

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*.