

Client Assets

Schedule 2 Notification requirements

Sch 2.1 G

| Handbook reference | Matter to be notified | Contents of notification | Trigger event | Time allowed |
|-------------------------|--|--|---|--|
| CASS 1A.2.5 R | Election to be treated as a <i>CASS medium firm</i> or a <i>CASS large firm</i> | The fact of that election | The fact of that election | To be made at least one week before the election is intended to take effect |
| CASS 1A.2.8 R (1) - (3) | | | | [deleted] |
| CASS 1A.2.8 R (4) | | | | [deleted] |
| CASS 1A.2.8A R | | | | [deleted] |
| CASS 1A.2.9 R (1) - (3) | The highest total amount of <i>client money</i> and the highest total value of <i>safe custody assets</i> held by a <i>firm</i> , as more fully described in CASS 1A.2.9 R | The highest total amount of <i>client money</i> and <i>safe custody assets</i> held by a <i>firm</i> , as more fully described in CASS 1A.2.9 R. | The need to comply with CASS 1A.2.9 R (1)-(3) | By the fifteenth <i>business day</i> of January unless contrary provision is made in CASS 1A.2.9 R |
| CASS 1A.2.9 R (4) | A <i>firm's</i> 'CASS firm type' classification | A <i>firm's</i> 'CASS firm type' classification | The need to comply with CASS 1A.2.9 R (4) | At the same time the <i>firm</i> makes the notification under CASS 1A.2.9 R (1), (2) or (3) |
| CASS 1A.3.2 R | | | | [deleted] |
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| CASS 5.5.61R | Failure of <i>bank, broker or settlement agent</i> | Full details including whether it intends to make good any <i>shortfall</i> that may have arisen in the amounts involved | As soon as the <i>firm</i> becomes aware | Immediately |
| CASS 5.5.76R | Inability to perform the calculation required by CASS 5.5.63R(1) | Inability to perform the calculation | Inability to perform the calculation | Immediately |
| CASS 5.5.77R | Inability to make good any <i>shortfall</i> identified by CASS 5.5.63R(1) | Inability to make good any <i>shortfall</i> in <i>client money</i> | Inability to make good any <i>shortfall</i> | Immediately |
| CASS 6.6.57R(1) | Inability to comply with the requirements in CASS 6.6.2 R to CASS 6.6.4 R (Records, accounts and reconciliations) | The fact that the <i>firm</i> has not complied or is unable, in any material respect, to comply with the requirements and the reasons for that | Non-compliance or inability, in any material respect, to comply with the requirements | Without delay |
| CASS 6.6.57R (2) | Non-compliance or material inability to comply with the requirements in CASS 6.6.2 R (Records, accounts and reconciliations) and/or article 89(1)(b) or 89(1)(c) (Safe-keeping duties with regard to assets held in custody) of the AIFMD level 2 regulation | The fact that the <i>firm</i> has not complied or is materially unable to comply with the requirements and the reasons for that | Non-compliance or material inability to comply with the requirement | Without delay |
| CASS 6.6.57R(2A) | Non-compliance or material inability to comply with the requirements in CASS 6.6.2R (Records, accounts and reconciliations) or article 13(1)(b) or 13(1)(c) (Safe-keeping duties with regard to assets held in | The fact that the <i>firm</i> has not complied or is materially unable to comply with the requirements and the reasons for that | Non-compliance or material inability to comply with the requirement | Without delay |

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| | custody) of the <i>UCITS level 2 regulation</i> | | | |
| CASS 6.6.57R (3) | Inability or material failure to take the steps required under CASS 6.6.54 R for the treatment of shortfalls. | The fact that the <i>firm</i> is unable or has materially failed to comply and the reasons for that | Inability or material failure to comply with the requirement | Without delay |
| CASS 6.6.57R (4) | Inability or material failure to conduct an <i>internal custody record check</i> under CASS 6.6.11 R to CASS 6.6.19 R | The fact that the <i>firm</i> is unable or has materially failed to comply and the reasons for that | Inability or material failure to comply with the requirement | Without delay |
| CASS 6.6.57R (5) | Inability or material failure to conduct a <i>physical asset reconciliation</i> in compliance with CASS 6.6.22 R to CASS 6.6.30 R | The fact that the <i>firm</i> is unable or has materially failed to comply and the reasons for that | Inability or material failure to comply with the requirement | Without delay |
| CASS 6.6.57R (6) | Inability or material failure to conduct an <i>external custody record check</i> in compliance with CASS 6.6.34 R to CASS 6.6.37 R | The fact that the <i>firm</i> is unable or has materially failed to comply and the reasons for that | Inability or material failure to comply with the requirement | Without delay |
| CASS 7.10.7AR(2)-(4) | The <i>firm's</i> election under CASS 7.10.7AR(1), the effective date and any change to the effective date | The <i>firm's</i> election under CASS 7.10.7AR(1) | Making the election or changing the effective date | For a notification under CASS 7.10.7AR(2), at least one <i>month</i> before the date on which the <i>firm's</i> election is to be effective For a notification of a new effective date under CASS 7.10.7AR(4), the notification must be made before the new effective date. |
| CASS 7.10.7DR(1) | The cancellation of the <i>firm's</i> election under CASS 7.10.7AR(1) | The cancellation of the <i>firm's</i> election under CASS 7.10.7AR(1) | Cancelling the election | At least one <i>month</i> before the date on which the <i>firm's</i> election is to cease to be effective |

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| CASS 7.11.47 R | The <i>firm's</i> intention to transfer <i>client money</i> under CASS 7.11.42R and/or CASS 7.11.44R | That intention | Forming the intention | Not less than seven days before the transfer of the <i>client money</i> in question |
| CASS 7.13.21CR(1) | Commencement of approach under CASS 7.13.21AR(1) | Notice that the <i>firm</i> will start to use the approach under CASS 7.13.21AR(1) | Whenever a decision to use the approach under CASS 7.13.21AR(1) is taken | Upon reaching the decision and before the <i>firm</i> starts to use that approach |
| CASS 7.13.21CR(2) | Cessation or continuation of approach under CASS 7.13.21AR(1) | Notice that the <i>firm</i> will cease to use the approach under CASS 7.13.21AR(1) | Whenever a decision to cease the approach under CASS 7.13.21AR(1) is taken | Upon reaching the decision |
| CASS 7.13.57 R | <i>Firm's</i> intention to adopt the alternative approach for a particular business line | <i>Firm's</i> intention to adopt the alternative approach for a particular business line | At least three months prior to adopting the alternative approach for that business line | At least three months prior to adopting the alternative approach for that business line |
| CASS 7.15.18R(1)(b) | <i>Firm's</i> intention to use a <i>non-standard method of internal client money reconciliation</i> | <i>Firm's</i> intention to use a <i>non-standard method of internal client money reconciliation</i> | Forming the intention | Before using a <i>non-standard method of internal client money reconciliation</i> |
| CASS 7.6.16R (2) | | | | [deleted] |
| CASS 7.15.33R (1) | Inability to comply with CASS 7.15.2 R, CASS 7.15.3 R or CASS 7.15.5R (1), due to materially out of date, inaccurate or invalid internal records and accounts | The fact that the <i>firm</i> is unable to comply and the reasons for that | <i>Firm's</i> records and accounts are materially out of date, inaccurate or invalid internal so that it is unable to comply | Without delay |
| CASS 7.15.33R (2) | Inability to comply with CASS 7.15.29 R after having carried out an <i>internal client money reconciliation</i> | The fact that the <i>firm</i> is unable to comply and the reasons for that | <i>Firm's</i> records and accounts are materially out of date, inaccurate or invalid internal so that it is unable to comply | Without delay |
| CASS 7.15.33R (3) | Inability or material failure to identify and correct any dis | The fact that the <i>firm</i> is unable to comply and the | Inability or material failure to comply | Without delay |

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| | crepancies under CASS 7.15.31 R to CASS 7.15.32 R after having carried out an <i>external client money reconciliation</i> | reasons for that | | |
| CASS 7.15.33R (4) | Inability or material failure to conduct an <i>internal client money reconciliation</i> under CASS 7.15.12 R and CASS 7.15.15 R | The fact that the <i>firm</i> is unable to comply and the reasons for that | Inability or material failure to comply | Without delay |
| CASS 7.15.33R (5) | Inability or material failure to conduct an <i>external client money reconciliation</i> under CASS 7.15.20 R to CASS 7.15.28 R | The fact that the <i>firm</i> is unable to comply and the reasons for that | Inability or material failure to comply | Without delay |
| CASS 7.15.33R (6) | Amount of <i>client money</i> segregated in <i>client bank accounts</i> materially differing from <i>client money segregation requirements</i> during preceding 12 months | The fact of the material difference and the reasons for that | On becoming aware | Without delay |
| CASS 7.19.21 R | Material change to <i>sub-pool</i> | Fact of proposed change, risks and consequences to beneficiaries | <i>Firm</i> determining that it wishes to make material change to a <i>sub-pool</i> | Not less than two months before the date on which the <i>firm</i> intends the change to take effect |
| CASS 7.19.22 R | Establishment of a <i>sub-pool</i> of <i>client money</i> to FCA | <i>Firm</i> wishes to establish a <i>sub-pool</i> of <i>client money</i> | <i>Firm</i> determining that it wishes to establish a <i>sub-pool</i> of <i>client money</i> | Not less than two months before the date on which the <i>firm</i> intends to receive or hold <i>client money</i> for that <i>sub-pool</i> |
| CASS 7.19.24 R | Non-compliance, or inability to comply with, with the requirements in | The fact that the <i>firm</i> has not complied with, or is unable to comply | Non-compliance with the applicable requirement | Without delay |

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| | CASS 7.19.11 R or CASS 7.19.18 R | with, the requirements of CASS 7.19.11 R or CASS 7.19.18 R (as applicable) | | |
| CASS 7A.3.19R (1) | Failure of a third party with which <i>money</i> is held – i.e.: bank, <i>inter-mediate broker</i> , <i>settlement agent</i> or OTC counterparty or other entity with which it has placed or to which it has passed <i>client money</i> | Full details | <i>Firm</i> becomes aware of the <i>failure</i> of the entity | As soon as the <i>firm</i> becomes aware |
| CASS 7A.3.19R (2) | <i>Failure</i> of a third party with which <i>money</i> is held – i.e.: bank, <i>inter-mediate broker</i> , <i>settlement agent</i> or OTC counterparty or other entity with which it has placed or to which it has passed <i>client money</i> | Intentions regarding making good any <i>shortfall</i> that has arisen or may arise, and of the amounts involved | <i>Failure</i> of third party with which <i>client money</i> is held | As soon as reasonably practical |
| CASS 10.1.16 R | If a <i>firm</i> has not complied with, or is unable to comply with, CASS 10.1.3 R | The fact of that <i>firm's</i> non-compliance or inability to comply with the <i>rule</i> in CASS 10.1.3 R | Non-compliance or inability to comply with CASS 10.1.3 R | Immediately (as per CASS 10.1.16 R) |
| CASS 11.2.4 R (1) to CASS 11.2.4 R (3) | The highest total amount of <i>client money</i> held in the previous year or projected to be held in the current year, as more fully described in CASS 11.2.4 R | The highest total amount of <i>client money</i> held in the previous year or projected to be held in the current year, as more fully described in CASS 11.2.4 R | The need to comply with CASS 11.2.4 R (1) to CASS 11.2.4 R (3) | By the fifteenth day of January unless contrary provision is made in CASS 11.2.4 R (1) to CASS 11.2.4 R (4) |
| CASS 11.2.4 R (4) | A <i>firm's</i> CASS <i>debt management firm</i> type classification | A <i>firm's</i> CASS <i>debt management firm</i> type classification | The need to comply with CASS 11.2.4 R (4) | At the same time as the notification in CASS 11.2.4 R (1) to CASS 11.2.4 R (4) |

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| CASS 11.11.30 R (1) | Non-compliance with requirements in CASS 11.11.1 R to CASS 11.11.4 R | Non-compliance with requirements in CASS 11.11.1 R to CASS 11.11.4 R | The non-compliance | Without delay |
| CASS 11.11.30 R (2) | Amount of <i>money</i> segregated in <i>client bank accounts</i> is materially different from total aggregate of <i>client money</i> required to be segregated | The fact that there is a material difference | Awareness of the difference | Without delay |
| CASS 11.11.31 R | A CASS <i>large debt management firm's</i> inability or failure to comply with CASS 11.11.23 R, CASS 11.11.28 R, CASS 11.11.13 R or CASS 11.11.25 R | The inability or failure to comply | Awareness of the inability or failure | Without delay |
| CASS 11.12.7 R | A CASS <i>large debt management firm's</i> inability or failure to comply with CASS 11.12.2 R or CASS 11.12.6 R | The inability or failure to comply | Awareness of the inability or failure | Without delay |
| CASS 12.2.5 R | <i>LME bond arrangements</i> | Issue of an individual letter of credit issued by the <i>firm</i> | Upon issue of an individual letter of credit under an <i>LME bond arrangement</i> | Immediately |
| CASS 13.10.21R(1) to (5) | The <i>firm's</i> inability or failure to comply with CASS 13.10.1R to 13.10.4R, , CASS 13.10.5R, CASS 13.10.15R, CASS 13.10.17R, or CASS 13.10.19R. | The inability or failure to comply | Awareness of the inability or failure | Without delay |
| CASS 13.10.21R(6) | Amount of money segregated in <i>client bank accounts</i> is materially different from total aggregate of <i>client money</i> required to be segregated | The fact that there is a material difference | Awareness of the difference | Without delay |

