

Temporary permissions regime – client assets rules

Chapter 14

Temporary permissions
regime – client assets rules

14.5 Client information

- 14.5.1** **R** A *TP firm* must provide any *client* in respect of which it carries on the activities specified in **■ CASS 14.1.2R** with the following information (the “TP Firm CASS Disclosure”) in English and in a *durable medium*:
- (1) any non-UK jurisdiction under which the *TP firm’s failure* may be administered; and
 - (2) unless such an outcome is not possible under the law of that jurisdiction as it applies on *IP completion day*, a statement that makes clear the possibility that any *client money* or *safe custody assets* belonging to that *client* will, as a result of the law of that jurisdiction, be treated differently to *money* or assets belonging to other customers of the *TP firm* in the event of the *TP firm’s failure*.
- 14.5.2** **R**
- (1) A *firm* must ensure that the “TP Firm CASS Disclosure” is not obscured by or disguised within other information.
 - (2) Where a *firm* provides the “TP Firm CASS Disclosure” amidst or alongside other information, it must ensure that it uses a font size for the ‘TP Firm CASS Disclosure’ that is at least equal to the predominant font size used throughout the information provided, as well as a layout that ensures the “TP Firm CASS Disclosure” is prominent.
- 14.5.3** **G**
- (1) To comply with **■ CASS 14.5.1R(1)** it is sufficient to name the jurisdiction. For example, this may be the name of the *TP firm’s Home State*, or an administrative region within it.
 - (2) In order to comply with **■ CASS 14.5.1R(2)**, a *TP firm* should carefully consider the applicable law and insolvency rules in question as at *IP completion day* when deciding whether or not a statement is required to be given under that provision. For example, it could obtain a legal opinion on whether the law differentiates between the treatment of different classes of *clients*. If, following such careful consideration, the *firm* cannot rule out the possibility of different treatment, then it should make the statement under **■ CASS 14.5.1R(2)**.
- 14.5.4** **R** The “TP Firm CASS Disclosure” under **■ CASS 14.5.1R** is not required where a *firm* complies with those requirements of **■ CASS 5**, **■ CASS 6** or **■ CASS 7** that are applied under **■ GEN 2.2.26R** without needing to safeguard *client money* or *safe custody assets*.

- 14.5.5 **G** Situations falling under ■ CASS 14.5.4R include where, for example, the *TP firm* relies on:
- (1) ■ CASS 5.1.5R(1)(b) or (2);
 - (2) ■ CASS 7.10.6R; or
 - (3) ■ GEN 2.2.26R(3) or (4) and takes the approach set out in article 10.6.a, 10.6.b or 10.6.d of *IDD*.
- 14.5.6 **R** A *TP firm* must provide the “TP Firm CASS Disclosure” under ■ CASS 14.5.1R to a *client*:
- (1) where it safeguards *client money* or *safe custody assets* for the *client* on *IP completion day*, on that date (unless it has taken steps before that date which would have complied with the requirements under ■ CASS 14.5.1R and ■ CASS 14.5.2R); or
 - (2) otherwise, in good time before it safeguards *client money* or *custody assets* for the *client*.