

# PRODUCT GOVERNANCE MANAGED SERVICE

## MIFID II Structured Retail Product Governance

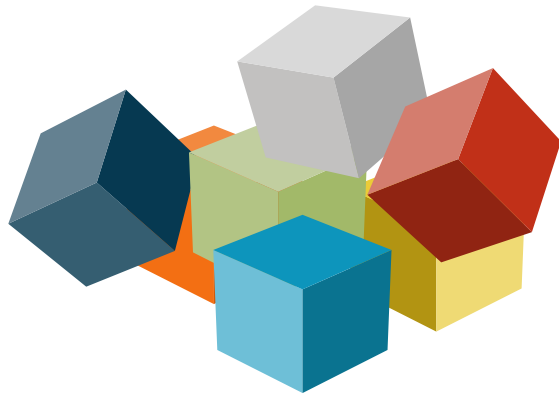
- MIFID II creates **significant regulatory obligations** for product manufacturers around development, monitoring and oversight of a Product Governance Framework – replacing and extending the FCA guidance for structured product manufacturers.
- **Documenting and retaining evidence** of decisions and actions taken is critical throughout the product design process, product testing and whilst monitoring products during their lifecycle.



**Delta Capita has developed a MIFID II **Product Governance Managed Service** to support this critical control framework**

To ensure a robust Product Governance framework it is critical that sufficient focus is placed upon:

- Following process and policies and retaining evidence of decision making rationale.
- Record retention and indexing to allow consistency in decision making and evidence for auditors or regulators.
- Relevant and up to date management information, trends and benchmarking to assist in decision making

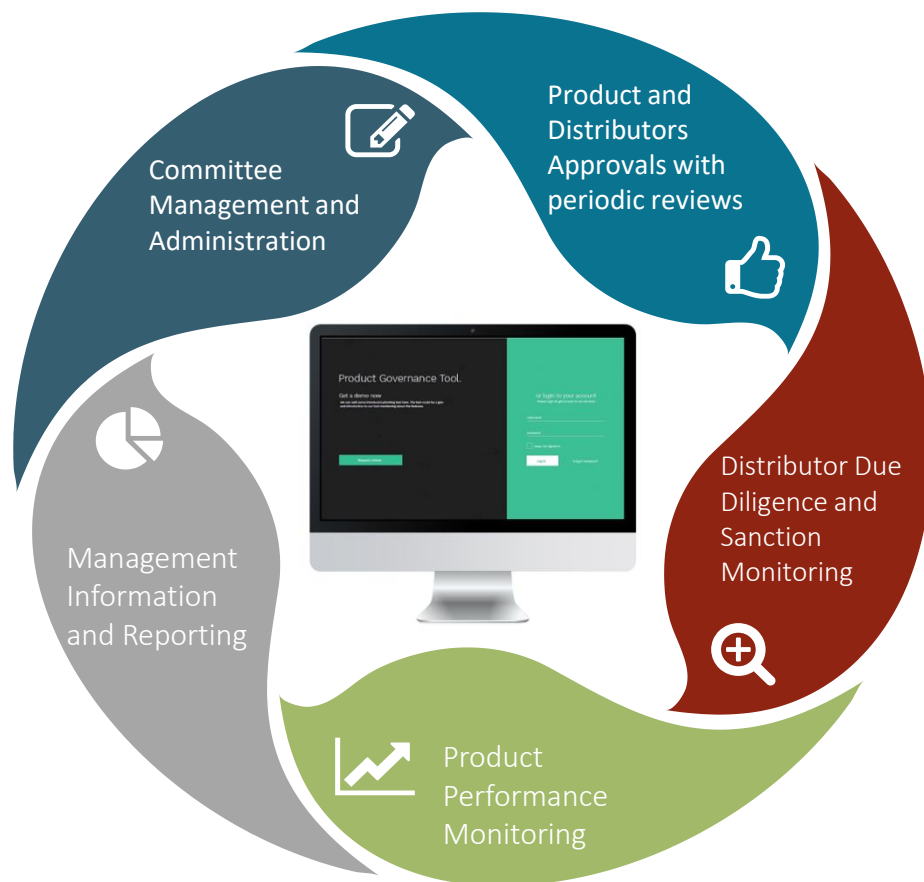


Reliance on existing stretched resource to support critical administrative Product Governance tasks can lead to a risk of **failure of the framework.**

**Maintain the highest governance standards and **avoid the risk** of audit or regulatory failings**

## Delta Capita Product Governance Managed Service

- ✓ Specialist and **experienced staff** without the need for long term permanent hiring and training
- ✓ Resource based both offsite and **onsite as required**
- ✓ Specially designed **technology** to enhance controls
- ✓ Agreed **SLA's**, with KPI monitoring to ensure completeness



**Specialist support service run on purpose built technology ensures the highest governance standards at a realistic cost.**

# Product Governance Case Study

## Existing Product Governance Service

- Provided to a Tier 1 structured product manufacturer supporting all aspects of product governance framework.
- Service introduced in response to regulatory scrutiny and a requirement for comprehensive governance without increasing headcount.
- Includes onsite support and management of Committees as well as ongoing administration support offsite and offshore.

## Service Experience

- Provide seamless transition to a MIFID II compliant governance framework including adapting processes and training governance staff.
- Service adapted to take into account the additional product risk classifications and scenario analysis from implementation of PRIIPS KID regime
- Expanded to extend support to include regions outside EU following success European implementation of the service

