

Understanding Control Risks

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Agenda

- Effective Corporate Governance
- New Product Approval
- Outsourcing
- Identifying and Managing Risk
- FHC/BHC Convergence

Effective Corporate Governance

- Defining Critical Elements
 - From Principles to Execution
- Identifying Roles
 - Oversight
 - Monitoring
 - Reporting/Access
- Factoring in Size and Structure
 - Enterprise-wide vs. Line of Business
- Geographic Considerations
 - Regulatory Overlay

New Product Approvals

- Defining “New Product”
 - “New” vs. “Twist & Wrinkle”
 - Products vs. Services
- Governance
 - Identifying Stakeholders/Structure
 - Role of Compliance & Legal
 - Process/Record Keeping/Reporting
 - Post-launch/Ongoing Reviews
 - Use of Checklists for Consistency
- Critical Issues
 - Tone from the Top/Business Commitment to Process
 - Controls & Supervision
 - Identifying and Managing Conflicts
 - Regulatory Oversight

Outsourcing

- Initiating Outsourcing Relationship
- Approval Process
- Assessing Risks and Regulatory Impact
- Due Diligence
- Ongoing Monitoring

Identifying and Managing Risk

- Conducting Risk Assessments
- Compliance Monitoring and Testing
- Issue Tracking & Reporting
- Coordination with Internal Audit

FHC/BHC Convergence

- Change in Corporate Structure
- Implications of Global Supervision
- Continuing Role of Functional Regulators
- Key Affiliate and Booking Model Considerations
- Emphasis on Fully Documented Internal Control Framework

Questions