasive impact on the financial statements.</p> <p>We have performed the following audit procedures for related party transactions:</p> <ul style="list-style-type: none"> • we reviewed agreements between TTCIC and its related parties: City of Toronto, the Toronto Transit Commission (TTC), and Toronto Coach Terminal Inc. (TCTI); • we confirmed the related party receivable and payable with the affiliated entity; and • we examined the most recent financial statements of TTC to assess solvency of the entity and in turn the collectability of the receivable balance. <p>There are no matters to report based on work performed.</p>
Summary of adjusted and unadjusted misstatements	<ul style="list-style-type: none"> • There were no adjusted or unadjusted misstatements above our de minimis of \$111,000 identified during completion of our audit engagement.
Other Communications	
Fraud and illegal acts	<ul style="list-style-type: none"> • No fraud involving senior management, or employees with a significant role in internal control or that would cause a material misstatement of the financial statements and no illegal acts came to our attention as a result of our audit procedures. • We wish to reconfirm that those charged with governance are not aware of any known, suspected or alleged incidents of fraud or illegal acts not previously discussed with us.
Management representation letter	<ul style="list-style-type: none"> • A copy of the signed management representation letter is included in Appendix B. The representations included are standard in nature.

<i>Key matters for discussion</i>	<i>Comments</i>
Internal controls recommendations	<ul style="list-style-type: none"> No significant deficiency nor material weakness were identified during our audit. We did identify certain control deficiencies, along with our recommendations are detailed in Appendix C of this report. The Company can consider these recommendations to supplement existing controls.
Other information in documents containing audited financial information	<ul style="list-style-type: none"> We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the schedules or exhibits referenced on pages 20.10 through 20.54 of the Company's P&C Quarterly Return and pages 20.52 and 20.60 of the Company's P&C Annual Supplement.
Subsequent events	<ul style="list-style-type: none"> No subsequent events which would impact the financial statements other than those disclosed have come to our attention. We would like to reconfirm that those charged with governance are not aware of any other subsequent events that might affect the financial statements.

The matters raised in this and other reports that will flow from the audit are only those that have come to our attention arising from or relevant to our audit that we believe need to be brought to your attention. They are not a comprehensive record of all the matters arising and, in particular, we cannot be held responsible for reporting all risks in your business or all internal control weaknesses. Comments and conclusions should only be taken in context of the financial statements as a whole, as we do not mean to express an opinion on any individual item or accounting estimate. This report has been prepared solely for your use. It was not prepared for, and is not intended for, any other purpose. No other person or entity shall place any reliance upon the accuracy or completeness of statements made herein. PwC does not assume responsibility to any third party, and, in no event, shall PwC have any liability for damages, costs or losses suffered by reason of any reliance upon the contents of this report by any person or entity other than you.

Appendix A: Signed auditor's reports



February 19, 2016

Independent Auditor's Report

To the Superintendent of Financial Services Commission of Ontario Report on the financial statements

We have audited the accompanying financial statements of TTC Insurance Company Limited (the Company) which comprise the statements of assets, liabilities, equity, head office account, reserves and AOCI and accumulated other comprehensive income (loss) as at December 31, 2015 and the statements of income, comprehensive income (loss), changes in equity and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information, on pages 20.10 through 20.54 of the Company's P&C Quarterly Return and pages 20.52 and 20.60 of the Company's P&C Annual Supplement.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

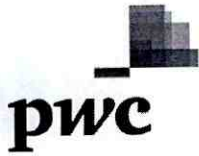
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*PricewaterhouseCoopers LLP
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Opinion

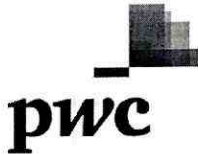
In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2015 and its financial performance and its cash flows for the year then ended, in accordance with Canadian Public Sector Accounting Standards.

Other matter

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the statement of reserves on page 20.45 and the schedules or exhibits referenced on pages 20.10 through 20.54 of the Company's P&C Quarterly Return or pages 20.52 and 20.60 of the Company's P&C Annual Supplement.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants



February 19, 2016

Independent Auditor's Report

To the Board of Directors and Shareholder of TTC Insurance Company Limited

We have audited the accompanying financial statements of TTC Insurance Company Limited, which comprise the statement of financial position as at December 31, 2015 and the statements of operations and accumulated surplus and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

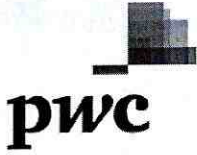
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of TTC Insurance Company Limited as at December 31, 2015 and the results of its operations, and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

***Appendix B: Signed management representation
letter***

TORONTO TRANSIT COMMISSION



JOSH COLLE
CHAIR
ALAN HEISEY, Q.C.
VICE-CHAIR
ANDY BYFORD
CHIEF EXECUTIVE OFFICER

MAUREEN ADAMSON
RICK BYERS
JOHN CAMPBELL
SHELLY CARROLL
VINCENT CRISANTI

GLENN DE BAEREMAEKER
RON LALONDE
JOE MIHEVC
DENZIL MINNAN-WONG



February 19, 2016

PricewaterhouseCoopers LLP
PwC Tower
18 York Street, Suite 2600
Toronto, ON
M5J 0G2

We are providing this letter in connection with your audits of the financial statements and the Annual Return P&C 1 of TTC Insurance Company Limited (TTCICL) as at December 31, 2015 and for the year then ended for the purpose of expressing an opinion as to whether such financial statements present fairly, in all material respects, the financial position, results of operations and cash flows in accordance with Canadian public sector accounting standards.

Management's responsibilities

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated December 18, 2015. In particular, we confirm to you that:

- We are responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards;
- We are responsible for designing, implementing and maintaining an effective system of internal control over financial reporting to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error. In this regard, we are responsible for establishing policies and procedures that ensure financial statements are prepared in accordance with Canadian public sector accounting standards;
- We have provided you with all relevant information and access, as agreed in the terms of the audit engagement; and
- All transactions have been recorded in the accounting records and are reflected in the financial statements.

We confirm the following representations:

Preparation of financial statements

The financial statements include all disclosures necessary for fair presentation in accordance with Canadian public sector accounting standards and disclosures otherwise required to be included therein by the laws and regulations to which TTCICL is subject.

We have appropriately reconciled our books and records (e.g. general ledger accounts) underlying the financial statements to their related supporting information (e.g. sub ledger or third party data). All related reconciling items considered to be material were identified and included on the reconciliations and were appropriately adjusted in the financial statements. There were no material unreconciled differences or material general ledger suspense account items that should have been adjusted or reclassified to another account balance. There were no material general ledger suspense account items written off to a balance sheet account, which should have been written off to an operations account and vice versa. All inter-governmental unit accounts have been eliminated or appropriately measured and considered for disclosure in the financial statements.



Accounting policies

We confirm that we have reviewed TTCICL's accounting policies and, having regard to the possible alternative policies, our selection and application of accounting policies and estimation techniques used for the preparation and presentation of the financial statements is appropriate in TTCICL's particular circumstances to present fairly in all material respects its financial position, results of operations and cash flows in accordance with Canadian public sector accounting standards.

Internal controls over financial reporting

We have designed disclosure controls and procedures to ensure material information relating to TTCICL is made known to us by others.

We have designed internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with Canadian public sector accounting standards.

We have not identified any deficiency in the design or operation of disclosure controls and procedures and internal control over financial reporting identified as part of our assessment as at December 31, 2015.

Disclosure of information

We have provided you with:

- Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters including:
 - Contracts and related data;
 - Information regarding significant transactions and arrangements that are outside of the normal course of business; and
 - Minutes of the meetings of shareholders, management, directors and committees of directors. The most recent meetings held were the Directors', Shareholders and Conduct Review and Audit Committee meetings, which were all held on June 22, 2015; and
- Additional information that you have requested from TTCICL for the purpose of the audit; and
- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

Completeness of transactions

All contractual arrangements entered into by TTCICL with third parties have been properly reflected in the accounting records and, where material (or potentially material) to the financial statements, have been disclosed to you. We have complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.

Fraud

We have disclosed to you:

- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- All information in relation to fraud or suspected fraud of which we are aware affecting TTCICL involving management, employees who have significant roles in internal control or others where the fraud could have a material effect on the financial statements; and
- All information in relation to any allegations of fraud, or suspected fraud, affecting TTCICL's financial statements, communicated by employees, former employees, analysts, regulators or others.



Compliance with laws and regulations

We have disclosed to you all aspects of laws, regulations and contractual agreements that may affect the financial statements, including actual or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

We are not aware of any illegal or possibly illegal acts committed by TTCICL's directors, officers or employees acting on TTCICL's behalf.

Accounting estimates and fair value measurements

Significant assumptions used by TTCICL in making accounting estimates, including fair value accounting estimates, are reasonable.

For recorded or disclosed amounts in the financial statements that incorporate fair value measurements, we confirm that:

- The measurement methods are appropriate and consistently applied;
- The significant assumptions used in determining fair value measurements represent our best estimates, are reasonable and have been consistently applied;
- No subsequent event requires adjustment to the accounting estimates and disclosures included in the financial statements; and
- The significant assumptions used in determining fair value measurements are consistent with TTCICL's planned courses of action. We have no plans or intentions that have not been disclosed to you, which may materially affect the recorded or disclosed fair values of assets or liabilities.

Significant estimates and measurement uncertainties known to management that are required to be disclosed in accordance with CPA Canada Public Sector Accounting Handbook Section PS 2130, Measurement Uncertainty, have been appropriately disclosed.

Related parties

Given that we have not early adopted PSAS 2200 Related Party Disclosures, we confirm that we have disclosed to you the identity of related parties as defined by Canadian Auditing Standard (CAS) 550, Related Parties, and all the related party relationships and transactions. In accordance with CAS 550, for government controlled entities, only those entities that TTCICL engaged in transactions with during the year have been defined as related parties.

The identity, relationship of and balances and transactions with related parties have been properly recorded and adequately disclosed in the financial statements, in accordance with our accounting policy.

The list of related parties attached to this letter as Appendix A accurately and completely describes TTCICL's related parties.

Indemnity and Guarantees

The Toronto Transit Commission makes all claims payments on behalf of TTCICL through the terms of an indemnity agreement. We confirm that as at the date of this letter, the Toronto Transit Commission continues to agree to completely and fully indemnify and hold harmless TTCICL against and from any and all losses, costs and expenses of TTCICL as stated in the signed Indemnity Agreement dated February 25, 1994.

The City of Toronto, through execution of the Guarantee Agreement dated July 13, 1994, guarantees all liabilities of TTCICL in the event that the Toronto Transit Commission is unable to meet these obligations as required by the indemnity agreement noted above. We confirm that as of the date of this letter, we are not aware of any termination notice in respect of the guarantee from the City of Toronto.



Going concern

We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements (e.g. to dispose of the business or to cease operations).

Assets and liabilities

We have satisfactory title or control over all assets. There are no liens or encumbrances on TTCICL's assets and assets pledged as collateral.

We have recorded or disclosed, as appropriate, all liabilities, in accordance with Canadian public sector accounting standards. All liabilities and contingencies, including those associated with guarantees, whether written or oral, under which TTCICL is contingently liable in accordance with the CPA Canada Public Sector Accounting Handbook Section PS 3300, Contingent Liabilities, have been disclosed to you and are appropriately reflected in the financial statements.

Litigation and claims

All known actual or possible litigation and claims, which existed at the balance sheet date or exist now, have been disclosed to you and accounted for and disclosed in accordance with Canadian public sector accounting standards, whether or not they have been discussed with legal counsel.

Misstatements detected during the audit

Certain representations in this letter are described as being limited to those matters that are material. Items are also considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement.

We confirm that the financial statements are free of material misstatements, including omissions.

We confirm there are no uncorrected misstatements in the financial statements.

There is no adjusted misstatement identified during your audit.

Cash and banks

The books and records properly reflect and record all transactions affecting cash funds, bank accounts and bank indebtedness of TTCICL.

All cash balances are under the control of TTCICL, free from assignment or other charges, and unrestricted as to use, except as disclosed to you. The amount shown for cash on hand or in bank accounts excludes trust or other amounts which are not the property of TTCICL.

All cash and bank accounts and all other properties and assets of TTCICL of which we are aware are included in the financial statements at December 31, 2015.

Accounts receivable

All amounts receivable by TTCICL were recorded in the books and records and are considered to be fully collectible.

Use of a specialist

We assume responsibility for the findings of other specialists in evaluating the case reserves and incurred but not reported (IBNR) and have adequately considered the qualifications of the specialists



in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.

Events after balance sheet date

We have identified all events that occurred between the statement of financial position date and the date of this letter that may require adjustment of, or disclosure in, the financial statements, and have effected such adjustment or disclosure.

Approval of financial statements

We have the authority to attest that the financial statements have been reviewed and accepted by management.

Yours truly,

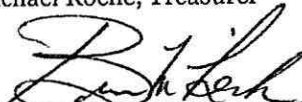
The TTC Insurance Company Limited



Vincent Rodo, President



Michael Roche, Treasurer



Brian Leck, General Counsel



Appendix A – List of related parties

Related Entities:

- City of Toronto
- Toronto Transit Commission
- Toronto Coach Terminal Inc.
- Toronto Transit Infrastructure Limited
- TTC Sick Benefit Association



Appendix C: Internal controls recommendations

REF:	OBSERVATION	RECOMMENDATION	MANAGEMENT'S COMMENT
1	<p>There is no formal process to periodically review users' access (business and IT) to the Risk Master application and as such no periodic review was conducted during the audit period.</p> <p>With no formal periodic review of users' access, the changes in their employment status and access based on business requirement may not be addressed appropriately. Unauthorized access of users may remain undetected and could be misused to pass unauthorized business transactions.</p>	<p>The formal periodic review process should be established to confirm that the users' access is commensurate with their responsibilities throughout the year.</p>	<p>Management will implement the periodic review to validate users' access in the Risk Master application.</p>
2	<p>The following password configuration for Risk Master application do not comply with the Company password policy.</p> <ul style="list-style-type: none"> - minimum length is configured as 6 characters instead 7 as required by Company policy; - complexity is configured to include 2 literal types instead of 3 literal types as required by Company policy; and - password history is configured to 5 instead of 12 as required by Company policy. <p>Weaker password parameters could reduce the overall security strength and make it easier for unauthorized users to login via brute force attack.</p>	<p>The password settings for Risk Master application should be configured in line with the TTC Company policy.</p>	<p>Management has updated the password configuration in Risk Master in accordance with the Company password policy.</p>

