Deep Dive Index Management

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Recap

Audits are likely going to increase

Industry leading data provider has shared insights on best practice data declaration approach

License number declarations are less of an issue than they used to be

Deep-dive on application data

Deep-dive on index data

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Index Management

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Compliance & Risk Reduction

Project Recap

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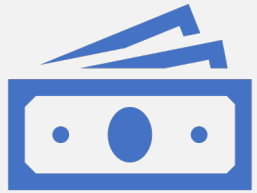
Why

EFFICIENT USE OF MARKET INFORMATION



AVOID CONTRACTUAL BREACHES LEADING TO FINANCIAL PENALTIES

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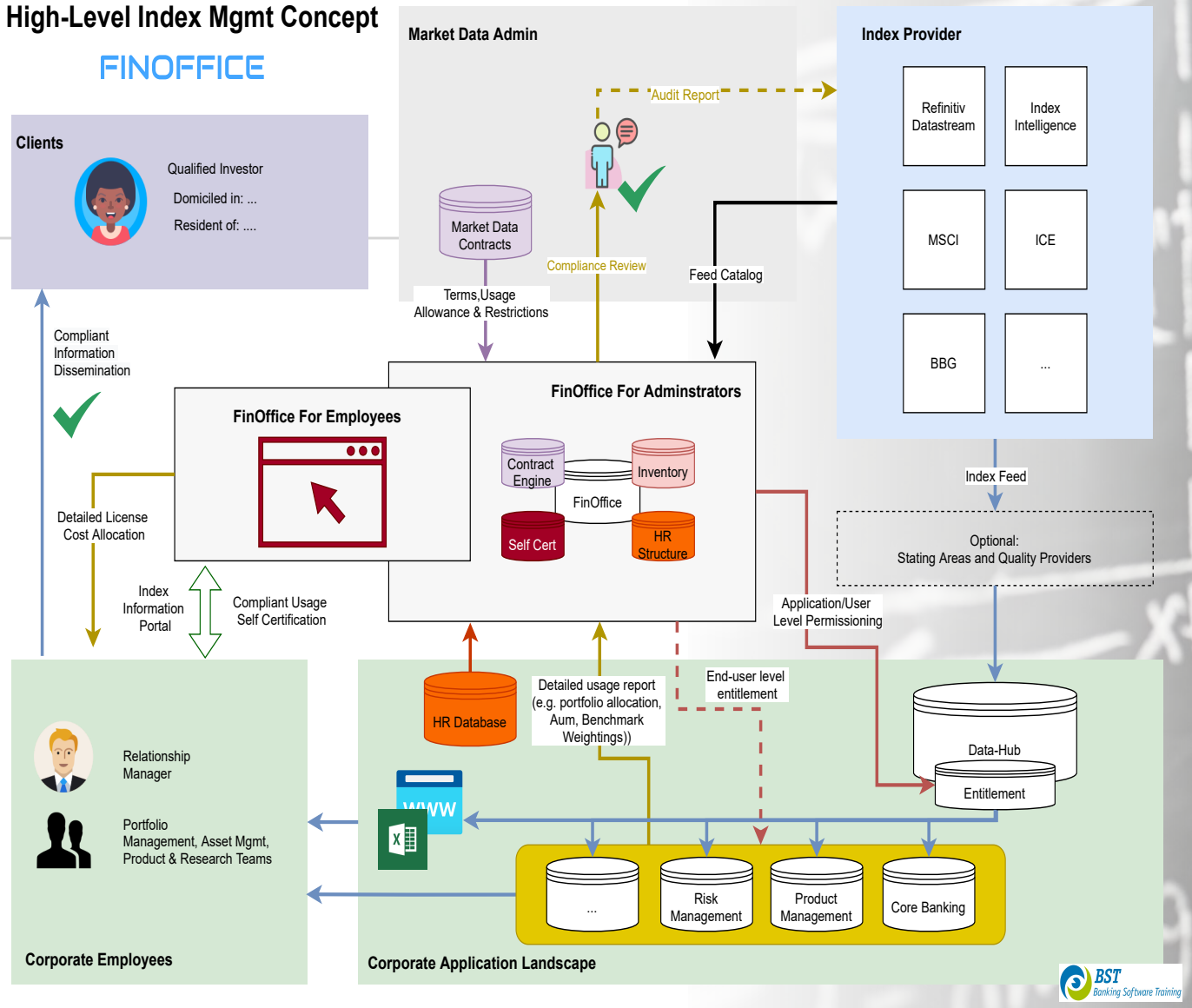
Blueprint


High-Level Index Mgmt Concept
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Clients
Qualified Investor
Domiciled in: ...
Resident of: ....
Market Data Admin
Audit Report
Market Data Contracts
Compliance Review
Feed Catalog
Terms,Usage Allowance & Restrictions
Index Provider
Refinitiv Datastream
Index Intelligence
MSCI
ICE
BBG
...
Compliant Information Dissemination
FinOffice For Employees
FinOffice For Adminstrators
Contract Engine
Inventory
FinOffice
Self Cert
HR Structure
Index Feed
Optional:
Stating Areas and Quality Providers
Detailed License Cost Allocation
Index Information Portal
Compliant Usage Self Certification
Application/User Level Permissioning
HR Database
Detailed usage report (e.g. portfolio allocation, Aum, Benchmark Weightings))
End-user level entitlement
Data-Hub
Entitlement
Relationship Manager
Portfolio Management, Asset Mgmt, Product & Research Teams
...
Risk Management
Product Management
Core Banking
Corporate Employees
Corporate Application Landscape
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Approach

01	02	03	04	05	06	07
Know what’s available	Know what’s subscribed	Know what's allowed	Verify	Find discrepancies	Fix where necessary	Repeat

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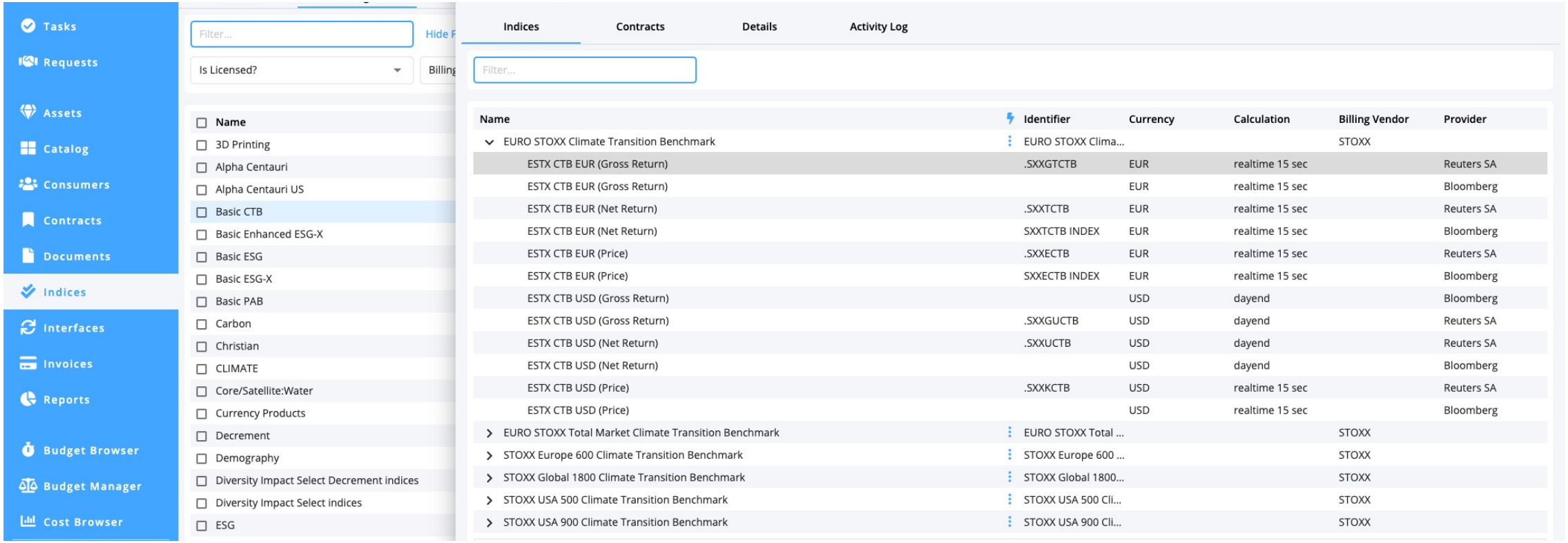
Know what’s available



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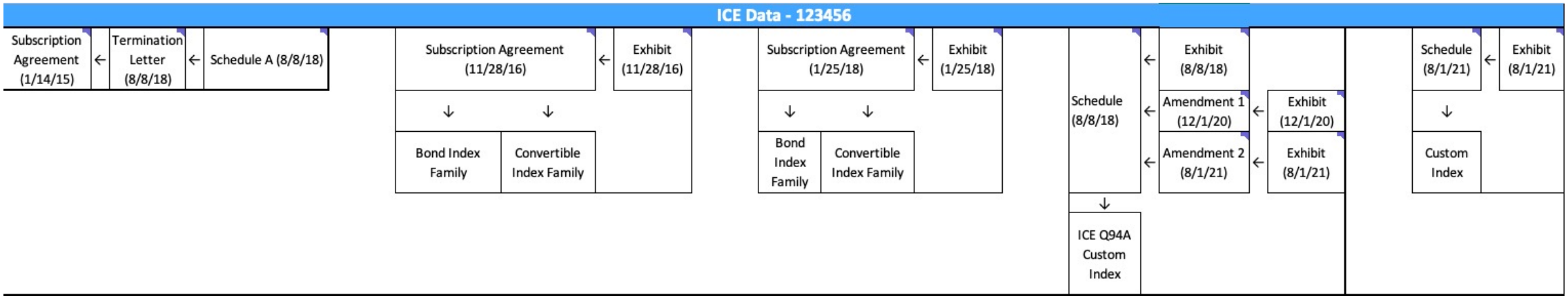
Know what's subscribed

Consumption transparency



Know what’s allowed

In-Depth Contractual Obligation & Rights Awareness

Derivation Rights & Restrictions

- Client may not use the Products in any manner not expressly permitted by the Agreement. AD rights not specifically granted in the Agreement are expressly reserved by ___. Without limiting the generality of this Section 2.2, Client shall not:

- a publish, transfer, display or grant direct or indirect access to any Product or Derived Materials to any third party who is not a User or to any person outside the Location(s);

- b copy (except and only to the extent that Client is legally permitted by applicable law, as determined by Client’s counsel, and providing Licensee notifies ____ in writing in advance),.store, archive (except and only to the extent Client is required to archive for regulatory purposes, as determined by Licensee’s counsel), or create a database of the Products or any part thereof.

- c. modify, improve, manipulate, translate, reverse-engineer, decompile or disassemble any Product or any part thereof;

- d use the Products or ___ or a Vendor’s name in connection with a prospectus or the creation, issuance, offer, or promotion of a financial instrument or security,

- e use any Data, other than Flat-File Data, in a configuration or with software not specified in the applicable Order Form or use any Data, including Flat-File Data, with any third party software;

- f use any Product for the benefit of a third party other than with respect to third parties whose assets are managed by Client (or a potential customer whose assets the Client is seeking to manage) or who have brokerage or trading accounts with Client,

- g use. evaluate, or view any Product for the purpose of designing, modifying, or otherwise creating any software program, or any portion thereof, which performs functions similar to. or that compete with, the functions performed by any Product(s),

- h distribute, display, transmit, or make available to a third party any security identifiers (including but not limited to CUSIPs, ISINs or RICs) or ___ identifiers delivered with the Data, without first obtaining written consent directly from the owner of such identifiers;

- i use any Product in a manner that would substitute for the addition of a User or a license or purchase of any portion of a Product (for example, use any Data to create a separate or substitute database); or

- j cause, permit, or authorize others to do any of the above

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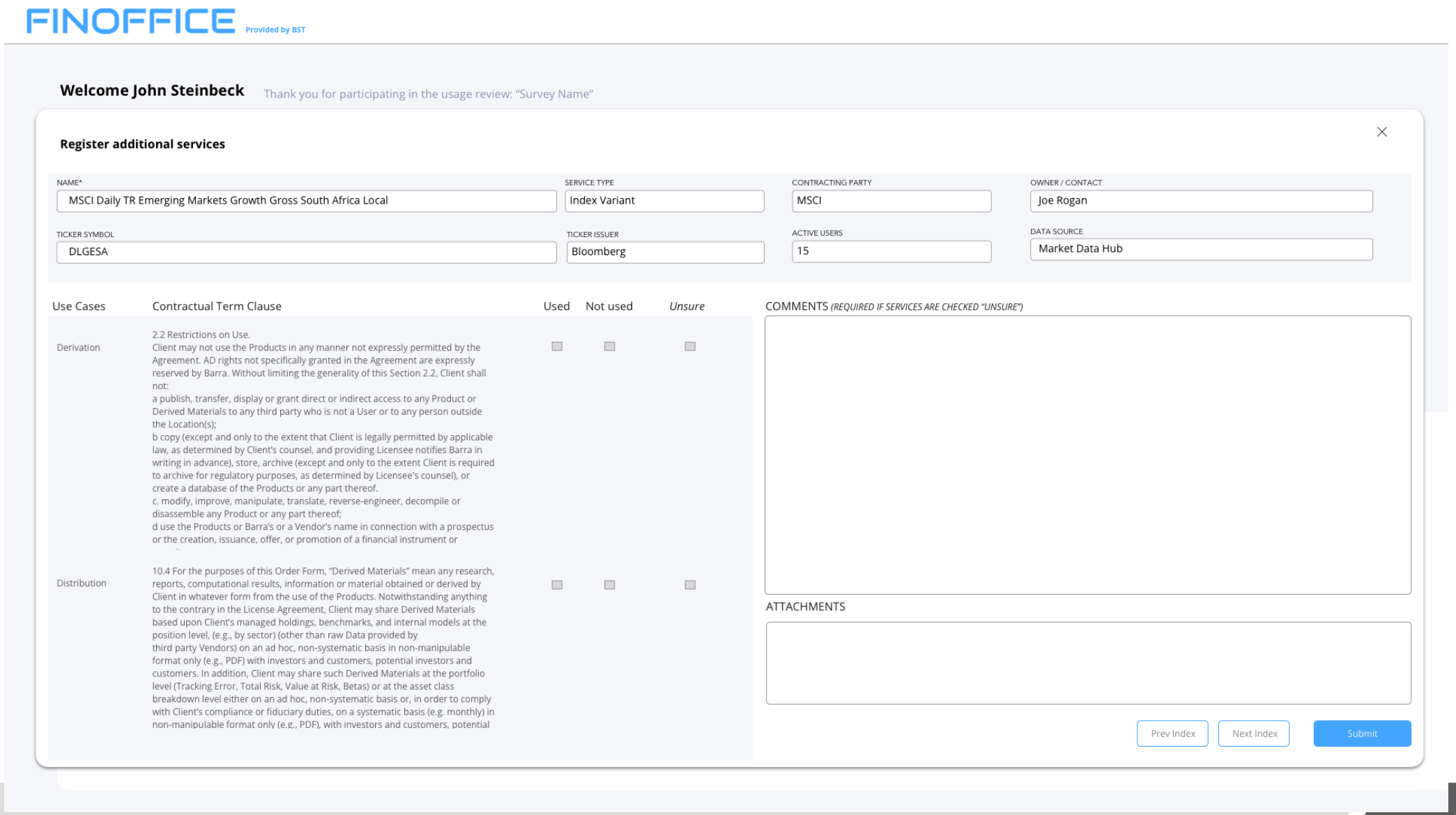

Verify

Active End-User Involvement

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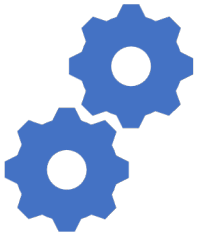
Key Observations

How can we work with data vendors to provide more structured and standardized product catalogs?

How can vendors better understand bank's use cases and customer journeys?



How can automate the monitoring of changes (as part of audit preparation)?

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Thank you