

## Summary

This Client is a UK-based, global online trading provider, offering their clients a wide range of trading products including FX, CFDs, Indices, Equities and Commodities as well as facilities for spreadbetting.

## Issue to be resolved

The Client understood that, by holding client monies, it needed to comply with the FCA's 'Client Assets Sourcebook' (CASS) – specifically in the areas of :

1. identifying any associated risks;
2. assessing these risks; and
3. reducing (mitigating) the likelihood of these risks happening.

## Action taken

The Client created a specific CASS Risk Register containing each individual rule and then reviewed each item in order to identify which rules applied and which did not. For the latter they added the reason why. For the former they began documenting the Controls & Processes that would mitigate these CASS risks, as well as defining possible financial exposures and 'Likelihood / Impact' assessments. Moreover, with the system's ability to link various components, the Client was able to better understand which controls linked to which risks and vice versa.

## Results

With all CASS Rules now defined, as well as a full assessment of any likelihood/impact and any financial exposures, the Client now has a complete 'framework' for both managing its CASS risks as well as 'evidencing' these to both external auditors and regulators. A recent audit has confirmed to the company that they have done the right thing.

## Next Steps

The Client has started adding other registers for other risks, e.g. operations, personnel, etc. as well as creating a similar risk framework for SYSC and is now looking at the product as becoming its solution for its total governance, compliance and risk management.

## Other information

The GRCS now has circa 3,500 registered users across 120 multi-national businesses, managing over 36,000 risks and 4,000 control documents. Over 33,000 individual assessments have been entered.

Should you wish to find out more, or discuss any of the issues involved, please contact us:

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