

**Unit: IA5 Arrange the settlement of investment transactions**

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**Overview**

This unit relates to the role the investment administrator has in relation to the settlement of market transactions. Performance can be manual or computer based, although it is anticipated that most settlements are conducted through the established market systems. The unit stresses the need for this area of performance to be conducted both accurately and to strict deadlines to enable settlements to be made according to the required timescales. Settlement activity may reveal instances of non-compliance and these should be reported and any errors or discrepancies must be investigated and resolved. The other aspect of performance covered by the unit is in relation to the processing of registrations on behalf of investors and the consequent need to communicate with registrars, custodians, fund managers etc.

***Outcomes of effective performance***

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| <p>IA5/O1 You reconcile investment instructions accurately to market transactions</p> <p>IA5/O2 You keep and maintain up-to-date records of stockholdings together with monies owed or to be claimed from traders or investors</p> <p>IA5/O3 You arrange for settlement of the purchase and sale of securities and conduct settlement within set timescales</p> <p>IA5/O4 You ensure instructions to the bank to process payments are accurate and within permitted time limits</p> <p>IA5/O5 You ensure settlement reports are complete and accurate and agreed with the appropriate authority</p> <p>IA5/O6 You ensure records of transactions accurately detail the number and title of securities to be registered in the investor's name</p> <p>IA5/O7 You ensure investor details for registration of securities are complete and accurate</p> <p>IA5/O8 You provide information relating to the acquisition of stocks and shares and balances owed to or by the organisation promptly to the relevant people</p> | <p>IA5/O9 You identify, investigate and resolve errors or discrepancies promptly</p> <p>IA5/O10 You store entitlement documents in the correct location</p> <p>IA5/O11 Report instances of actual or potential non-compliance to the appropriate authority</p> <p>IA5/O12 You recognise suspected fraud and pass suspicions promptly to the appropriate authority</p> <p>IA5/O13 You comply with legal requirements, industry regulations, organisational policies and professional codes</p> |
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***Behaviours which underpin effective performance***

- IA5/B1 You take pride in delivering high quality work
- IA5/B2 You present information clearly and concisely
- IA5/B3 You make information available only to those who need it and have a right to it
- IA5/B4 You pay attention to details that are critical to work
- IA5/B5 You carry out tasks with due regard to your organisation's policies and procedures, including those covering health and safety at work

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***Knowledge and understanding***

1. What the legal and regulatory framework is in relation to the settlement of transactions in both the UK and relevant overseas markets and the effect it has on the work that the administrator does
2. The investment market structure and the role and responsibility of different organisations, teams and individuals in the settlement of transactions and the administrator's role within the process
3. What range of settlement systems there are and the purpose of these systems
4. Market knowledge, in particular settlement rules in both the UK and relevant overseas markets. This should include tax requirements/stamp duty, commissions etc.
5. What the organisational operating procedures are for the use of settlement systems
6. Who the individuals and contacts are in other departments/teams/organisations involved in the settlement process and what the administrator's role is in maintaining the settlement process
7. The range of transaction types and settlement periods that the administrator will encounter within their own work role
8. What the failed transaction procedures are and the administrator's role in those procedures
9. What the organisational procedures are for reporting errors or discrepancies in the settlement process and the administrator's role in that process
10. How to establish and maintain effective relationships with colleagues, including the use of interpersonal and communication skills and the concepts of quality service delivery
11. How your organisation's requirements relating to the application of codes, laws and regulatory requirements, including health and safety, impact on your activities