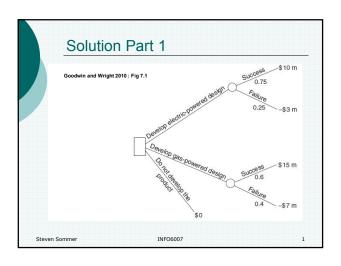
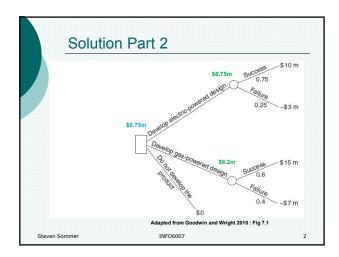
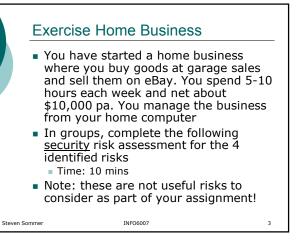
## Exercise — Part o SIT industries is running a project to build a new type of robot. We only have enough resources to create an electric powered one, or a gas powered one, but not both. We could also choose to make neither. The electric one has 75% chance of being successful and making us \$10m. If it fails we loose \$3m The gas one has a 60% chance of being successful and making us \$15m. If it fails we loose \$7m Draw an initial decision tree representing this. Solve the tree







	Exercise Home Business				
	Risk	Likelihood	Worst Case Impact	Expected Loss	Suggested Response
	Virus and Worms	Moderate (once annually)	\$2,000 if system irrecoverable (full rebuild and data reconstruction)	Likelihood of system rebuild required: 25%. So expected loss is \$500	Mitigate: Anti- Virus, and Backup.
	Remote Hacking Attack	Low (once each 5 years)	\$2,000 (as above)	\$400	Mitigate: Firewall and Backup
	Theft	Low (once each 5 years?)	Loss of system, data, etc, estimated at \$5,000 (new system and setup, some data reconstruction, and loss of access while rebuilding)	\$400	Mitigate and Transfer: Backup, Insure equipment and business loss.
St	Fire, Earthquake, Hurricane, Flood and similar. even Sommer	Very Low (< 1/10,000)	\$5000 as above  INFO6007	50c (Ha!)	Accept Risk