Distribution Controls

CONTENTS

1. **Distribution Controls Overview** **3**
2. **Distribution control register** **5**
3. **SOPs** **8**
    3.1. Monthly control self-assessment 8

1. Distribution Controls Overview

Purpose

This space holds the control documentation for distribution processes: the control register, self-assessment procedures and remediation tracking. It is the operational layer of the control framework defined in **Risks and Controls**; that space owns the framework, this space owns the distribution-specific controls and their operation.

> ✅ **Governance objective**
>
> This documentation space is designed to demonstrate operational transparency, evidence-based controls, and audit-ready process governance.

Scope and outcomes

Operational scope

- Distribution onboarding controls
- CRM administration controls
- Remediation tracking
- Monthly control attestations
- Committee reporting

Governance outcomes

- Standardized control ownership
- Consistent evidence expectations
- Transparent escalation and remediation
- Audit-ready operational documentation
- Improved regulatory readiness

What lives here

Document	Content
Control register: Distribution	Every key control in distribution processes, with owner, frequency and evidence requirements
SOP: Monthly control self-assessment	How control owners attest and evidence their controls each month

Operating principles

- Every key control has one named owner. Shared ownership is no ownership.
- A control without defined evidence is not a control — it is an intention.
- Self-assessment failures are recorded honestly; a failed control with a remediation plan is a working system, a hidden failure is an audit finding.
- Regulatory-impact failures are escalated immediately and tracked through remediation closure.
- Committee reporting focuses on trend visibility, remediation aging and operational accountability.

Working model

1. Controls are defined and assigned to operational owners.
2. Evidence requirements are documented and retained centrally.
3. Monthly attestations confirm operation effectiveness.

4. Exceptions and failures trigger remediation workflows.
5. Results are reviewed through governance forums and operational scorecards.

Related governance processes

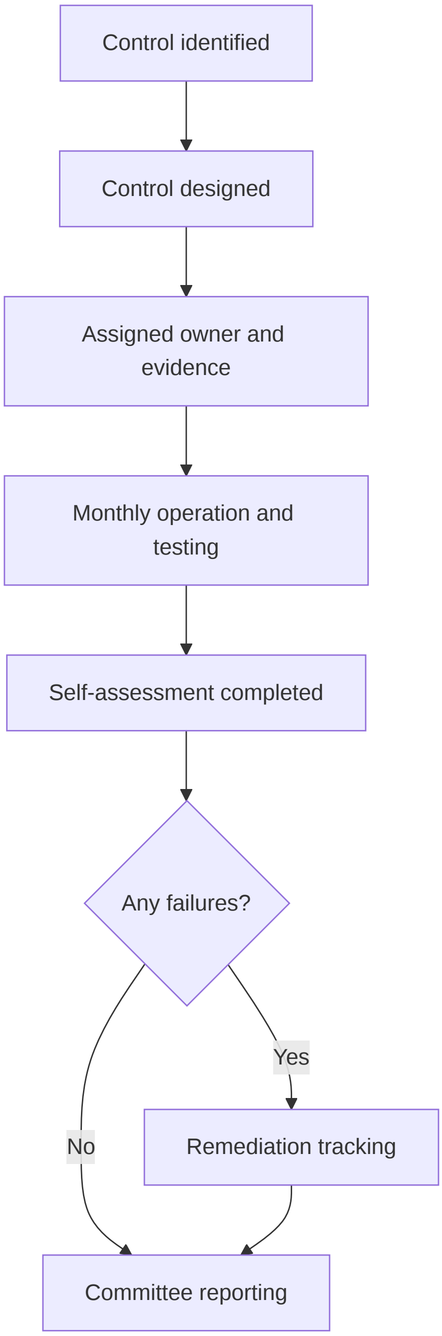
- Process Performance Reviews
- Risks and Controls
- Incident and Breach Management
- Compliance Oversight and Assurance

2. Distribution control register

Register

Key controls operating in distribution processes. Frequencies and owners are reviewed quarterly at the distribution committee.

Control lifecycle



Control categories

Preventive controls

Controls designed to stop issues before they occur.

Examples include approval segregation, validation checks and system restrictions.

Detective controls

Controls designed to identify issues after activity has occurred.

Examples include reconciliations, exception monitoring and queue reviews.

Corrective controls

Controls or actions implemented to remediate identified failures and reduce recurrence risk.

Control register

ID	Control	Process	Type	Frequency	Owner	Evidence
CTRL-D-03	Four-eyes review of fit-and-proper assessment	Intermediary onboarding	Preventive	Per application	Distribution Ops Manager	Second reviewer sign-off on review template
CTRL-D-04	FSCA licence validation before activation	Intermediary onboarding	Preventive	Per application	Distribution Ops Manager	Dated register screenshot
CTRL-D-07	Segregation: reviewer cannot activate record	Intermediary onboarding	Preventive	Per application	Distribution Ops Manager	CRM audit trail of distinct users
CTRL-D-09	Commission structure restricted to approved codes	CRM administration	Preventive	Continuous	Channel Manager	CRM validation rule + exception log
CTRL-D-11	Call-back verification for banking detail changes	Agreement administration	Preventive	Per change	Channel Manager	Call log reference on amendment record
CTRL-D-14	Dormant intermediary review	Panel management	Detective	Semi-annual	Channel Manager	Dormancy report with decisions
CTRL-D-16	Referred-quote queue cleared within SLA	Quote and bind	Detective	Daily	Distribution Ops Manager	Queue-age report

Evidence standard

> 🧾 **Evidence quality standard**
>
> Control evidence should be reviewable by an independent party without requiring additional explanation from the owner.

Governance expectations

- Every control must have a named owner and defined evidence requirement.
- Changes to control ownership require approval at the operational risk forum.

- Retired controls remain visible in the register for audit traceability.
- Evidence retention periods align to regulatory and audit obligations.

Change control

Additions and retirements of controls go through the operational risk forum — see the **Risks and Controls** space. The register version history is the audit trail; do not delete rows, mark them retired with a date.

3. SOPs

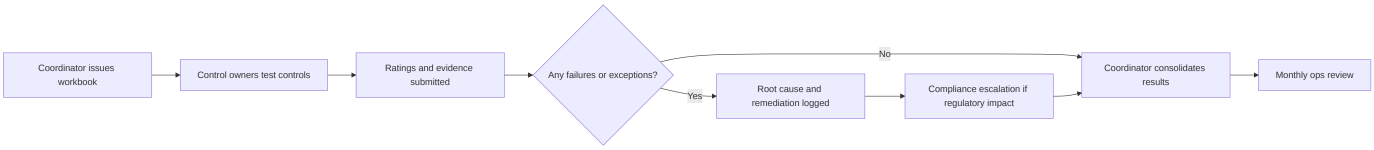
3.1. Monthly control self-assessment

🛡️ Purpose

Monthly attestation cycle in which each control owner in the *Control register: Distribution* confirms their controls operated, with evidence, and records any failures.

Owner: Distribution Operations Manager · **Cycle:** calendar month, attestations due by working day 5

🔄 Monthly attestation lifecycle



👥 Roles and responsibilities

Coordinator

- Issue attestation workbook on working day 1
- Validate completeness of submissions
- Consolidate monthly results
- Escalate overdue attestations
- Table outcomes at monthly ops review

Control Owner

- Test assigned controls for the month
- Retain evidence supporting control operation
- Record honest effectiveness ratings
- Document remediation actions for failures or exceptions

Compliance

- Review escalated failed controls with regulatory impact
- Monitor remediation progress for material issues
- Support regulatory reporting obligations where required

📋 Procedure

1. On working day 1, the coordinator issues the attestation workbook listing each control, its owner and its evidence requirement.
2. Each control owner tests their control for the month:

- Sample-based for per-transaction controls (minimum 5 items or 10% of volume, whichever is greater)
- Report-based for continuous and detective controls

3. The owner records a rating: ✅ **Effective**, ⚠️ **Effective with exceptions**, or ❌ **Failed**, and attaches evidence.
4. For any rating other than Effective: record root cause, remediation action, action owner and target date. Root cause means the underlying reason, not a restatement of the failure.
5. The coordinator consolidates results by working day 5 and tables them at the monthly ops review (see **Process Performance Reviews**).
6. Failed controls with regulatory impact are escalated to Compliance within 24 hours of identification — do not wait for the monthly cycle.

🔄 Remediation lifecycle

Status	Definition	Owner Expectation	Escalation
Open	Failure identified and remediation agreed	Action owner updates progress weekly	Coordinator monitors
In progress	Remediation execution underway	Evidence retained for validation	Escalate if target date at risk
Pending validation	Action implemented awaiting retest	Control owner provides supporting evidence	Coordinator validates closure readiness
Closed	Remediation validated and effective	Evidence archived with attestation record	No further escalation required

🧾 Evidence expectations

- Evidence must be retained in a centrally accessible repository.
- Screenshots must include visible timestamps or report run dates.
- Sampling support must identify the tested population and selected sample.
- Evidence links should remain accessible for a minimum of 24 months.

⚠️ Honesty rule

> ⚠️ **Governance expectation**
>
> Ratings are never negotiated. A failure honestly recorded and remediated is the process working as designed. Overdue remediation actions appear on the distribution scorecard until closed.

🕘 Revision history

Added

Fixed