

Client Monies Accounts



Client Monies Accounts (CMAs) are specific accounts in which funds are held that are not immediately due and payable by the depositor (owner of the funds) to the account holder i.e. the account holder holds such deposited funds in trust. Most people will have come across this type of account when they purchase a property, when having to send the purchase funds to their solicitor's/lawyer's CMA.

About CMAs

Where a business is authorised by the Financial Conduct Authority (FCA), any monies received or held which are investment business clients' money, as defined by the FCA Handbook, must be dealt with in accordance with that handbook under the *CASS rules*.

Clients' money means money of any currency (whether in the form of cash, cheque, draft or electronic transfer) which a business holds or receives for or from a client, including money held by a business as stakeholder, and which is not immediately due and payable on demand to the business for its own account. *Clients' money* must be held in the currency in which it was received unless the client instructs the business otherwise in writing.

SVB offers CMAs in all of the same currencies as non-CMA accounts. In simple terms, a business must hold such funds in an appropriately designated account.

One of the places that such an appropriate account can be held is with an authorised Bank such as SVB UK Branch. Such accounts are generally referred to either as Client Monies Accounts or Client Segregated Accounts, both referred to here as CMAs.

Such accounts cannot be offset against any of the business's exposure to SVB and all such accounts must be easily internally identifiable.



Who needs CMAs?

There are many businesses that will require CMAs due to the regulations to which they are subject. In particular, many Fintechs often require CMAs. Businesses that are not so regulated may also have a need for CMAs as part of their business model.



What are the benefits of a CMA?

A CMA enables businesses to meet a key part of their regulatory requirements. Once a CMA is in place, depositors of funds into such an account are protected to the extent that SVB will not offset any funds in such an account against any exposure that the business holding the account has to SVB.



What types of payments can be initiated from a CMA?

All SVB UK Branch payments are available and fees will be applied depending on the chosen Tariff. Payments may be initiated via Online Banking, Transact Gateway and PSD2 API integration platforms. Please note that debit cards linked to a CMA are not allowed. CMAs are available through Online Banking, Transact Gateway, PSD2 API integration platform, and the UK SWIFT statement service.

