

## **Opening A Client Bank Account**

- 9a Subject to Regulation 11 hereof, a Firm which receives or holds Client s Money or Mixed Monies or money which under Regulation 11 hereof the Firm is required to pay into a client account, must immediately open one or more Client Bank Accounts. Any Firm may maintain one or more Client Bank Accounts as appropriate. All money which is Clients Money must be held in a Client Bank Account.
- 9b On opening a Client Bank Account, a Firm must notify the Bank in writing that:
- i. all money standing to the credit of that account is held by the Firm as Clients Money and that the Bank is not entitled to combine the account with any other account or exercise any right to set off or counterclaim against money in that account in respect of any money owed to it on any other account of the Firm;
  - ii. interest payable on the money in the account must be credited to that account;
  - iii. the Bank must describe the account in its records to make it clear that the money in the account does not belong to the Firm; and
  - iv. the Bank must acknowledge in writing that it accepts these terms.

(NB Sub-paragraph 9b(i) above was changed with effect from 1 July 2004. Any firm that has opened a clients money bank account not using the above wording, has until 31 December 2005 to obtain a revised confirmation from the bank.)

- 9c For Client Bank Account in the United Kingdom or Ireland, if the Bank does not provide the acknowledgement required under sub-paragraph (b) above within 20 business days of the Firm sending the notice, the Firm must:
- i. withdraw all money from the account;
  - ii. close the account; and
  - iii. deposit the money with another Bank in a Client Bank Account; or
  - iv. as a last resort, return the money to the client.