



**Letter 1. An Existing Account**

Dear Sir,

**The FSA's Client Money Rules relating to insurance mediation activity**

**Bank Account No:**

In connection with the above bank account with your branch [I am] [we are] now required to give you written notice in accordance with the rules of the Financial Services Authority (FSA) that with immediate effect:

- 1) all money standing to the credit of the account is held by [insert name of firm] as trustee (if account held with a branch in England, Wales or Northern Ireland) ; or  
all money standing to the credit of the account is held by [insert name of firm] as agent (if account held with a branch in Scotland) – delete as appropriate;
- 2) you are not entitled to combine the account with any other account or to exercise any right of set-off or counterclaim against money in that account in respect of any sum owed to you on any other account of [insert name in which account is held];
- 3) you are not entitled to any charge, encumbrance, lien, right of set-off, compensation or retention against designated investments held for this account; and
- 4) the name of the account should be [the title should sufficiently distinguish this account from any account containing money belonging to the firm].

Please would you make the necessary amendments to the bank account in accordance with these instructions and write to acknowledge your acceptance of them on the basis set out in the attached draft.

In terms of the FSA's rules, we must receive your written acknowledgement within 20 working days at the latest. If we fail to receive your acknowledgement by this date, we will be obliged, under FSA rules, to withdraw all money standing to the credit of the account and deposit it in a client bank account with another bank.

Yours faithfully

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## **Letter 2. A New Account**

Dear Sir,

### **The FSA's Client Money Rules relating to insurance mediation activity**

**New Bank Account in the name of** [the title should sufficiently distinguish this account from any account containing money belonging to the firm].

[I am] [We are] sending you under cover of a separate letter the necessary documents for the opening of a bank account with your branch. This account must be given the title set out above.

In accordance with the rules of the Financial Services Authority (FSA) [I am] [we are] required to inform you that:

- 1) all money standing to the credit of the account is held by [insert name of firm] as trustee (if account held with a branch in England, Wales or Northern Ireland) ; or  
all money standing to the credit of the account is held by [insert name of firm] as agent (if account held with a branch in Scotland) – delete as appropriate;
- 2) you are not entitled to combine the account with any other account or to exercise any right of set-off or counterclaim against money in that account in respect of any sum owed to you on any other account of [insert name in which account is held]; and
- 3) you are not entitled to any charge, encumbrance, lien, right of set-off, compensation or retention against designated investments held for this account.

Please would you open a bank account in accordance with these instructions and write to acknowledge your acceptance of them on the basis set out in the attached draft.

The FSA rules provide that we must receive your written acknowledgement within 20 business days of the despatch of this letter. If we fail to receive your acknowledgement within this time frame, we will be obliged, under the FSA's rules, to deposit client monies in a client bank account with another bank.

Yours faithfully

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## **Letter 3. Acknowledgement by Bank**

Dear Sir,

## **The FSA's Client Money Rules relating to insurance mediation activity**

### **Bank Account No:**

We acknowledge receipt of your letter of [date] in connection with the above account.

In accordance with your instructions the title of the account has been [arranged as] or [amended to] [insert name from letter to bank]. The title of this account sufficiently distinguishes it from any account containing money that belongs to (XYZ Ins Brokers Ltd).

We note that the account is to be operated in accordance with the rules of the Financial Services Authority (FSA).

As requested, we also acknowledge that:

- 1) all money standing to the credit of the account is held by [insert name of firm] as trustee (if account held with a branch in England, Wales or Northern Ireland) ; or  
all money standing to the credit of the account is held by [insert name of firm] as agent (if account held with a branch in Scotland) – delete as appropriate;
- 2) (Bank name) are not entitled to combine the account with any other account or to exercise any right of set-off or counterclaim against money in that account in respect of any sum owed to (Bank Name) on any other account of [XYZ Ins Brokers Ltd]; and
- 3) (Bank name) are not entitled to any charge, encumbrance, lien, right of set-off, compensation or retention against designated investments held for this account.

Yours faithfully