



**Deloitte.**

Our PRIIPS  
solution

Get prepared  
for the race

May 2016

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# Introduction









## At Deloitte, we are committed to helping you to successfully meet this race against the clock

The final draft Regulatory Technical Standards (RTS) for Packaged Retail and Insurance-based Investment Products (PRIIPs) has been published on 31 March 2016. This 183 pages long document signals the final call for departure of PRIIPs projects across the fund, insurance and banking industries.

At Deloitte, we are committed to helping you to successfully meet this race against the clock. Therefore, since the inception of PRIIPs, we have pursued two work streams:

- KID platform upgrade** – For both the risk calculation engine and the KID factory engine, our systems can now generate PRIIPs KIDs in line with the final draft RTS.
- PRIIPs collateral impacts** – In the past months, Deloitte has conducted a number of “PRIIPs Proof of Concept” exercises with key players in the fund, insurance and banking industries. This allowed us to understand the impact of PRIIPs in those three industries and, more specifically, the interdependencies between them. In particular, we have analyzed the impacts on the operating model and the future data exchange requirements.

This allowed us to determine a pragmatic approach to implementing PRIIPs and to propose you three concrete services to successfully cope with the PRIIPs challenge.

Service	Fund industry	Banking industry	Insurance industry	Service description
Advisory service				<b>Advisory and project management services</b> – Accelerate your PRIIPs implementation project with our PRIIPs consultants, leveraging the knowledge gathered in analyzing PRIIPs for the past two years.
Calculation service				<b>PRIIPs data service</b> – Much of PRIIPs is a data challenge (from requirements, to data sourcing, calculations & enrichment, to client communication). We can clarify such matters and help you with the ongoing data management & processing, through our dedicated PRIIPs data exchange template.
KID production service				<b>PRIIPs KID factory</b> – Our proven successful KIID platform is now ready to produce and maintain all new PRIIPs KIDs for you.

 Service available

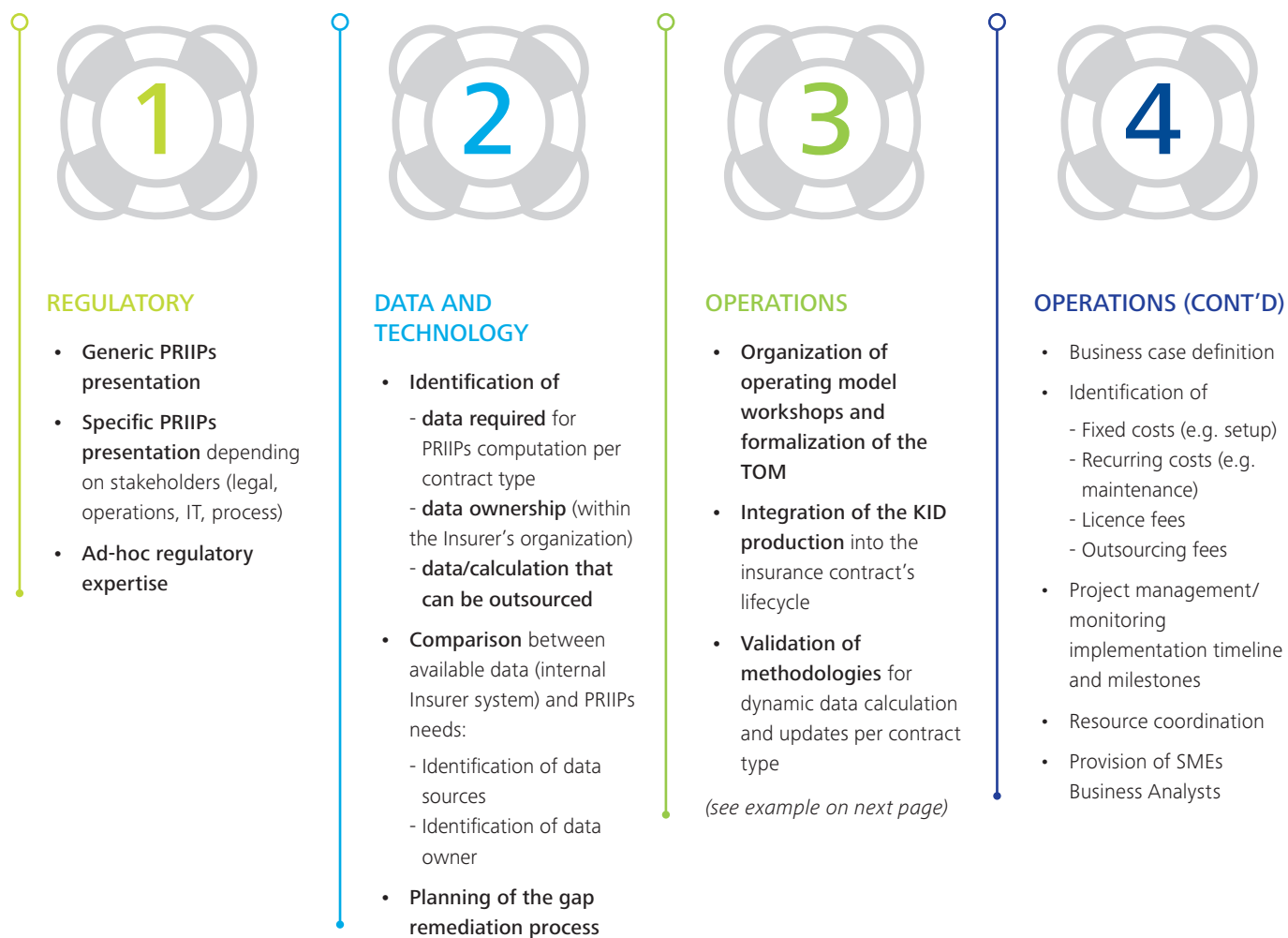


# Key 1:

## Determine your operating model

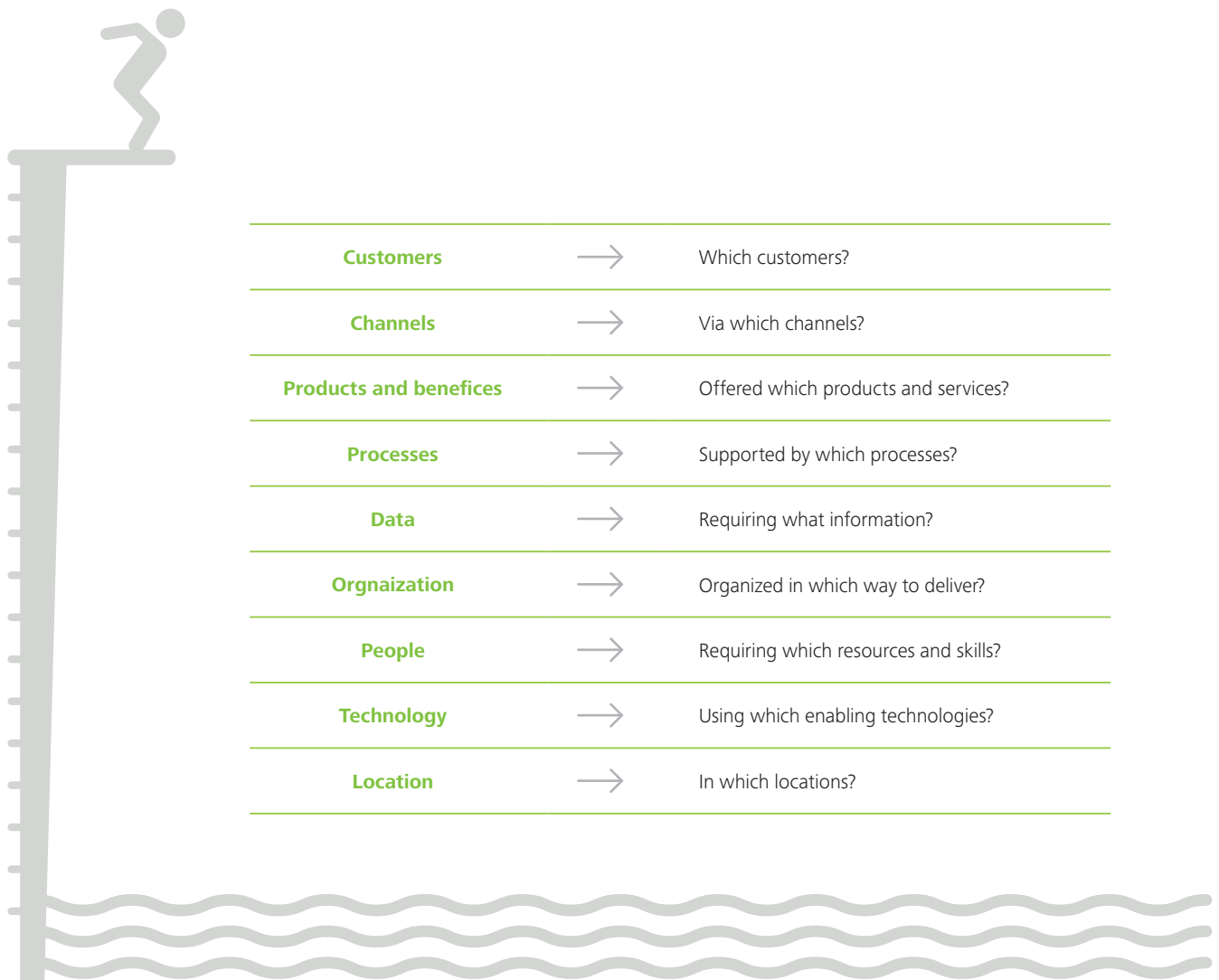
With a few months left before becoming effective, PRIIPs is a race against time. Our approach allows for a pragmatic yet compliant solution for meeting your regulatory requirements and business imperatives at a reasonable cost.

### PRIIPs Operating Model





Ex. TOM methodology



## Key 2: PRIIPs, it's all about the data



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Deloitte PRIIPs Risk Services provides its clients with a unique solution to assist on the PRIIPs content (enrichment/calculation & monitoring) on any given part of the KID (narratives, risk, performance, costs, static data)



## RISK AND COSTS DATA MANAGEMENT



## ANALYTICS AND CALCULATIONS



## MONITORING & MAINTENANCE

Activities

- **Data for MRM and CRM** acquisition & maintenance
- **Benchmark and proxies** acquisition & maintenance
- **Qualitative risk mapping** maintenance
- **Cost matrices** integration
- **Narratives** integration

- **SRI analytics:**
  - MRM assessment (quantitative or qualitative)
  - CRM assessment (incl. look-through if necessary)
- **Performance scenarios** calculation based on past performance and investor contribution scheme
- **Reduction in Yield** calculation based on the moderate performance scenario

- **Periodic monitoring of MRM & CRM** based on agreed methodologies
- **Automatic notification and update of the KID** in case of a 4-month change of SRI, a change of the mean return of the moderate scenario by more than 5 points, or a material change in costs
- **Annual update** of SRI, performance scenarios and cost data

Accelerators

- Data exchange template developed with asset managers and insurance investors
- Risk platform interfaced with major Fund Administrators / Custodians

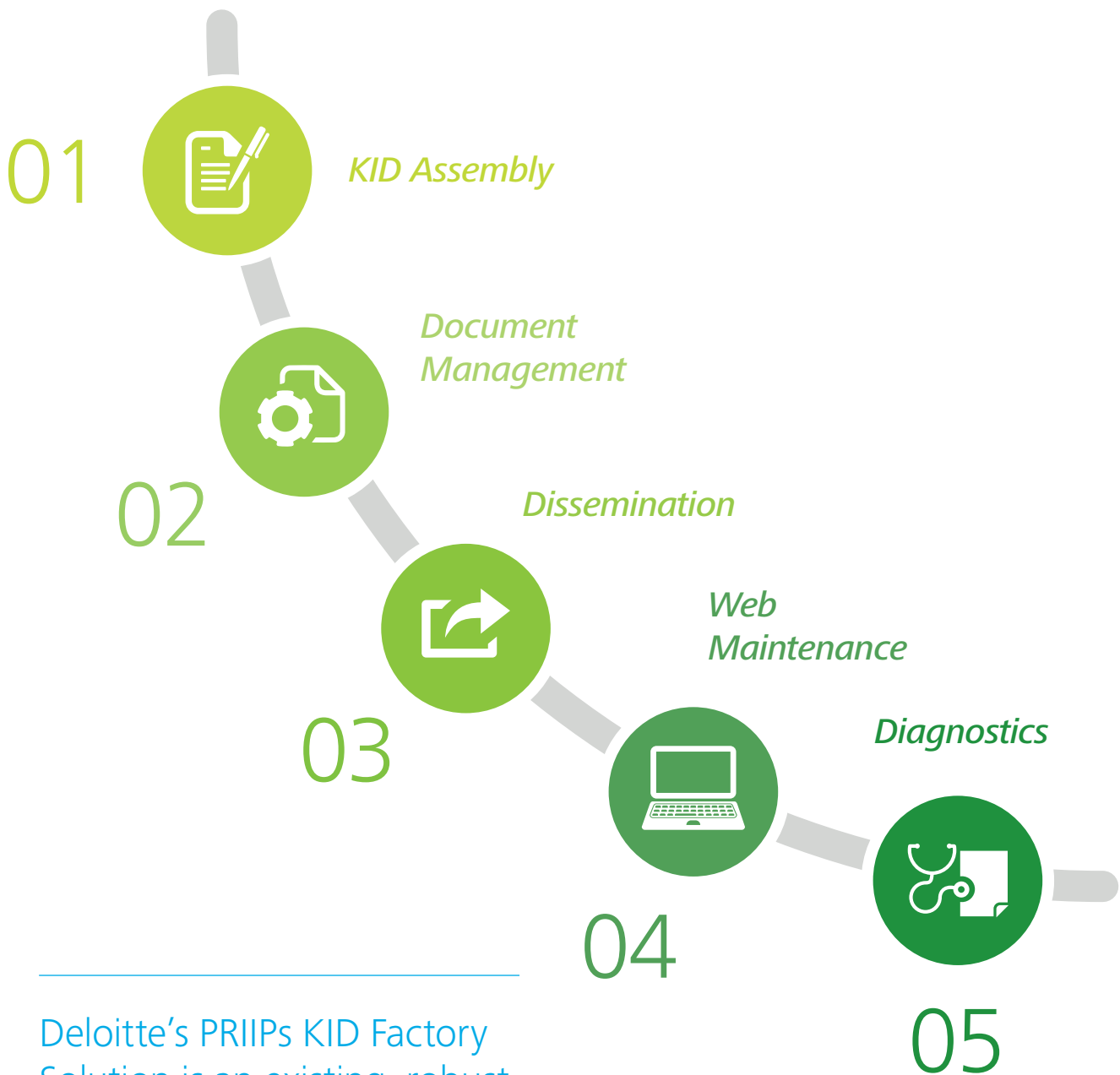
- Existing SRI and risk platform
- Quantitative risk expertise
- Proprietary market and static data referential

- Existing risk monitoring platform for UCITS KIID

# Key 3:

## No need to reinvent the wheel

### 01. Our services

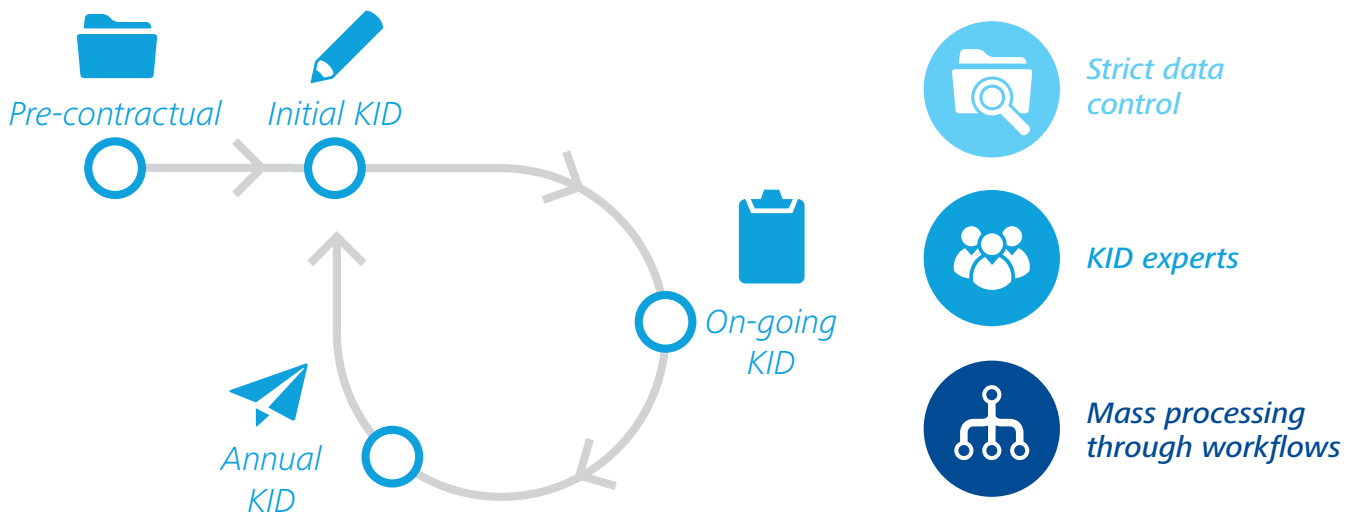


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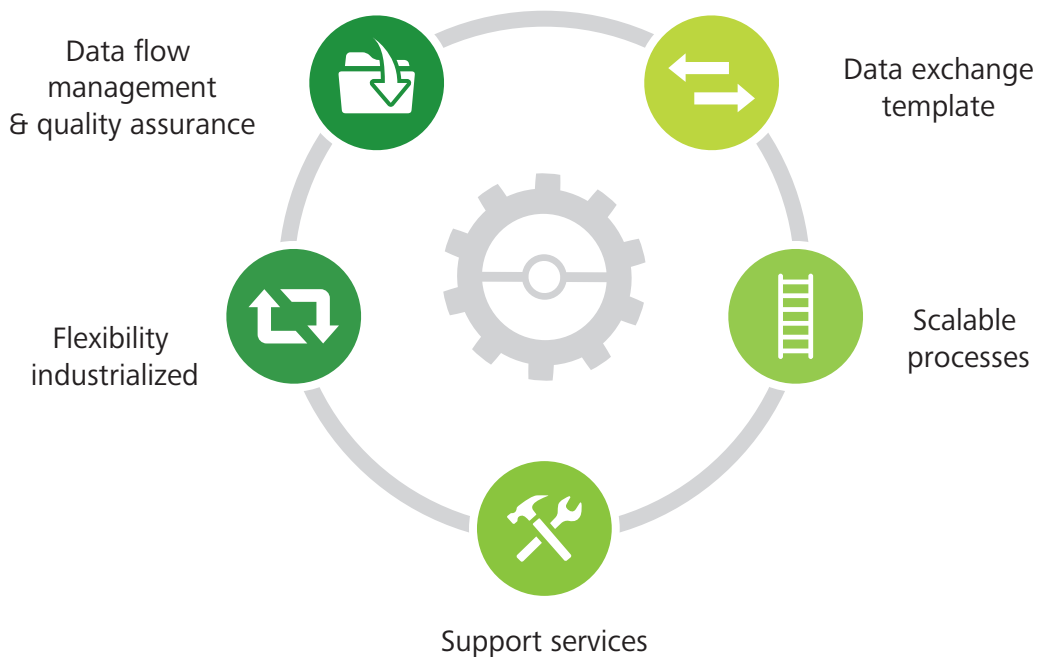
Deloitte's PRIIPs KID Factory Solution is an existing, robust and scalable solution for your production needs



## 02. Our approach

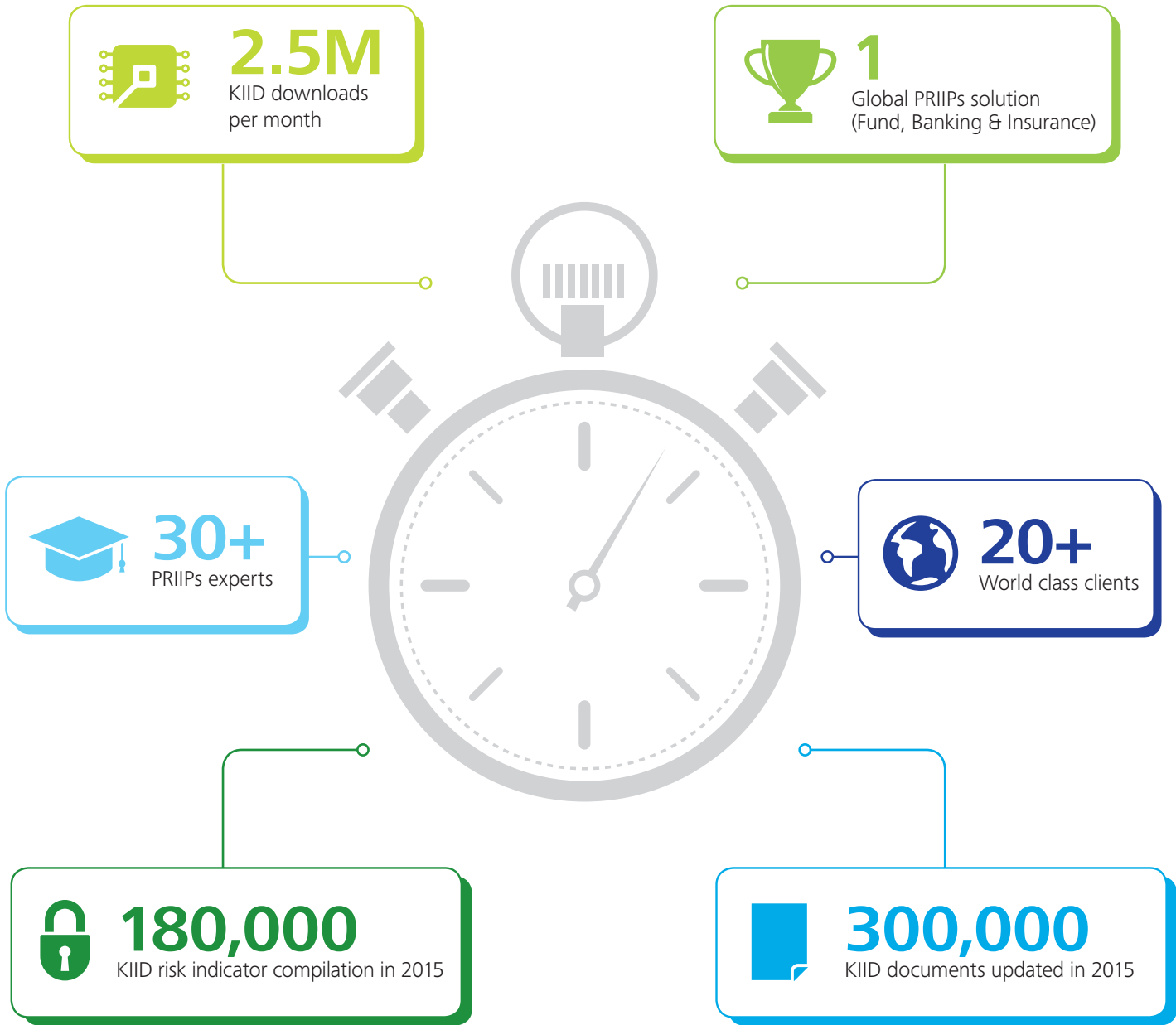


## 03. Our key differentiators



# Deloitte in numbers

## Our proven track record— document production



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# Contacts

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