

Guidance Notes for Trustees and Fiduciary Custodians of Authorised or International Collective Investments Schemes

Trustees and Fiduciary Custodians of authorised schemes, in addition to the normal duties and responsibilities of a Trustee / Fiduciary Custodian, are required to undertake detailed supervisory functions imposed on them under the Financial Supervision (Authorised Collective Investment Schemes) Regulations 2005. The Trustee's / Fiduciary Custodian's responsibilities include ensuring that the Scheme is managed in complete accordance and compliance with:-

1. the Scheme's constitutional documents;
2. the Financial Supervision (Authorised Collective Investment Schemes) Regulations 2005; and
3. the most recently published Scheme Particulars.

Trustees and Fiduciary Custodians should refer in particular to paragraphs 109 to 168 of Financial Supervision (Authorised Collective Investment Schemes) Regulations 2005.

Whilst **Trustees and Fiduciary Custodians of international collective investment schemes** are not required to undertake the same detailed supervisory functions, this does not diminish the fundamental role of Trustees / Fiduciary Custodians as both custodians of Scheme assets and guardians of investors' interests. Indeed, the Commission expects any trustee/custodian agreement to impose upon the Trustee / Fiduciary Custodian a duty to ensure that the Scheme is managed in accordance with the provisions of its constitutional documents (see paragraph 2.2 of the Guidance Notes for Managers and Trustees of International Collective Investment Schemes).

The Commission expects Trustees / Fiduciary Custodians of both authorised and international collective investment schemes to undertake on-site compliance testing on the scheme managers and the adequacy of these arrangements, together with their on-going monitoring programme, will be reviewed by the Commission's officers during their Supervisory Visits on the Trustees / Fiduciary Custodians.

Compensation Scheme for Authorised Schemes

Trustees / Fiduciary Custodians of authorised schemes automatically become a participant in the Collective Investment Schemes Compensation Scheme under the terms of the Authorised Collective Investment Schemes (Compensation) Regulations 2008.

Independence of Managers and Trustees of International Collective Investment Schemes

Where it is intended that the manager and Trustee / Fiduciary Custodian of international collective investment schemes are to be bodies corporate having the same ultimate parent company, a letter of comfort must be submitted in accordance with paragraph 1.5(e) of the Guidance Notes for Managers and Trustees of International Collective Investment Schemes.