



An Introduction to TISA Exchange

Introduction to TeX:

TeX (TISA Exchange Limited) is a TISA backed industry initiative that is supported by the FCA and over 150 of the leading financial service companies. We believe that member firms and their clients can achieve significant benefits from joining TeX.

Background:

In 2011, the FSA (now FCA) made it clear via a TISA forum that if the industry did not introduce automated standards for the re-registration of funds to provide rapid and secure transfers from one provider to another, then they would be forced to introduce regulation to impose such standards. This pressure from the FSA was a direct result of several issues relating to the re-registration of funds that were causing unacceptable client service with assets sometimes taking months to transfer and clients being 'out of market' for the duration.

The TeX Project:

Following encouragement from the FSA, TISA created an industry committee of senior executives from platforms, fund groups and third-party service providers to oversee the development of an automated services utility to support transfers and asset re-registrations. This led to the successful development of the standards and associated Service Level Agreements for the transfer of funds from one provider to another, supporting the automated, in-specie transfer of assets within an agreed five-day SLA. These standards were widely supported by the industry and received positive and supportive feedback from the FSA. TISA then investigated the best means to establish and implement the standards. Following further consultation across the industry, this resulted in the development of TeX.

TeX Provision:

TeX provides operational help to the industry through its members:

- Creation of an agreed industry-wide consistent set of legal contracts for ISAs, GIAs and Pensions transfers

- Input into the on-going development and control of the messaging standards to support transfers.
- Continued development and maintenance of a standard industry contract that sets out:
 - Clear mandates relating to liabilities and responsibilities.
 - Controls around the use of the re-registration process
 - Definition and agreement to a set of acceptable Service Levels to be adhered to during asset transfer processes
 - The means by which liability and disputes (if any) can be resolved following any issues during the transfer taking place.
 - Regular agreed updates to the contract to reflect evolving industry practice.
- Provision of an industry body where all providers can have input to the ongoing development of re-registration and the provision of feedback on the implementation of the standards.
- Provision of a register of legitimate providers who have committed to use the standards.
- Provision of implementation services to assist new providers and their associated service providers to implement the standards, SLAs, and contracts.
- Provision of an industry forum where best practice and guidelines are discussed and supported.

Structure & Governance:

TeX is a non-profit organisation led by a Board of directors from across the industry with a number of forums, reporting to the board, to shape direction and ongoing development.

TeX operates three Advisory Councils, attended exclusively by TeX Members, to manage the contracts and standards and consider changes to the wider regulatory and financial services industry landscapes. Operational, legal and solution inter-operability matters are managed within those forums.



Membership has four categories: Asset Managers, Service Providers, Multi-Role (both Asset Managers and Service Providers) and Pension Providers. In addition, solution providers (currently Actuate, Calastone, Equisoft and Origo) can become Associate Members

The Benefits of Membership:

The use of consistent legal contracts, electronic solutions, and re-registration standards receive wide support from the industry and the FCA as a direct result of the benefits that the standards bring to both providers and their clients.

These include:

- The ability to automate the in-specie re-registration of funds leading to a consistent, controlled, straight-through and secure transfer process for clients' funds from one provider to another.
- The standards and their automation making possible:
 - The ability for providers to publish standards for the rapid transfer of client assets thereby improving current and prospective client's confidence in the process
 - The lowering of costs for all those involved in the re-registration of assets; the automated standards replacing costly manual processes.
- The provision of contracts and associated control processes by TeX providing:

- The on-going development of a single industry-wide contract for the implementation of the standards – this preventing the need for the development of thousands of differing contracts across the industry and the significant costs and implementation timelines associated with this.
- On-going control of the development / improvement of the standards.
- All of the above supporting the rapid implementation of the new standards across the industry and the future-proofing of the development process for standards and associated SLAs.
- Access to a range of helpful information at www.tisaexchange.co.uk to support members
- Access to the up-to-date TeX Register of members providing information about each member and evidence that a member is adopting the standards and SLAs agreed within TeX.
- An established and supportive environment to resolve operational issues impacting the prompt and accurate completion of transfers.

Next Steps:

If you would like more information please visit our website at www.tisaexchange.co.uk or contact the TeX Operations Manager, Nigel Jacques-Pettinger, at nigel.jacques-pettinger@tisa.uk.com