



By Email

20 March 2025

To: Senior Executive Officers (SEOs) of DFSA Authorised Firms and Audit Principals of Registered Auditors

Dear SEOs and Audit Principals,

Re: Updates to the Client Assets Regime and Feedback Statement on CP160

The protection of Client Assets remains a regulatory priority for the DFSA.

The purpose of this letter is to inform you that the DFSA has published updates to the Client Assets Regime following the [Consultation Paper No. 160](#). The updated rules, which can be accessed [here](#), will come into force on **1 January 2026**.

In addition, we have issued a Feedback Statement on the public comments received on the proposed updates to the DFSA's Client Assets Regime set out in the Consultation Paper No. 160. The Feedback Statement explains the conclusions we have reached following the consultation process. It is designed to assist the regulated community with understanding our regulatory expectations. The Feedback Statement can be accessed [here](#).

We will be hosting dedicated outreach sessions for Authorised Firms and Registered Auditors to outline the key changes in the coming months. We will also be publishing FAQs on the DFSA website shortly.

In the meantime, we encourage all Authorised Firms and Registered Auditors to take appropriate steps to familiarise themselves with the upcoming changes. In particular, relevant Authorised Firms should consider conducting a gap analysis against their existing Client Assets arrangements, systems and controls and putting in place an implementation plan (as appropriate) to ensure readiness in time for implementation of the new rules on 1 January 2026. Similarly, Registered Auditors should ensure that their audit procedures, systems and controls have been updated to take account of the new rules.

If you have any questions in relation to this letter, please contact us using the DFSA Supervised Firm Contact Form which can be found on the [DFSA ePortal](#). Please select the following option '7. Others - Client Assets Regime Implementation' when submitting your query. If you do not have access to the DFSA ePortal, please use the [general enquiry](#) section found on the DFSA website.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Justin Baldacchino', is written over a light blue horizontal line.

Justin Baldacchino
Managing Director, Supervision

Cc: Compliance Officers of DFSA Authorised Firms