

Chapter 6

Operating duties and responsibilities

6.13 Record keeping

Application

6.13.1

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- (1) This section applies to:
- (a) an *authorised fund manager* of a *UCITS scheme*; and
 - (b) a *UK UCITS management company* providing *collective portfolio management services* for an *EEA UCITS scheme* from a *branch* in another *EEA State* or under the freedom to provide *cross border services*.
- (2) This section does not apply to an *EEA UCITS management company* providing *collective portfolio management services* for a *UCITS scheme* under the freedom to provide *cross border services*.

Recording of portfolio transactions

6.13.2

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- (1) An *authorised fund manager* of a *UCITS scheme* or a *UK UCITS management company* of an *EEA UCITS scheme* must ensure, for each portfolio transaction relating to a *scheme* it manages, that a record of information which is sufficient to reconstruct the details of the order and the executed transaction is produced without delay.
- (2) The record referred to in (1) must include:
- (a) the name or other designation of the *scheme* and of the *person* acting on behalf of the *scheme*;
 - (b) the details necessary to identify the instrument in question;
 - (c) the quantity;
 - (d) the type of the order or transaction;
 - (e) the price;
 - (f) for orders, the date and exact time of the transmission of the order and the name or other designation of the *person* to whom the order was transmitted, or for transactions, the date and exact time of the decision to deal and execution of the transaction;
 - (g) the name of the *person* transmitting the order or executing the transaction;
 - (h) where applicable, the reasons for the revocation of an order; and
 - (i) for executed transactions, the counterparty and *execution venue* identification.

[Note: article 14 of the *UCITS implementing Directive*]

Recording of subscription and redemption orders

6.13.3

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- (1) An authorised fund manager of a UCITS scheme or a UK UCITS management company of an EEA UCITS scheme must take all reasonable steps to ensure that every subscription and redemption order it receives relating to units in any such scheme it manages are centralised and recorded immediately after receipt of that order.
- (2) The record referred to in (1) must include information on the following:
 - (a) the relevant scheme;
 - (b) the person giving or transmitting the order;
 - (c) the person receiving the order;
 - (d) the date and time of the order;
 - (e) the terms and means of payment;
 - (f) the type of the order;
 - (g) the date of execution of the order;
 - (h) the number of units subscribed or redeemed;
 - (i) the subscription or redemption price for each unit;
 - (j) the total subscription or redemption value of the units; and
 - (k) the gross value of the order including charges for subscription or net amount after charges for redemption.

[Note: article 15 of the UCITS implementing Directive]

Recordkeeping requirements

6.13.4

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- (1) An authorised fund manager of a UCITS scheme or a UK UCITS management company of an EEA UCITS scheme must ensure the retention of the records referred to in ■ COLL 6.13.2 R and ■ COLL 6.13.3 R for a period of at least five years or, in exceptional circumstances and where directed by the FCA, for a longer period, determined by the nature of the instrument or portfolio transaction, where it is necessary to enable the FCA to exercise its supervisory functions under the UCITS Directive.
- (2) Following the termination of its authorisation, an authorised fund manager of a UCITS scheme or a UK UCITS management company of an EEA UCITS scheme must retain its records referred to in (1) for the outstanding term of the five year period or, if it transfers its responsibilities in relation to the UCITS to another authorised fund manager or management company, arrange for those records for the past five years to be accessible to that other manager.
- (3) The authorised fund manager or the UK UCITS management company must retain the records referred to in ■ COLL 6.13.2 R and ■ COLL 6.13.3 R in a medium that allows the storage of information in a way accessible for future reference by the FCA, and in such a form and manner that the following conditions are met:
 - (a) the FCA must be able to access them readily and to reconstitute each key stage of the processing of each portfolio transaction;

- (b) it must be possible for any corrections or other amendments, and the contents of the records prior to such corrections or amendments, to be easily ascertained; and
- (c) it must not be possible for the records to be otherwise manipulated or altered.

[Note: article 16 of the *UCITS implementing Directive*]

Electronic data processing

6.13.5

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An authorised fund manager of a UCITS scheme or a UK UCITS management company of an EEA UCITS scheme must make appropriate arrangements for suitable electronic systems so as to permit a timely and proper recording of each portfolio transaction or subscription or redemption order, in order to be able to comply with ■ COLL 6.13.2 R (Recording of portfolio transactions) and ■ COLL 6.13.3 R (Recording of subscription and redemption orders).

[Note: article 7(1) of the *UCITS implementing Directive*]

6.13.6

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An authorised fund manager of a UCITS scheme or a UK UCITS management company of an EEA UCITS scheme must ensure a high level of security during the electronic data processing referred to in ■ COLL 6.13.5 R as well as the integrity and confidentiality of the recorded information, as appropriate.

[Note: article 7(2) of the *UCITS implementing Directive*]