

Safeguarding Bank/Custodian Acknowledgement Letter

We refer to the following [account[s]] which [*name of firm*], regulated by the Financial Conduct Authority (Firm Reference Number [*FRN*]), ('us', 'we' or 'our') [has opened or will open] [and/or] [has deposited or will deposit] with [*name of bank*] ('you' or 'your'):

[insert the account title[s], the account unique identifier[s] (for example, as relevant, sort code and account number, deposit number or reference code) and (if applicable) any abbreviated name of the account[s] as reflected in the bank's systems]

([collectively,] the 'Safeguarding Account[s]').

For [each of] the Safeguarding Account[s] identified above you acknowledge that we have notified you that:

1. we are under an obligation to keep [money/assets] we hold belonging to our customers separate from our own [money/assets]
2. we have opened, or will open, the Safeguarding Account for the purpose of depositing [money/assets] with you on behalf of our customers, and
3. we hold all [money/assets] standing to the credit of the Safeguarding Account in our capacity as trustee under the laws applicable to us.

For [each of] the Safeguarding Account[s] above you agree that:

4. You do not have any interest in, or recourse or right against, [money/assets] in the Safeguarding Account for any sum owed to you, or owed to any third party, on any other account (including any account we use for our own [money/assets]), except as permitted by [regulation 23(14) of the Payment Services Regulations / regulation 24(1) of the Electronic Money Regulations 2011]. This means, for example, that you do not have any right to combine the Safeguarding Account[s] with any other account and any right of set-off or counterclaim against [money/assets] in the Safeguarding Account, except following an insolvency event (as defined in regulation [23 of the Payment Services Regulations 2017 / Regulation 22 of the Electronic Money Regulations 2011]), and: (a) to the extent that the right of set-off or counterclaim relates to your fees and expenses in relation to operating the Safeguarding Account, or (b) if all the claims of our customers have been paid.

5. You will title, or have titled, the Safeguarding Account as stated above and that this title is different from that of any other account containing [money/assets] belonging to us or to any third party, and
6. You are required to release on demand all [money/assets] standing to the credit of the Safeguarding Account on proper notice and instruction from us or a liquidator, receiver, administrator, or trustee (or similar person) appointed for us in bankruptcy (or similar procedure), in any relevant jurisdiction, except:
 - (a) to the extent that you are exercising a right of set-off or security right as permitted by [regulation 23(14) of the Payment Services Regulations / regulation 24(1) of the Electronic Money Regulations 2011], or
 - (b) until the fixed term expires, any amounts currently held under a fixed term deposit arrangement which cannot be terminated before the expiry of the fixed term,provided that you have a contractual right to retain such [money/assets] under (a) or (b) and that this right is notwithstanding paragraphs 1 to 3 above and without breach of your agreement to paragraph 4 above.

We acknowledge that:

7. you are not responsible for ensuring our compliance with our own obligations, including as trustee, for of the Safeguarding Account[s].

You and we agree that:

8. the terms of this letter shall remain binding upon the parties, their successors and assigns, and, for clarity, regardless of any change in any of the parties' names
9. this letter supersedes and replaces any previous agreement between the parties involving the Safeguarding Account[s], to the extent that such previous agreement is inconsistent with this letter;
10. if there is any conflict between this letter and any other agreement between the parties over the Safeguarding Account[s], this letter agreement shall prevail
11. no variation to the terms of this letter shall be effective unless it is in writing, and signed by the parties
12. this letter is governed by the laws of [*insert appropriate jurisdiction*] [*firms may optionally use this space to insert additional wording to record an intention to exclude any rules of private international law that could lead to the application of the substantive law of another jurisdiction*], and
13. the courts of [*insert same jurisdiction as previous*] have non-exclusive jurisdiction to settle any dispute or claim from or in connection with this letter or its subject matter or formation (including non-contractual disputes or claims).

Please sign and return the enclosed copy of this letter as soon as possible.

For and on behalf of [*name of firm*]

x _____

Authorised Signatory

Print Name:

Title:

ACKNOWLEDGED AND AGREED:

For and on behalf of [*name of bank/custodian*]

x _____

Authorised Signatory

Print Name:

Title:

Contact Information: [*insert signatory's phone number and email address*]

Date: