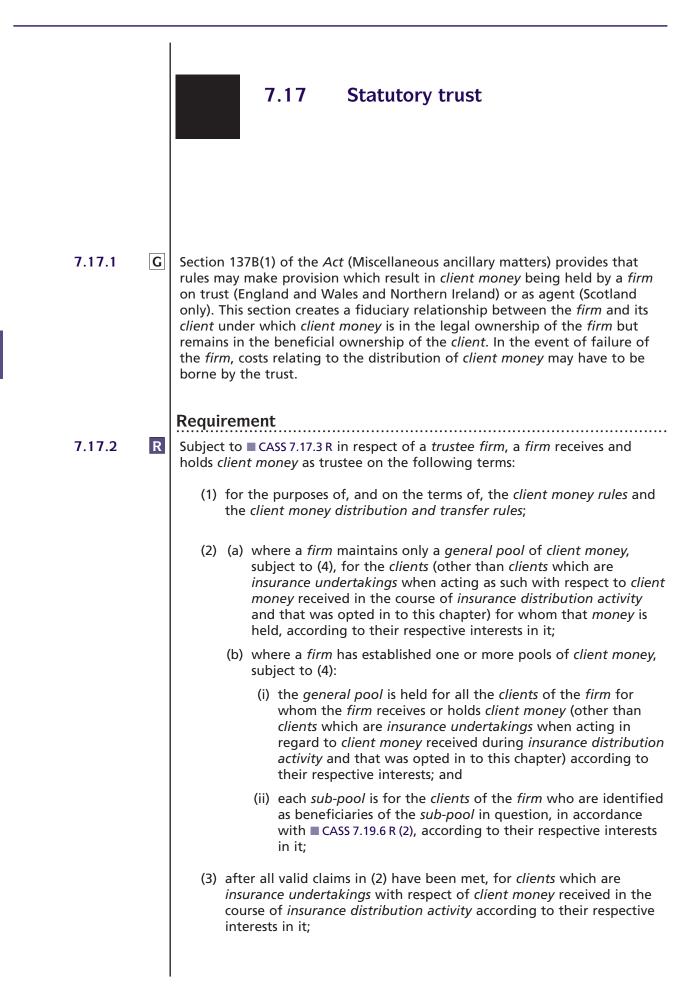
Client Assets

Chapter 7

Client money rules



CASS 7 : Client money

		(4) for the payment of the costs properly attributable to the distribution of the <i>client money</i> in (2) if such distribution takes place following the <i>failure</i> of the <i>firm</i> ; and
		(5) after all valid claims and costs under (2) to (4) have been met, for the <i>firm</i> itself.
7.17.3	R	A <i>trustee firm</i> which is subject to the <i>client money rules</i> by virtue of CASS 7.10.1 R (2) receives and holds <i>client money</i> as trustee on the terms in CASS 7.17.2 R, subject to its obligations to hold <i>client money</i> as trustee under the relevant instrument of trust.
7.17.4	G	If a <i>trustee firm</i> holds <i>client money</i> , the <i>firm</i> should follow the provisions in ■ CASS 7.10.33 R to ■ CASS 7.10.40 G.
7.17.5	G	The statutory trust under CASS 7.17.2 R does not permit a firm, in its capacity as trustee, to use <i>client money</i> to advance credit to the <i>firm's clients</i> , itself, or any other <i>person</i> . For example, if a <i>firm</i> wishes to undertake a transaction for a <i>client</i> in advance of receiving <i>client money</i> from that <i>client</i> to fund that transaction, it should not advance credit to that <i>client</i> or itself using other <i>clients' client money</i> (ie, it should not 'pre-fund' the transaction using other <i>clients' client money</i>).