

BUSINESS JUSTIFICATION
FOR THE UPDATE OF THE UNIFI (ISO 20022) FINANCIAL REPOSITORY

Name of the request:

Investment Funds Distribution (2)

Submitting organization:

SWIFT

Standards Department,

Avenue Adele, 1

1310 La Hulpe - Belgium

Scope of the registration request:

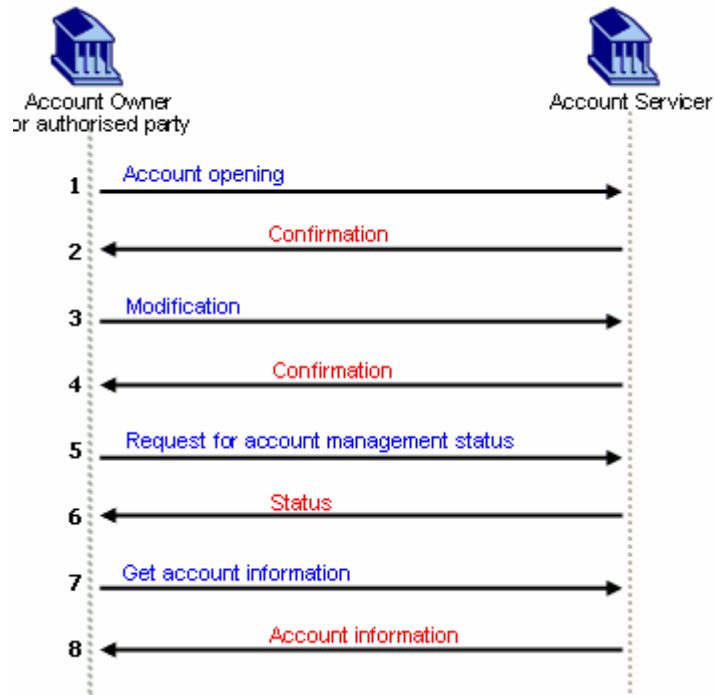
The scope of this request is for the registration of additional message standards for the investment funds industry covering the following financial instruments and business processes:

Financial instruments	Investments Funds
Business processes	Account management. PEP/ISA stock transfer PEP/ISA cash transfer

Account management

The account servicer creates and maintains an accounting record for the account owner/intermediary with the fund and records static information relating to the account owner/intermediary, such as name, address, credit limit, money laundering checks, tax and residency status, income distribution instructions, settlement instructions and terms, etc. The account servicer also maintains information about the account owner's investment plan.

Messages to support this business process are needed, covering the following activities:

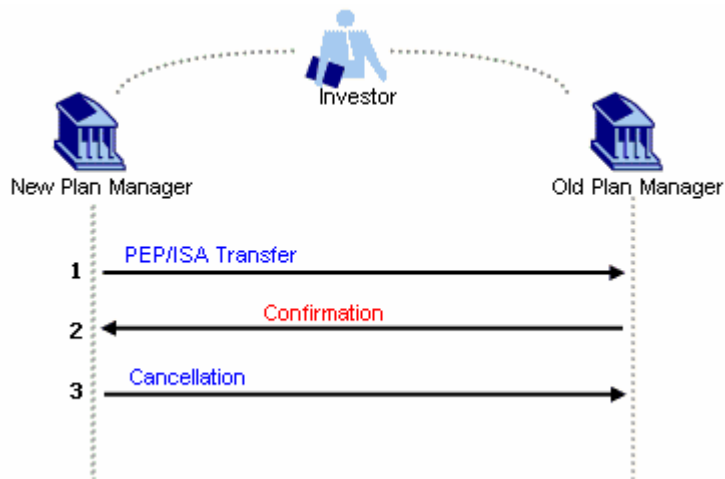


- [1] An investment account is opened. At the same time, an investment plan may also be established.
- [2] The account opening is confirmed.
- [3] There may be a need to modify existing investment fund account information. Investment fund account information is modified by either adding, or updating or deleting information.
- [4] The modification is confirmed.
- [5] The status of an account opening or modification may be requested.
- [6] The status of an account opening or modification is reported.
- [7] An account owner can query the information of an existing investment fund account.
- [8] Account information can be provided.

Personal Equity Plan (PEP) / Individual Savings Account (ISA) stock transfer

When an investor wants to transfer its PEP/ISA plan/s from its old plan manager to its new plan manager, the new plan manager, on behalf of the investor, instructs the old plan manager to transfer financial instruments from the client's account at the old plan manager, to the client's account at the new plan manager, through a nominee account.

Messages to support this business process are needed, covering the following activities:

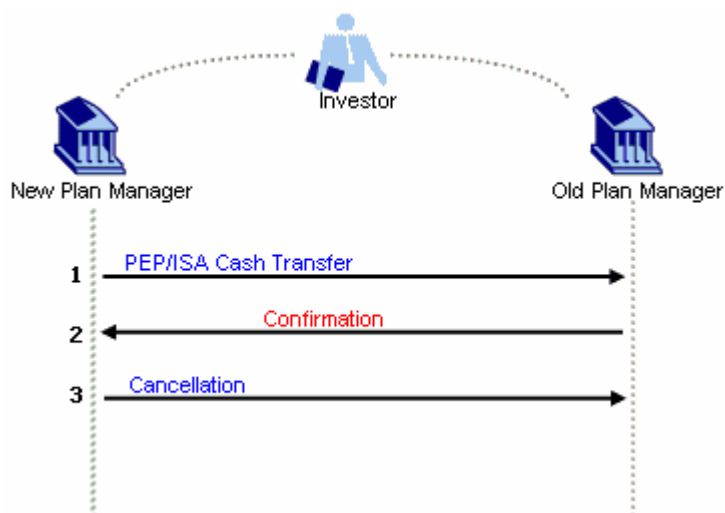


- [1] The transfer of PEP and or ISAs is instructed.
- [2] The transfer is confirmed.
- [3] The transfer may be cancelled.

Personal Equity Plan (PEP) / Individual Savings Account (ISA) cash transfer

When an investor wants to liquidate its PEP/ISA plan/s and transfer the cash from its old plan manager to its new plan manager, the new plan manager, on behalf of the investor, instructs the old plan manager to liquidate PEP/ISA plan/s and transfer the cash from the investor's account with the old plan manager into the new plan manager's cash account.

Messages to support this business process are needed, covering the following activities:



- [1] The liquidation and transfer of PEP and or ISAs is instructed.
- [2] The transfer is confirmed.
- [3] The transfer may be cancelled.

Purpose of the registration request:

Up until now, there has been little automation in the communication flows between investment funds institutions. Communication is by fax, telex, e-mail and telephone. Processes are manual, there are no standards and when straight through processing is achieved, it is typically only on a bilateral basis. In addition, the investment funds industry is fragmented. Several years ago, the investment funds community made clear its desire to automate its industry. To date, messages covering order and confirmation, order status, price reporting, fund cash forecast reporting, transfer and confirmation, transfer status and statements have already been submitted and approved as UNIFI messages. This second request, covering account management and PEP/ISA transfers, complements the investment funds messages already approved by the Securities Standards Evaluation Group (SEG).

This request paves the road towards end-to-end automation by culminating in the delivery of a standard to cover the investment funds lifecycle. Messages will ultimately enable the seamless flow of data between the different investment funds players.

Community of users:

The following types of institutions will use the investment funds messages:

	Estimated number of users
Fund managers	250
Distributors / intermediaries / funds supermarkets	14+
Transfer agents	
Fund accountants	
Banks	7000
Broker dealers	350
Insurance companies	
ICSDs	2
CSDs	90+
Custodians	
Order routing platforms	
Investment managers	
Trustees	

The full benefits of this initiative to the financial industry will be the potential for the automation of paper based processes, straight-through processing, reduced costs, greater efficiency and an improved service to the investors.

Timing and development:

The investment funds messages described in this submission have already been developed and are ready to be submitted to the Registration Authority (RA). Like the first set of investment funds messages, the additional messages were developed in conjunction with investment funds community experts and there is a clear interest to use them.

SWIFT is committed to carrying out future message maintenance.

The investment funds experts that participated in the development came from the following institutions and organisations:

Banca Intesa - IT	DTCC - US
Bancoval - ES	DWS - DE
Banco Santander Investment - ES	IFDS - GB
Bank of Bermuda LU	EMX - GB
BBH - US	Euroclear - BE
Bank of NY - GB	FETA - LU
BBL - BE	Fidelity - LU & GB
BGL - LU	FIX Protocol Ltd - GB
BNP-Paribas - FR & IT & GB	Fortis - NL

BREX - AU	IFDS - GB
BVI - DE	Investment Managers Association - GB
CAIS Fastnet - LU	Invesco - GB
Citco – IE & IT	JPMorgan Fundshub - GB
Clearstream - LU	Julius Baer - CH
Credit Suisse Zurich - CH	Jupiter - GB
Cofunds - GB	MFundEC - AU
Deutsche Bank – DE	Skandia – GB

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Intellectual Property Rights (IPR):

SWIFT confirms its knowledge and acceptance of the UNIFI IPR policy for contributing organisations, as follows.

“Organisations that contribute information to be incorporated into the ISO 20022 Repository shall keep any Intellectual Property Rights (IPR) they have on this information. A contributing organisation warrants that it has sufficient rights on the contributed information to have it published in the ISO 20022 Repository through the ISO 20022 Registration Authority in accordance with the rules set in ISO 20022. To ascertain a widespread, public and uniform use of the ISO 20022 Repository information, the contributing organisation grants third parties a non-exclusive, royalty-free licence to use the published information”.