

## **Product Governance**

At Broker Direct we understand the importance of having robust Product Governance including a robust Product Approval Policy. The reason this is important is we understand that if our products were not subject to robust processes and did not offer value, you would not recommend these products to your customers.

We also appreciate that you are required to complete reviews of any Products you distribute to be compliant with the FCA's Product Intervention and Product Governance Sourcebook.

Due to this we include a range of information on our products on the appropriate product pages on our website. This includes information on the intended target market, the Policy Wordings, Endorsements, IPID's, Notice to Policyholders and Summary and Features documents. We believe the information we provide will allow you to review our products and ultimately ascertain that our products offer good value for our target market(s).

When we assess the value of our products, there are some points which we do not fully take into account. These points are:-

- Whether you provide advice to customers or not.
- Any fees **You** may charge customers.\*
- Any add on products you may sell with our product(s) and the impact they may have on the total cost to the customer.

When completing your product reviews you should take the above into consideration.

\* Any fees charged should not reduce the intended product value and should reflect the work and costs involved for which the fee is charged as per the FCA rules and guidance in the Product Intervention and Product Governance Sourcebook.

Below is a high-level summary of our Product Approval Policy:-

### **New Product Creation Process**

1. Initial product design agreed with insurer with a specific customer group/demographic identified. This will include completing a review of the product. We also consider:-
  - a) Any potential harm to customers arising from the product development and/or our distribution method.
  - b) The benefits and value of the product to the customer group.
2. Product documentation agreed internally by Compliance, Marketing and Underwriting.
3. Product documentation agreed with insurer/carrier.
4. After agreement on documentation, final review completed to ensure no regulatory changes or undertakings have taken place since the document was created, reviewed and agreed

### **Ongoing Product Review**

We review products at least every 12 months period in accordance with the FCA's Product Intervention and Product Governance Sourcebook.