# Safeguarding Acknowledgement Letter Template – CASS15

## A Template for Members of The Payments Association

### Purpose of this guidance

This document provides a template for regulated payment and e-money firms on how to draft an acknowledgement letter under the Financial Conduct Authority's ("FCA") CASS 15 regime.

**IMPORTANT NOTE**

This is a template acknowledgement letter pursuant to CASS15 Annex 1.1 as of 7 May 2026. The contents of this guidance are based on the most up-to-date requirements as set out in CASS 15.7. Whilst this template contains drafting notes, it is crucially important that you take advice or review the rules before countersigning an acknowledgement letter to avoid the letter being invalid or non-compliant.

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**Wording or Structure in *italics* provide additional helpful context.**
**Wording highlighted in yellow or blue are the only content in the acknowledgement letter that can be changed**

When completing an acknowledgement, you:

a) Must not amend any of the acknowledgement letter fixed text or any of the text which is not in square brackets (acknowledgement letter fixed text);
b) Must not amend any of the acknowledgement letter variable text in a way that would alter or otherwise change the meaning of the acknowledgement letter fixed text
c) Must ensure the acknowledgement letter variable text is removed, included or amended as appropriate.

A safeguarding institution should also not amend the non-italicised text that is in square brackets. It may remove or include square bracketed text from the letter, or replace bracketed and italicised text with the required information, in either case as appropriate. In the template below, the text highlighted in yellow may be included or excluded, but no edits are made to the content, and the text highlighted in blue may be replaced and appropriately amended.

## General principles

All acknowledgement letters must be legible and produced on the safeguarding institution's letterhead paper which contains:

- full registered name,
- registered address and country of incorporation.

The firm's letterhead will likely include further legal details of the safeguarding institution, including:

- registered number,
- any trading styles used,
- GEN6 regulatory disclosure statements for the respective safeguarding institution as applicable:
    - **Authorised PIs** [Name] is authorised by the Financial Conduct Authority under the Payment Service Regulations 2017 [register reference] for the provision of payment services.
    - **Authorised EMIs** [Name] is authorised by the Financial Conduct Authority under the Electronic Money Regulations 2011 [register reference] for the issuing of electronic money.
    - **Small PIs/RAISPs** [Name] is registered with the Financial Conduct Authority under the Payment Services Regulations 2017 [register reference] for the provision of payment services.
    - **Small EMIs** [Name] is registered with the Financial Conduct Authority under the Electronic Money Regulations 2011 [register reference] for the issuing of electronic money.
    - **EEA Authorised PIs /EEA Authorised RAISPs** Authorised by [name of Home State regulator] and regulated by the Financial Conduct Authority for the conduct of payment services business in the UK.
    - **EEA Authorised EMIs** Authorised by [name of Home State regulator] and regulated by the Financial Conduct Authority for the conduct of issuing of electronic money in the UK.

Any acknowledgement letter must be in permanent form which cannot be amended, altered, erased or smudged following signing. Electronic scanned copies of acknowledgement letters may be held against an original as long as it is a genuine copy of the original acknowledgement letter.

**Identification and Naming of Accounts**

For each relevant funds bank account or relevant assets account, it needs to request an acknowledgement letter. As a result, it is important that it is clear to which account or accounts each acknowledgement letter relates. As a result, the template in CASS 15 Annex 1 requires that the acknowledgement letter includes the full title and at least one unique identifier, such as a sort code and account number, deposit number or reference code, for each account. Each relevant funds bank account title must include “Relevant Funds”, “Safeguarding”, or a similar appropriate designation.

Please note it is acceptable practice that you may allow for a table to contain all of the referenced relevant funds bank account or relevant assets account. There is no expectation to have separate letters for each account bank, commonly one acknowledgement letter is seen in place per approved bank. There is an expectation for the corresponding letter to be repapered on the opening/closing of an account.

It is also important that the relevant account information in the table is contained in the space provided in the body of the acknowledgement letter, and not as an appended attachment to the acknowledgement letter.

The title and unique identifiers included in an *acknowledgement letter* for an account should be the same as those reflected in both the records of the *safeguarding institution* and the relevant counterparty, as appropriate, for that account. Where a counterparty’s systems are not able to reflect the full title of an account, that title may be abbreviated to accommodate that system, provided that:

1. the account may continue to be appropriately identified in line with the requirements of *CASS 15* (for example, ‘account’ may be shortened to ‘acct’ etc); and
2. when completing an *acknowledgement letter*, such letter must include both the long and short versions of the account title

All references to the term ‘Relevant Funds Bank Account[s]’or ‘Relevant Assets Account[s]’ in an acknowledgement letter should also be made consistently in either the singular or plural, as appropriate.

Where an *acknowledgement letter* is intended to cover a range of accounts, some of which may not exist as at the date the acknowledgement letter is countersigned by the counterparty, a safeguarding institution should set out in the space provided in the body of the acknowledgement letter that it is intended to apply to all present and future accounts which:

(1) are titled in a specified way; and
(2) which possess a common unique identifier or which may be clearly identified by a range of unique identifiers (eg, all accounts numbered between XXXX1111 and ZZZZ9999).

For example, in the space provided in the template letter below which allows a *safeguarding institution* to include the account title and a unique identifier for each relevant account, a *safeguarding institution* should include a statement to the following effect:

'Any account open at present or to be opened in the future which contains the term ['relevant funds'] [*insert appropriate abbreviation of the term 'relevant funds' as agreed and to be reflected in the approved bank's systems*] in its title and which may be identified with [the following [*insert common unique identifier*]] [an account number from and including [*XXXX1111*] to and including [*ZZZZ9999*]] [*clearly identify range of unique identifiers*].'

It is recommended that in the event of opening an account in line with this additional paragraph, the firm makes efforts to update the letter to include the new account as soon as is practical.

In respect of the segregation method, where firms are utilising authorised credit institutions, this has now been heavily focused by the FCA in CASS 15 under the definition of **approved bank.** It is still permitted to have an account with either:

- the Bank of England,
- a central bank of a member state of the **OECD**, or
- a bank authorised and regulated by the PRA and FCA,
- a building society authorised and regulated by the PRA and FCA, or
- a bank which is supervised by the central bank or banking regulator of a member state of the OECD. For any other bank outside of this scope there are additional requirements set out in the link above (note that the link directs to an external link of the FCA Handbook Glossary).

## Governing Law and Jurisdiction

When choosing the governing law and choice of competent jurisdiction in the acknowledgement letter, a safeguarding institution must agree with the counterparty and reflect in the letter that the laws of a particular jurisdiction will govern the acknowledgement letter **and** that the courts of the same jurisdiction will have jurisdiction to settle any disputes arising out of, or in connection with, the acknowledgement letter, as a matter of formation.

If the safeguarding institution does not utilise the governing law and choice of jurisdiction that is the same as either or both:

1) The laws of the jurisdiction under which either the safeguarding institution or counterparty are organised, or
2) As is found in the underlying agreements with the relevant counterparty,

It is likely that there is a breach in complying with CASS15 and therefore likely to have an ineffective acknowledgement letter.

## Signing of Acknowledgement Letters

A safeguarding institution should ensure that each acknowledgement letter is signed and countersigned by all relevant parties and individuals (including where more than one signatory is required). It is recommended that only authorised signatories on behalf of the safeguarding institution signs the acknowledgement letter to avoid any potential legal risks of enforceability at any relevant time.

Where electronic signatures are utilised to sign the acknowledgement letters, the safeguarding institution and any counterparty must take into account any governing law provisions as to whether electronic signatures are an enforceable method and admissible in any legal proceedings in any relevant jurisdiction relating to the question of authenticity or integrity of signature requirements.

The firm must ensure that the contact information for the bank's signatory includes **both** an email address and phone number, this is a common but avoidable breach in a CASS audit.

The firm must record and retain evidence of the actions taken to ensure the signatory for the counterparty was duly authorised to sign, this is usually in the form of power of attorney documents or signatory list verified by the company secretary.

# Template Acknowledgment Letter

[*Letterhead of safeguarding institution, including full legal name and address of safeguarding institution*]

[*Full Bank Name*]
[*Full Bank Address 1*]
[*Full Bank Address 2*]
[*City of Bank*]
[*Postcode of Bank*]
[*Country of Bank*]

[*Date*]

**Safeguarding Account Acknowledgement Letter (pursuant to the rules of the Financial Conduct Authority)**

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

| **Full Account Title** | **Unique Identifier** | **Title reflected in [*name of counterparty*] systems** |
|---|---|---|
| *[Safeguarding Institution Relevant Funds Bank Account/Relevant Assets Account]* | *[Account Number and Sort Code or Deposit Number or Reference Code or IBAN]* | *[SI Relevant Funds A/C]* |
| | | |
| | | |
| | | |

[Any account open at present or to be opened in the future which contains the term [‘*relevant funds*’] [‘*client funds*’] *or other appropriate abbreviation of the term ‘relevant funds’ as agreed and to be reflected in the approved bank’s systems*] in its title and which may be identified with [the following *[insert common unique identifier]]* [an account number from and including [*XXXX1111*] to and including [*ZZZZ9999*]] *[clearly identify range of unique identifiers]*.

([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] [or] [assets] we hold to meet the claims of our clients separate from other [money] [or] [assets];

(2) we have opened, or will open, the Safeguarding Account for the purpose of depositing [money] [or] [assets] with you to meet the claims of our clients; and

(3) we hold all [money] [or] [assets] standing to the credit of the Safeguarding Account to meet the claims of our clients.

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] [or] [assets] in the Safeguarding Account in respect of any sum owed to you, or owed to any third party, on any other account (including an account we use for our own [money] [or] [assets]) except as permitted by [regulation 24(1) of the Electronic Money Regulations 2011] [or] [regulation 23(14) of the Payment Services Regulations 2017]. 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 22 of the Electronic Money Regulations 2011] [or] [regulation 23 of the Payment Services Regulations 2017]), and:

(a) to the extent that the right of set-off or counterclaim relates to your fees and expenses in relation to the operation of the Safeguarding Account; or
(b) if all the claims of our clients have been paid;

(5) you will title, or have titled, the Safeguarding Account as stated above and that this title is different to the title of any other account containing [money] [or] [assets] belonging to us or to any third party; and

(6) you are required to release on demand all [money] [or] [assets] standing to the credit of the Safeguarding Account upon 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 24(1) of the Electronic Money Regulations 2011] [or] [regulation 23(14) of the Payment Services Regulations 2017]; or

(b) until the fixed term expires, any amounts 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] [or] [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 compliance by us with our own obligations in respect of the Safeguarding Account[s].

You and we agree that:

(8) the terms of this letter will 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 in connection with 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 will prevail;

(11) no variation to the terms of this letter shall be effective unless it is in writing, signed by the parties and permitted under the rules of the Financial Conduct Authority;

(12) this letter is governed by the laws of [*insert appropriate jurisdiction, e.g. England and Wales*] [*safeguarding institutions 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 safeguarding institution*]

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: