

**Unit: IA4 Maintain the custody of assets on behalf of the investor**

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**Overview**

This unit is about maintaining the security of the stock or monies which are held on behalf of investors by the organisation. It also relates to agreeing and following arrangements for the transfer of funds to ensure that transactions are paid for correctly at the appropriate time. Transactions that need to be monitored include accruals, purchases and sales. The other aspect of performance in this unit is about monitoring corporate actions. It includes assessing their potential value and impact on the investor's holdings. The unit also requires the individual to follow up errors or discrepancies that are identified and pass on problems to the appropriate specialists without delay.

***Outcomes of effective performance***

- IA4/O1 You agree and record arrangements for the transfer of assets
- IA4/O2 You check assets held on behalf of the investor and deposit them in authorised accounts
- IA4/O3 You keep complete and accurate records of the investor's assets and update them regularly
- IA4/O4 You provide the investor with information about asset records on request and at required intervals
- IA4/O5 You monitor market activity and reconcile transactions with assets held in custody on behalf of the investor
- IA4/O6 You arrange the transfer of assets within set timescales
- IA4/O7 You identify, investigate and resolve errors and discrepancies in records and transactions
- IA4/O8 You advise investors of actual or potential problems relating to their accounts
- IA4/O9 You identify actual or potential instances of non-compliance with regulations and report them to the appropriate authority
- IA4/O10 You identify and assess the impact of corporate actions on holding and values

- IA4/O11 You provide investors with clear information about corporate actions and, where appropriate, seek instructions for further action
- IA4/O12 You confirm that instructions are carried out in line with the investor's requirements
- IA4/O13 You comply with legal requirements, industry regulations, organisational policies and professional codes

***Behaviours which underpin effective performance***

- IA4/B1 You use information and knowledge effectively, efficiently and ethically
- IA4/B2 You act within the limits of your responsibility
- IA4/B3 You explain things so others will understand
- IA4/B4 You make information available only to those who need it and have a right to it
- IA4/B5 You pay attention to details that are critical to your work
- IA4/B6 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 regulatory framework is for the custody of investors' assets and the implications of the regulatory framework on the administrator's own work role
2. How the investment market works, including the role of the administrator's own organisation and external parties and organisations in the custody of assets
3. What the mechanics are of custody, including both physical and electronic systems
4. The type and impact of corporate actions on investor assets and the administrator's own role in evaluating the impact of actions on assets
5. What the organisational/departmental procedures are for maintaining the custody of assets and what the organisational procedures are for identifying and resolving errors or discrepancies
6. What the organisational procedures are for the transfer of funds and the making of payments, including the authorisation procedures and ways of authenticating instructions
7. What the administrator's level of authority and personal responsibility is in relation to dealings with investors, key contacts and colleagues
8. Who the key contacts are within the partner organisations
9. How to establish and maintain effective relationships with investors, custodians and colleagues, including the use of interpersonal and communication skills and the concepts of quality service delivery
10. How your organisation's requirements relating to the application of codes, laws and regulatory requirements, including health and safety, impact on your activities