

## Chapter 1A

# CASS firm classification and operational oversight

## 1A.1 Application

- 1A.1.1** **R**
- (1) Subject to (2), (3) and (4), this chapter applies to a *firm* to which either or both of **■ CASS 6** (Custody rules) and **■ CASS 7** (Client money rules) applies.
  - (2) In relation to a *firm* to which **■ CASS 5** (Client money: insurance distribution activity) and **■ CASS 7** (Client money rules) apply, this chapter does not apply in relation to *client money* that a *firm* holds in accordance with **■ CASS 5**.
  - (3) The *rules* and *guidance* in **■ CASS 1A.2** apply to a *firm* even if at the date of the determination or, as the case may be, the notification, either or both of **■ CASS 6** and **■ CASS 7** do not apply to it, provided that:
    - (a) either or both of those chapters applied to it during part or all of the previous calendar year; or
    - (b) it projects that either or both will apply to it in the current calendar year.
  - (4) This chapter does not apply to a *firm* to which only **■ CASS 6** applies, applied or is projected to apply, merely because:
    - (a) it is, was, or is projected to be a *firm* which *arranges safeguarding and administration of assets*; or
    - (b) when acting as a *small AIFM* and in relation to *excluded custody activities*, it would be, would have been or would be projected to be a *firm* which *arranges safeguarding and administration of assets* but for the exclusion in article 72AA of the RAO.
- 1A.1.2** **R** The *rules* and *guidance* in **■ CASS 1A.2** (CASS firm classification) do not apply to a *firm* following its *failure*.