

shall provide effective leadership, direction and oversight to ensure that sound disclosure practices for financial products are adopted throughout the FSP.

- S** 8.2 The Board shall ensure that the FSP's governance arrangements with respect to disclosure practices are consistent with the requirements in this Policy Document.
- S** 8.3 The Board shall provide adequate oversight to monitor the FSP's compliance with the requirements under this Policy Document and ensure that proper policies, systems, processes and procedures are in place to implement the requirements.
- S** 8.4 Senior management shall ensure the effective implementation of disclosure requirements in this Policy Document in line with principles of fair treatment of financial consumers, including ensuring that adequate resources are allocated to effectively implement the requirements.
- S** 8.5 Senior management shall ensure that proper processes are in place for the development and review of product disclosure materials to ensure compliance with the requirements under this Policy Document. Senior management must ensure that the business function responsible for developing the product disclosure materials seeks inputs from other business functions<sup>6</sup> to ensure that key features and terms of the financial product are communicated in a manner that financial consumers are able to understand.
- S** 8.6 Senior management shall ensure that the FSP's staff and intermediaries, particularly those involved in the selling or marketing of financial products are adequately trained and have sufficient knowledge of the disclosure requirements related to the financial products.
- S** 8.7 Senior management must ensure that the FSP's policies, processes and procedures are subject to periodic internal audit review to assess their effectiveness in complying with the requirements in this Policy Document.

## **9 Key disclosure principles**

- S** 9.1 A FSP shall give due regard to the information needs of financial consumers by adopting the following disclosure principles-
  - (a) timely;
  - (b) clear and simple;
  - (c) accurate, relevant and sufficient;
  - (d) highlight important information; and
  - (e) consistent and comparable.

The principles are aimed at improving the quality of disclosure and facilitate comparison and informed decision-making by financial consumers.

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<sup>6</sup> While the responsibility for developing product disclosure materials may reside with the product development unit, it must seek inputs from other business functions such as marketing, sales and customer services.