

# 1. Introduction

Revolut Trading Ltd ("**we**", "**us**", "**our**" or "**Revolut Trading**") is authorised and regulated by the Financial Conduct Authority ("**FCA**").

This Client Assets Protection Summary ("**Summary**") is made by Revolut Trading and provides its customers (including "**you**" or "**your**") with important information about the protection of your money and assets in the course of our non-advised investment service.

Throughout this Summary, by "**money**", we refer to the money that you add to your investment account, including any proceeds arising from your investment activity, whereas, by "**assets**", we refer to the financial instruments held in your investment account, as a result of your investment activity.

Your agreement with us ("**agreement**") contains important information, including this Summary and our:

- [Terms of Business](#) (if you became our customer on or before **5 January 2025**) or [Terms of Business Omnibus](#) (if you became our customer on or after **6 January 2025**);
- [Risk Disclosure](#);
- [Best Execution Policy Disclosure](#);
- [Complaints Handling Disclosure](#);
- [Conflicts of Interest Policy Summary](#); and
- [Ex-ante Costs and Charges Disclosure](#).

You must acknowledge that you have read and understood this Summary in addition to the remainder of the agreement.

## 2. Client assets protection and investor compensation

The financial system has two main levels of protection to ensure that, if we go out of business, you will still be able to get back any money that we might be holding for you

or any assets that we might be safeguarding for you, in connection with our investment service.

The first level consists of the FCA requirements on us to ensure that your money and assets are held separately to those of Revolut Trading. As such, in the event that we go out of business, there should be no issue in returning your money and assets to you.

Should we fail to comply with these requirements, and go out of business owing you money, there is a second level of protection provided by the Financial Services Compensation Scheme ("**FSCS**"), from which you may be able to claim compensation.

We begin this Summary by discussing the second level of protection first, as you might not always be able to benefit from it when doing business with us.

### **3. Financial Services Compensation Scheme**

The protection provided by the FSCS depends on the exact activity that we are carrying out for you as part of our investment service. **Our investment service takes different forms, depending on whether you became our customer on or before 5 January 2025 or on or after 6 January 2025.**

There are also other conditions, such as needing to bring a claim within a set time period and meeting certain eligibility criteria, that affect any protection you may have, hence protection will vary depending on your individual circumstances. You can find more information on the FSCS's [website](#). The final decision on whether or not the FSCS will consider any claim is for the FSCS itself to make.

Here is a breakdown of how the FSCS protection might apply to you when doing business with us.

If you became our customer on or before 5 January 2025

The form of the investment service that we provide to you is summarised as "**introduction service**".

Under this form, we receive your orders and then transmit them to DriveWealth, LLC for execution, but we do not hold your money, nor do we safeguard your assets.

What this means for your money:

- The money in your investment account is not protected by the FSCS, as we do not hold your money.
- Instead, your money is safeguarded by Revolut Ltd.
- Revolut Ltd is authorised by the FCA to offer e-money and payment services as an Electronic Money Institution under the Electronic Money Regulations 2011 (FRN: 900562). For more information on how Revolut Ltd protects your money, please read the [Personal Terms](#) of Revolut Ltd, to which you have agreed.
- Safeguarding helps to protect you if Revolut Ltd becomes insolvent. You can find more information about the differences between safeguarding and FSCS protection [here](#).

What this means for your assets:

- Your assets are safeguarded and administered by DriveWealth, LLC, with which you have a separate customer brokerage agreement, which governs the execution of your orders and the safeguarding and administration of your assets.
- In the event that the DriveWealth, LLC is no longer able to carry on business, your assets are protected up to \$500,000 by the Securities Investor Protection Corporation ("**SIPC**") in the United States of America ("**US**"). Broadly speaking, the SIPC is the UK equivalent of the FSCS. The SIPC does not protect against gains and losses from market fluctuation. You can find more information on the SIPC's [website](#).

If you became our customer on or after 6 January 2025

The form of the investment service that we provide to you is summarised as "**execution service**".

Under this form, we receive your orders and then transmit them to a third party broker for execution, but we also:

- hold and control your money in compliance with the FCA's client money rules; and

- delegate the safeguarding and administration of your assets to the third party broker to which we transmit your orders (in these particular assets) for execution, in compliance with the FCA's custody rules.

The FSCS may be able to protect you if we go out of business and there is a shortfall in the money that we hold or the assets that we safeguard for you. The FSCS can pay up to **£85,000** per eligible person. However, the FSCS cannot accept any claims that are for poor investment performance. Unfortunately, the nature of investments means that their value can go down as well as up.

We continue this Summary by discussing the first level of protection that applies to our execution service.

## **4. Client Assets Sourcebook compliance**

We follow the FCA rules set out in the Client Assets Sourcebook ("**CASS**") to hold your money and safeguard your assets as part of our business. This is to keep your money and assets safe if we fail and exit the market.

### **4.1 Governance and oversight**

#### **Organisational arrangements**

We have adequate governance to identify material risks to our client assets arrangements. This includes appointing a CASS Oversight Manager, who is under appropriate oversight by an Executive Director with ultimate responsibility for client money and assets. It also includes monitoring and testing of our client assets arrangements by our independent Compliance function.

#### **Outsourcing arrangements**

We outsource several operational functions in respect of your assets to third parties. Nevertheless, we remain responsible for discharging our responsibilities under CASS. Therefore, we have put oversight arrangements in place to manage the risks arising from the involvement of third parties, ensuring that their processes are compliant with the relevant CASS rules.

As part of these oversight arrangements, we carry out due diligence reviews, on appointment and periodically thereafter, on third parties holding your money and assets. Considering that we also deposit your assets with institutions based overseas,

we review our due diligence on such institutions to ensure that your assets will not be subject to increased risk due to the overseas element and manage risks accordingly.

## 4.2 Records and reconciliations

### **Accuracy of recordkeeping**

We maintain accurate records and accounts in respect of your money and assets. To maintain the accuracy of said records and accounts, we conduct frequent reconciliations in a timely manner, with all discrepancies and breaks appropriately recorded and resolved promptly. Client money and custody reconciliations help us verify the accuracy of the balances held for you and confirm that these balances are always held in client accounts.

### **Client money held with third party brokers**

Where we use intermediate brokers to facilitate your transactions, your money can be placed with these third party brokers in client transaction accounts, with an appropriate acknowledgement letter in place. We use such arrangements only to facilitate your transactions. We review the balances held in such client transaction accounts to make sure no excess client money is held in them.

## 4.3 Acknowledgement letters

We ensure that all client money bank and transaction accounts have an acknowledgement letter, in line with the CASS requirements. These letters make it clear that the balances held in credit in those accounts are held for your benefit. We maintain adequate arrangements to assure ourselves of the completeness and accuracy of acknowledgement letters and conduct reviews where necessary.

## 4.4 CASS Resolution Pack

We ensure that we maintain a complete and up to date CASS Resolution Pack, in line with the relevant requirements. This is essential in the event of our failure to help insolvency practitioners understand our client assets arrangements and speed up the recovery and return of client assets.