

** July 2001

Martin Owen
The Financial Services Authority
25 The North Colonnade
Canary Wharf
London E14 5HS

Dear Mr Owen

CP91: Skilled Persons

The Depositary and Trustee Association (“DATA”) represents the interests of all unit trust trustees and depositaries of open-ended investment companies. DATA aims to provide an independent voice for trustees and depositaries in responding to the Government and regulatory authorities on the various issues facing the industry.

DATA is grateful for the opportunity to respond to this consultation paper. DATA members are currently regulated by IMRO. Whilst DATA has no specific comments on CP91, we would say that the proposals mark a radical change from the regulatory practice to which DATA members have been subject in their role as trustees and depositaries. DATA members are concerned that the skilled persons tool should be used only where absolutely necessary and that costs imposed on the regulated community by use of the tool should be kept to a minimum. There should be no question of the tool being used to subsidise FSA staffing arrangements at any stage.

We are also concerned that, apart from in exceptional circumstances, discussions should always take place between FSA and the firm concerned as to the choice of skilled person.

We believe that such discussions are essential to ensure that the skilled person appointed has the requisite expertise for the task involved and that, again, costs on the firm are kept to a minimum.

If you wish to discuss any of the above points further, please do not hesitate to contact us.

Yours sincerely

Ron Porter
Chairman