

## Don't be scared of MiFID – but do be prepared

**London, 11 November 2005** – Investit, the leading fund management consultancy, recently hosted the first MiFID (Markets in Financial Instruments Directive) Forum for the buy-side, *MiFID – Mountain or Molehill?* A panel of experts, including representatives from the MiFID Joint Working Group, FSA, IMA and Bear Stearns, discussed the effect of MiFID, key dates and practical recommendations for compliance.

The Forum highlighted that the European Commission is taking a pragmatic approach to applying the regulations to the buy-side. And, contrary to many market doom-sayers, many mountains are being flattened into molehills. Investment managers can begin preparations ahead of the deadline for compliance with MiFID, and start allocating budget to the top-level regulations, which won't change. The forum also resulted in practical recommendations for attendees to use throughout their planning process.

Chris Hibben, Group Manager in Institutional Business Policy at the FSA stressed the current fluidity of the content of MiFID and therefore the difficulties in predicting detail. Even so, he did give some key dates for investment managers to be aware of - MiFID implementation by firms is now likely to be delayed until 1 Nov 2007, although, we will know firmer dates when the European Parliament votes on amending the directive in April 2006. Also, there will be a FSA consultation paper in March 2006, which will give investment managers more information on likely MiFID detail.

Julie Patterson, Director of Regulation and Taxation at the IMA provided practical recommendations for investment managers to act on immediately. Investment managers can begin to think about clarifying and publishing their best execution strategy how they should notify clients of material changes and the systems implications of MiFID, such as transaction reporting and how prices can be published to the market. Julie also showed how legal departments can start the process of client classification – establishing which clients will need to be repapered

**Catherine Doherty, Chair of the forum and Principal at Investit comments,** “The deadline for MiFID compliance is unconfirmed and the text is changing daily. MiFID is not as scary as many people make out, it's more molehill than mountain. The shared experience of industry experts at Investit's forum highlighted the ways in which COOs, compliance and IT directors can act now. Many COO's in attendance indicated they would allocate a budget to prepare for the likely impact. At Investit, we plan to continue our efforts to relieve the concern and burden of those involved in meeting the deadlines and give them practical help in planning and managing their projects.”

Following the success of the recent forum, Investit has created a toolkit designed to help COO's begin the planning process for MiFID. The project plan will aim identify

the key tasks to action immediately, budget requirements and the likely impact of MiFID on other projects.

- Ends -

## About Investit Intelligence

Investit Intelligence is a customised information tool for all people concerned with turning high-level business plans into reality. Investit Intelligence consists of a number of research and survey services.

- **Investit Intelligence Member Service**

The member service is an interactive service where members take an active role in selecting, shaping and researching topics by voting on new discussion and research ideas.

- **Investit Intelligence Business Process Assessment – defining best value**

BPA is a service where Investit works closely with COOs of investment management companies to identify the value output of all business processes and how that compares with peers – it's an essential decision-making tool.

- **Investit Intelligence IT Value Survey**

The IT Value Survey looks in detail at the spend, effectiveness and plans of companies IT departments. It is an annual survey particularly designed for COOs and Heads of IT.

- **Investit Intelligence Performance & Risk Survey**

The Performance & Risk Survey is the only tool specifically designed for, and by, Performance heads in Investment Management companies. It looks at performance and risk systems, performance roles and remuneration, future trends and benchmarks against peers.

## About Investit

Investit is the leading fund management consultancy providing integrated investment and operational advice and research. Investit was founded in 1998 and includes five core expertise areas: investments, client management, performance and risk, operations and systems. In 2001, Investit People was added to provide specialist recruitment services to our clients. In 2004, Investit Projects started work, providing a unique outsourcing service for business projects. Investit Intelligence completes the offering with a range of specialist surveys and detailed research papers. For further information go to [www.investit.com](http://www.investit.com)

## For further information

Robert Sanders  
Marketing Manager, Investit

+44 (0) 20 7920 9030

# investit.

Sally Todd  
Penrose Financial

+44 (0) 20 7786 4815