



# A Fair Value Solution

## The FCA Requirement

*“For a non-investment insurance product, a firm must ensure that the product approval process identifies whether the product provides fair value to customers in the target market including whether it will continue to do so for a reasonably foreseeable period (including following renewal).”*

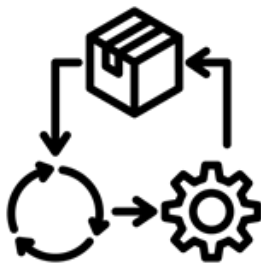
FCA Handbook PROD 4.2.14AR

## The Challenges

Fair value assessments present a number of operational challenges. The biggest challenge for Manufacturers is the actual identification of total costs to the end customer through the distribution chain. In the absence of a solution addressing the performance of ongoing fair value assessment requirements, work undertaken is heavily manual. It requires continued investment in resource, results in untimely completion of assessments, lacks in evidence and reporting, and in all likelihood becomes a tick-box exercise. Streamlining and automating these processes is crucial for providing real value to all parties involved.

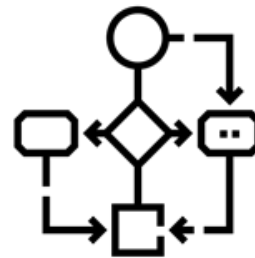
## Key Features of our Solution

Enhanced digitalised market forms, allowing for the simplified collection of accurate and structured product data across multiple parties.



Integrated intuitive workflow capabilities to streamline the fair value assessment, providing internal peer review options and external form circulation.

Automated communication to improve and facilitate the interaction between manufacturers and distributors, with secure real-time conversation flows between parties.



Reporting capabilities to assess fair value compliance and analyse responses, enabling the identification of the total cost to the end customer throughout the distribution chain.

Real-time, sophisticated dashboards to show compliance against the FCA's PROD 4 requirements visually in a simple and interactive manner.



# 10 Reasons for our Solution

1

The standard market manufacturer and distributor **forms have been amended** to allow for the collection of structured data that can be easily analysed.

2

The system identifies the **role of a co-manufacturer** in the distribution chain, requesting they complete a specific form that reflects their role in the chain.

3

There is **intuitive workflow allowing peer review** by the manufacturer of their product forms, facilitating review by both the first and second line of defence, as necessary.

4

The manufacturer is able to **automate communications to distributors**, requesting form completion, and allowing parties to communicate openly on the system with audit trail retained.

5

The solution enables the distributor to select products as required from a **product library** and thereby complete their forms for combined policies.

6

Creation of **an action point database** to identify any recommendations arising from performance of the fair value exercise and progress towards implementation.

7

The solution provides transparency so manufacturers and distributors are able to **view and report ongoing progress** towards fair value assessment completion.

8

The above-referenced transparency enables manufacturers to **identify total costs to the end customer** through each distribution chain – the key to the PVIE.

9

**Dashboard and reporting capability** enables assessment of the delivery of good customer outcomes and product compliance against PROD 4.2 of the FCA Handbook.

10

With the agreement of other system users, the solution has the capability to provide anonymised data **comparing specific product data against that of the market**.