Chapter 9

Information to clients

9.5   Reporting to clients on request

9.5.1   G   (1) *Firms* to which ■ COBS 16.4 applies are reminded that, under ■ COBS 16.4, they are required to send to each of their *clients* at least once a year a statement in a *durable medium* of those *designated investments* and/or *client money* they hold for that *client*. A *firm* which *manages investments* may provide this statement in its *periodic statement*, as required under ■ COBS 16.3.

(2) ■ COBS 16.4 (Statements of client designated investments or client money) applies, in accordance with ■ COBS 16.1.2R, to a *firm* carrying on *designated investment business* other than *MiFID, equivalent third country or optional exemption business*.

9.5.2   G   *Firms* are reminded that the requirements in ■ COBS 16.4, article 63 of the *MiFID Org Regulation* and ■ COBS 16A.4 only set out the minimum frequency at which *firms* must report to their *clients* on their holdings of *designated investments* and/or *client money*. *Firms* may choose to report to their *clients* more frequently.

9.5.3   G   Subject to ■ CASS 9.5.5AR and ■ CASS 9.5.6 R, ■ CASS 9.5.4R, ■ CASS 9.5.4BR and ■ CASS 9.5.5 R require *firms* to comply with a *client's* request for information on the *custody assets* and/or *client money* the *firm* holds for a *client* under ■ CASS 6 and/or ■ CASS 7, and such request may be made by a *client* at any time.

9.5.4   R   When a *firm* to which ■ COBS 16.4 applies receives a request, made by a *client*, or on a *client's* behalf, for a statement of the *custody assets* and/or *client money* that the *firm* holds for that *client*, the *firm* must provide the *client* with the statement requested in a *durable medium*.

9.5.4A   R   (1) *Firms* to which ■ COBS 16A applies are reminded of the requirements under article 63 of the *MiFID Org Regulation* (which are directly applicable to some *firms* and which are also applied to *firms* in other circumstances under ■ COBS 16A.1.2R) in relation to quarterly statements when the *firm* is holding a *client's financial instruments* or funds (see ■ COBS 16A.4.1EU and ■ COBS 16A.5.1EU).

(2) ■ COBS 16A (Reporting information to clients (MiFID provisions)) applies to a *firm* in relation to its *MiFID, equivalent third country or optional exemption business*.

9.5.4B	R	When a *firm* to which ■ COBS 16A applies receives a request, made by a *client*, or on a *client's* behalf, for a statement of the *custody assets* that the *firm* holds for that *client*, it must provide the *client* with a statement in a *durable medium* in relation to any *custody assets* that are not *financial instruments*.
9.5.4C	G	A *firm* to which ■ COBS 16A applies may combine the statement required under ■ CASS 9.5.4BR with a statement issued in response to a request made under the last sentence of the first sub-paragraph of article 63(1) of the *MiFID Org Regulation*.
9.5.5	R	When a *firm* receives a request, made by a *client*, or on a *client's* behalf, for a copy of any statement of *custody assets* and/or *client money* previously provided to that *client*, the *firm* must provide the *client* with the copy of the statement requested in a *durable medium* and within five *business days* following the receipt of the request.
9.5.5A	R	A *firm* is not required to provide a *client* with a statement under ■ CASS 9.5.4R or ■ CASS 9.5.4BR, or a copy of a statement under ■ CASS 9.5.5R (as applicable) where the following conditions are met:

(1) the *firm* provides the *client* with access to an online system, which qualifies as a *durable medium*;

(2) up-to-date statements of the *client's custody assets* and/or *client money* can be easily accessed by the *client* via the system under (1); and

(3) the *firm* has evidence that the *client* has accessed this statement at least once during the relevant quarter.

9.5.6	R	Any charge agreed between the *firm* and the *client* for providing the statements in ■ CASS 9.5.4R, ■ CASS 9.5.4BR or ■ CASS 9.5.5R (as applicable) must be at a commercial cost.
9.5.7	G	Any statement provided to a *client* under ■ CASS 9.5.4 R or ■ CASS 9.5.5 R (as applicable) may, although it is not required to, be in the same form as the statement a *firm* is required to provide to a *client* under ■ COBS 16.4 or, if appropriate, ■ COBS 16.3.
9.5.8	G	Consistent with the *fair, clear and not misleading rule*, a *firm* should ensure that, in any statements of *custody assets* and/or *client money* it provides to its *clients*, it is clear from the statement which assets and/or monies the *firm* reports as holding for the *client* are, or are not, protected under ■ CASS 6 and/or ■ CASS 7 (e.g. if the statement also includes information regarding assets and/or monies which are held by the *firm* for that *client* which are not subject to the *custody rules* and/or *client money rules*) .
9.5.9	G	*Firms* are reminded that under ■ CASS 3.2.4 G *firms* that enter into arrangements with *retail clients* covered by ■ CASS 3 (Collateral) should, when appropriate, identify in any statement of *custody assets* sent to the *client*

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under ■ COBS 16.4 (Statements of client designated investments or client money), article 63 of the *MiFID Org Regulation* or ■ COBS 16A.4 (as applicable) or this section the details of the assets which form the basis of that collateral arrangement.