

## 2- Day Training Course

### 1. AN INTRODUCTION TO UCITS FUNDS

- Retail funds - Open to the public
- Redeemable on demand
- Operate on principle of risk spreading
- Fund structures - Umbrellas, sub-funds and shareclasses
- Roles and responsibilities - ACD, Fund Manager, Fund Administrator, Transfer Agent, Trustee, Custodian

### 2. INVESTOR DEALING

#### Unitholder Dealing

- Unit holder dealing
- Purchases, redemptions, switches
- Cash vs in specie payments
- Dealing prices – single or dual, dilution methods

#### Creations and cancellations

- Handling cash flows in funds
- The Managers box
- Late dealing issues

### 3. INVESTMENT AND BORROWING POWERS

- UCITS III vs UCITS I
- Eligible assets for UCITS
- Spread and concentration rules
- Using derivatives – EPM vs Investment purposes
- Key fund types – index funds, fund of funds, guaranteed, capital protected

### 4. FUND VALUATION

#### General

- Forward pricing principles
- Valuation point
- Valuation frequency
- Components of the NAV
- Trade vs Settlement based accounting

#### Capital

- Equities, bonds and deposits
- Suspended, unquoted and difficult to price securities
- Key controls

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### **Income**

- Deposit interest
- Bond interest
- Dividend income

### **Charges and expenses**

- Initial charges
- AMC
- Switching fees
- Performance Fees (COLL)
- Income and capital expenses
- Accruals methods

### **Taxation**

- Fund taxes - Corporation tax, Withholding tax, SDRT , VAT

## **5 DISTRIBUTIONS**

- Income vs Accumulation shares
- Distributions and Unclaimed Distributions Processes

## **6. BREACHES AND ERRORS**

### **Pricing errors**

- Examples of how pricing errors can arise
  - Trade capture, suspended securities, incorrect accruals etc
- Regulation re. pricing errors – materiality, FSA reporting etc
- Processes for resolution of pricing errors

### **Investment and borrowing breaches**

- Different types of breaches
- How breaches can occur – dealing, stock and fund pricing, amalgamations etc
- Advertent vs. Inadvertent
- Resolution of investment and borrowing breaches

## **7. FUND DISTRIBUTION AND INVESTOR COMMUNICATIONS**

- Key distribution channels – IFA's, Fund supermarkets
- Contract notes
- Prospectus, simplified prospectus and key disclosures
- Report and Accounts
- Fundamental, significant and notifiable change events