CHARTERED INSTITUTE FOR SECURITIES & INVESTMENT

Collective Investment Schemes Administration

Effective from 21 March 2026

Objective of the examination

The objective of the examination is to ensure that candidates have an introduction to Collective Investment Schemes as far as this relates to operations and administration staff.

The examination will test candidates' knowledge and understanding of the following elements:

- Collective Investment Schemes
- The Regulatory Framework
- Key Roles and Responsibilities
- Diversification and Investment Limit
- Valuations and Pricing
- Unit Dealing and the Register
- Launching a New CIS
- Unit/Shareholder Rights
- Income
- Taxation

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Syllabus structure

The unit is divided into **elements**. These are broken down into a series of **learning objectives**.

Each learning objective begins with one of the following prefixes: **know**, **understand**, **be able to calculate** or **be able to apply**. These words indicate the different levels of skill to be tested.

- **know** requires the candidate to recall information such as facts, rules and principles

- **understand** requires the candidate to demonstrate comprehension of an issue, fact, rule or principle

- **be able to calculate** requires the candidate to be able to use formulae to perform calculations

- **be able to apply** requires the candidate to be able to apply their knowledge to a given set of circumstances in order to present a clear and detailed explanation of a situation, rule or principle.

Candidate Update

Candidates are reminded to check the 'Candidate Update' area of the Institute's website (cisi.org/candidate update) on a regular basis for updates that could affect their examination as a result of industry change.

Examination Specification

Each examination paper is constructed from a specification that determines the weightings that will be given to each element. The specification is given below.

It is important to note that the numbers quoted may vary slightly from examination to examination as there is some flexibility to ensure that each examination has a consistent level of difficulty. However, the number of questions tested in each element and / or case study should not change by more than two.

Examination specification **50 multiple choice questions**		
Element number	**Element**	**Questions**
1	Collective Investment Schemes	2
2	The Regulatory Framework	9
3	Key Roles and Responsibilities	4
4	Diversification and Investment Limit	5
5	Valuations and Pricing	5
6	Unit Dealing and the Register	8
7	Launching a New CIS	5
8	Unit/Shareholder Rights	4
9	Income	4
10	Taxation	4
Total		**50**

Assessment Structure

Assessment is a 1 hour examination of 50 multiple choice questions.

Candidates sitting the exam by Computer Based Testing may also be asked to answer up to 10% of additional questions. These are trial questions that will not be separately identified and do not contribute to the result. Candidates will be given proportionately more time to complete the test.

Summary Syllabus

Element 1 Collective Investment Schemes

1.1 Overview

On completion, the candidate should:

1.1.1 Know why Collective Investment Schemes are relevant to investors today

- principal types of fund available by fund type, asset class and the Investment Association sectors
- typical investment strategies
- the role of multi manager funds, property funds and funds of funds

1.2 Structural Aspects

1.2.1 Know the constitutional structures of authorised Collective Investment Schemes

1.2.2 Know the four regulatory types of authorised CIS:

- UCITS
- NURS
- QIS
- LTAF

1.2.3 Know:

- the differences between single funds, umbrella schemes and master feeder schemes
- the permissible share and unit classes issued by schemes

1.2.4 Know the following scheme characteristics:

- guaranteed
- protected

1.2.5 Understand the differences between physical and synthetic investment structures

Element 2 The Regulatory Framework

2.1 The UK Regulatory Framework for CISs

On completion, the candidate should:

2.1.1 Know the framework of UK regulation and the purpose of the following:

- The Financial Services and Markets Act (2000)
- The Collective Investment Schemes Sourcebook (COLL)
- The Investment Funds Sourcebook (FUND)
- The OEIC Regulations 2001

2.2 Other Important FCA Sourcebooks

2.2.1 Know the requirements of the Conduct of Business Sourcebook (COBS) relating to AFMs

2.2.2 Know the requirements of the Clients' Assets Sourcebook (CASS) relating to AFMs

2.2.3 Know the key requirements under Senior Management Systems and Controls (SYSC) relating to AFMs

2.2.4 Know the key requirements of the Product Intervention and Product Governance Sourcebook (PROD) relating to AFMs

2.3 The Consumer Duty and Fair Treatment of Customers

2.3.1 Know the FCA expectations relating to the fair treatment of customers

- Consumer duty

2.4 FCA rules for customer complaints

2.4.1 Know:

- regulatory requirements for handling customer complaints
- the role of the Financial Ombudsman Service (FOS)

2.5 The contribution of EU Regulations

2.5.1 Know the purpose of the following rules:

- Undertakings of Collective Investment in Transferable Securities Directive (UCITS)
- Eligible Assets Directive (EAD)
- Markets in Financial Instruments Directive (MiFID)
- Capital Requirements Directive (CRD)
- Distance Marketing Directive (DMD)
- Market Abuse Regulation (MAR)
- Alternative Investment Fund Managers' Directive (AIFMD)
- European Market Infrastructure Regulation (EMIR)
- The EU Money Market Fund Regulation (MMFR)

2.6 Prevention of Financial Crime

2.6.1 Know how collective investment schemes manage regulatory requirements relating to:

- Anti money laundering
- Combating the financing of terrorism
- Bribery

2.7 Data Protection

2.7.1 Know how AFMs address their responsibilities in relation to the Data Protection Act 2018

Element 3 Key Roles and Responsibilities

3.1 The Role of Authorised Fund Manager (AFM)

On completion, the candidate should

3.1.1 Know the role of the AFM in relation to:

- legal position
- Investment decisions
- valuation and pricing
- issues and cancellations
- investor transactions
- maintaining register of holders
- distribution of income
- voting
- issuing reports
- marketing the fund
- regulatory reporting
- maintaining other client and scheme records

3.2 Appointment and Removal of the AFM

3.2.1 Know the process for:

- appointment of the AFM
- removal of the AFM

3.3 Delegation / Outsourcing by the AFM

3.3.1 Know:

- the benefits and risks of outsourcing
- scope for delegation
- services provided by outsource service providers

3.4 Role of the Trustee / Depositary

3.4.1 Know the role and responsibilities of the Depositary and/or Trustee

3.5 Auditors

3.5.1 Know:

- role and responsibilities of auditors:
- timescale for completing an audit
- obligations for reporting to the FCA
- obligations for reporting to shareholders/unitholders
- difference between the audit and the AFM's obligation for compliance monitoring

Element 4 Diversification and Investment Limits

4.1 Maintaing an Investment Portfolio

On completion, the candidate should:

4.1.1 Understand:

- the requirement for a prudent spread of risk
- the principles of investment and diversification
- managing liquidity

4.2 Important Terms

4.2.1 Know the definitions of:

- transferable securities
- eligible markets
- approved / unapproved securities
- derivatives / (exchange and OTC)

4.3 Investment Limits

4.3.1 Know the specific limits applying to UCITS funds

4.3.2 Know the specific limits applying to Non-UCITS Retail Schemes (NURS)

4.3.3 Know the specific limits applying to Qualified Investor Schemes (QIS)

4.3.4 Know the specific limits applying to Money Market Funds

4.3.5 Know the specific limits applying to Long-Term Asset Funds (LTAFs)

4.4 Other Investment techniques

4.4.1 Know the scope available to AFMs in relation to:

- stock lending
- repurchase agreements
- underwriting
- collateral management

4.5 Corporate Actions

4.5.1 Know the types of corporate actions which may be received by the fund, the AFMs process to execute and the risks and regulatory requirements associated with these

Element 5 Valuations and Pricing

5.1 Introduction

On completion, the candidate should:

5.1.1 Know how and when valuations are made including required frequency

5.1.2 Know the permitted pricing methodology

5.1.3 Know the requirements for price publication

5.2 Pricing

5.2.1 Be able to calculate prices for funds with a single share class

5.2.2 Know the AFM's discretion in setting dealing prices under single and dual pricing

5.2.1 Know the charges that may be made by the AFM

5.3 Classes of Units / Shares

5.3.1 Be able to calculate prices for funds with multiple share classes

5.4 Calculating the Consideration for a Unit / Share Deal

5.4.1 Be able to calculate purchase consideration and redemption proceeds

5.5 Errors in the Pricing of a Scheme

5.5.1 Know the minimum requirements relating to the controls around valuations (including fair valuation techniques)

5.5.2 Know what constitutes a pricing error, the consequences and the action to be taken by the AFM and Depositary

5.5.3 Know the requirements for reconciling assets and units between the AFM, custodian and Depositary

Element 6 Unit Dealing and the Register

6.1 The Register of Unit / Shareholders

On completion, the candidate should:

6.1.1 Know:

- the requirements for the establishment, maintenance and contents of a register
- the entitlement to inspection
- the process for rectification of registration errors
- who can be registered as a holder of units / shares
- the status of the register as proof of ownership
- the registration treatment of third party interests
- the requirements for the collection of beneficial holder details

6.2 The AFM and The Manager's box

6.2.1 Know:

- how investors can buy and sell units from the AFM
- the requirements for notification to the Depositary or Trustee
- the AFMs responsibilities for issue and cancellation of units / shares

6.3 Unit / Share Deals by Investors

6.3.1 Know how investors can buy and sell units from the AFM

6.3.2 Know how investor transactions are instructed:

- direct
- via an intermediary firm
-

6.3.3 Know:

- the regulatory requirements for settlement
- different methods of settling investor transactions

6.3.4 Understand the AFM's discretion in relation to large investor deals:

- in specie transactions
- dilution levy / dilution adjustment

6.4 Cancellation Rights

6.4.1 Know:

- the circumstances under which cancellation rights are available to investors
- the circumstances where shortfall may be charged
- how to calculate cancellation proceeds including shortfall

6.5 Special Circumstances

6.5.1 Know the following scheme characteristics:

- limited issue
- limited redemption
- deferred redemptions
- notice periods

6.5.2 Know the circumstances when dealing may be suspended

6.6 Transfer of Ownership

6.6.1 Know the processes and information requirements for transfers from the holder:

- to the AFM

- to third parties
- by electronic transfer
- by operation of law

6.7 Other Types of Investor Transactions

6.7.1 Know:

- the meaning of a conversion and exchange of units/shares
- how to calculate the number of units following conversion
- the IA's suggested formula to ensure proper and fair exchange of shares / units

6.8 Plan Registers / Sub Registers

6.8.1 Know the requirements governing the sub-registers for savings plans and ISAs

Element 7 Launching a New CIS

7.1 Investment Vehicles and Their Use

On completion, the candidate should:

7.1.1 Know why Collective Investment Schemes are relevant to investors today

- • comparative features, advantages and disadvantages in contrast to other forms of investment (direct and indirect)
- the key differences between onshore and offshore funds

7.1 7.2 FCA Authorisation of CIS

7.2.1 Know the regulatory requirements for the establishment of a scheme:

- the process and requirements of authorisation
- required documentation

7.2 7.3Scheme Documentation

7.3.1Know the AFM's responsibilities to make available and / or supply to potential investors in what form and with what timeframe

- Prospectus
- Key Investor Information Document (KIID), NURS-KII and PRIIPS KID
- Supplementary Information Document
- Report and accounts
- Trust Deed / Instrument of Incorporation / Contractual Scheme Deed
- Assessment of value report

7.4 The Initial Offer Period

7.4.1 Understand the treatment of the following in respect to the initial offer period:

- Pricing
- Large market movement
- Unit/share transactions
- Settlement

7.5 Financial Promotion Rules

7.5.1 Know the relevant aspects for the financial promotion of CISs by the AFM

7.6 Complex and Non Complex Investments

7.6.1 Understand the differences between complex and non-complex funds

Element 8 Unit/Shareholder Rights

8.1 Documentation Provided to Holders

On completion, the candidate should:

8.1.1 Know general and occasional client reporting requirements:

- dealing confirmations
- periodic statements

8.2 CIS Reports and Accounts

8.2.1 Know regulatory requirements in relation to the content of the annual and half yearly report and accounts and Statement of Recommended Practice (SORP):

8.2.2 Know what investors should look for in the reports and accounts

8.3 Meeting of Unit / Shareholders

8.3.1 Know the requirements for a unit/shareholders meeting, including the use of proxies

8.4 Change to a Regulated CIS

8.4.1 Know the rights of unit/shareholders in relation to changes to the CIS

8.4.2 8.4.2 Know the consequences of changing the fund's investment objective or valuation process Structural Change to a CIS

8.5.1 Know the process and relevant regulatory requirements in relation to:

- termination
- amalgamation / mergers

8.4.3 know how a structural change to a CIS might impact the fund's:

- portfolio turnover
- performance

8.5 Other Protection Holders

8.5.1 Know the role of the Financial Services Compensation Scheme (FSCS)

Element 9 Income

9.1 Entitlement to Income

On completion, the candidate should:

9.1.1 Know:

- the sources of income and relevant criteria
- the different treatment of income and accumulation shares / units
- the timetable for distribution of income

9.1.2 Know the requirements of the tax elected fund regime

9.1.3 Know the requirements of the Property Authorised Investment Funds regime (PAIF)

9.2 The Amount of Available Income

9.2.1 Be able to calculate available income

9.2.2 Be able to calculate bond income on an 'effective yield' basis

9.3 Making the Distribution Payment

9.3.1 Know the customary payment processes and their associated requirements

9.3.2 Know the treatment of unclaimed distributions

9.4 Equalisation

9.4.1 Be able to calculate an equalisation rate

9.5 Tax Vouchers

9.5.1 Know the contents of tax vouchers in relation to:

- methods of delivering tax voucher information
- distributions
- streaming requirements
- equalisation

Element 10 Taxation

10.1 Tax arising inside the CIS

On completion, the candidate should:

10.1.1 Know the basis on which authorised Collective Investment Schemes are taxed:

- income received
- deductible and non-deductible expenses
- periodic fees charges to the capital account
- foreign income
- corporation tax payable
- payment dates and returns made

- capital gains tax

10.1.2 Know the treatment of umbrella-type schemes

10.1.3 Know the treatment of VAT on CISs

10.2 Taxation of the Holder

10.2.1 Know the income tax, corporation tax and capital gains tax implications for the following investors:

- corporate (including other Collective Investment Schemes)
- individuals (tax payers, non-tax payers, and ISA investors)

10.2.2 Know the relevance of the Offshore Funds Regime on the taxation of a UK investor

