

## EXECUTIVE COMMITTEE MEETING MINUTES

**Meeting Date:** August 15, 2022

**Meeting Time:** 9:00 AM

**Location:** Executive Conference Room, 10th Floor, Veridian Bank HQ

### Attendees:

- Victoria Ashford, Chair, Board of Directors
- Arthur Sterling, CEO
- Evelyn Reed, Head of Risk Management
- Sarah Chen, Head of Compliance
- James Blackwood, Independent Director
- Nina Patel, Independent Director
- Marcus Thorne, Head of Investment Division
- Internal Audit Team (rotating investigators)

### Summary:

This executive committee meeting marked a pivotal moment in Veridian Bank's escalating crisis. The agenda centered on addressing the growing concerns of corporate espionage, internal power struggles, and the emerging evidence of investment fraud. The meeting minutes capture the high-level discussions, strategic decisions, and responses by the executive committee. The minutes highlight the increasing tensions between the CEO, Arthur Sterling, and the Head of Risk Management, Evelyn Reed, as well as the growing alarm among the Board of Directors.

### Overview:

The meeting began with a review of the latest risk assessment scores, which indicated a significant increase in the risk of corporate espionage (Risk Assessment Score: 40). The Internal Audit Team presented their preliminary findings on the data breach investigation, highlighting the sophistication of the attack and the potential implications for the bank's reputation.

### Key Discussions:

1. **Corporate Espionage:** The Internal Audit Team presented their findings on the data breach investigation, which revealed a coordinated attack on Veridian Bank's systems. The team identified multiple entry points and a sophisticated malware used to compromise sensitive information.

2. **Internal Power Struggles:** The CEO, Arthur Sterling, and the Head of Risk Management, Evelyn Reed, engaged in a heated discussion regarding the bank's investment strategy and the role of the Risk Management department. Reed emphasized the need for increased vigilance and oversight, while Sterling pushed back, citing the need for flexibility and innovation.
3. **Investment Fraud:** The meeting touched on the emerging evidence of investment fraud, including the suspicious activity in the Meridian Opportunities Fund. The Internal Audit Team presented their preliminary findings, which highlighted the potential scope of the fraud and the need for immediate action.

#### **Key Decisions:**

1. **Appointment of a Special Investigative Committee:** The Board of Directors agreed to appoint a special investigative committee to oversee the investigation into the corporate espionage and investment fraud allegations.
2. **Enhanced Risk Management Measures:** The executive committee approved enhanced risk management measures, including increased monitoring of the bank's systems and a more robust compliance program.
3. **Restrictive Access to Sensitive Information:** The meeting concluded with the decision to restrict access to sensitive information, including the data breach investigation findings and the preliminary audit reports.

#### **Action Items:**

1. **Internal Audit Team:** The Internal Audit Team was tasked with completing the remaining phases of the investigation, including a comprehensive forensic analysis of the data breach.
2. **Risk Management:** Evelyn Reed was instructed to work closely with the Internal Audit Team to develop enhanced risk management measures and implement a more robust compliance program.
3. **CEO and Board of Directors:** The CEO and the Board of Directors were directed to work together to develop a comprehensive plan to address the escalating crisis and restore confidence in the bank.

**Confidentiality Level:** Privileged & Confidential

**Issue Category:** Corporate Espionage

**Author:** Internal Audit Team

**Risk Assessment Score:** 40

**Next Meeting:** The next executive committee meeting is scheduled for August 22, 2022, at 9:00 AM.

**Distribution:**

- Board of Directors
- Executive Committee
- Internal Audit Team
- Risk Management
- Compliance
- CEO
- Independent Directors

**Retention:**

- The meeting minutes will be retained in the Executive Committee Private Server for a period of 5 years.
- The minutes will be accessible to authorized personnel only.

**Certification:**

I, [Name], certify that the meeting minutes are a true and accurate record of the discussions and decisions made during the executive committee meeting on August 15, 2022.

**Signature:** [Signature]

**Date:** August 15, 2022