

Client Money Handling Policy and Procedures

Definitions

The following relevant defined terms have been extracted and where appropriate amended from the document entitled RICS Client Money Protection (effective from 1 April 2019) and relate to this scheme under which Wisbey Goodsell is registered.

Client	<p>a member of the public which is a client of an RICS Registered Firm.</p> <p>A member of the public includes any person, firm, trust, body corporate or other organisation</p>
Client Money	<p>money of any currency (whether in the form of cash, cheque, draft or electronic transfer)</p> <p>a) which a Registered Firm holds or receives for or from a Client, including money held by a Registered Firm as stakeholder; and</p> <p>b) which is not immediately due and payable on demand to the Registered Firm for its own Account</p> <p>but excluding for the purposes of this Scheme</p> <p>a) money of any currency (whether in the form of cash, cheque, draft or electronic transfer) held by an RICS Registered Firm as TDS Deposits;</p> <p>b) fees paid in advance for professional work agreed to be performed, and clearly identifiable as such. However, commissions or other pecuniary reward or other advantage received from anyone other than the Client which are not permitted by any relevant regulator to be received or retained by the Registered Firm, and for which the Registered Firm has to account to such Client, will be regarded as client money for the purposes of this Scheme and so will not be excluded by reason of this subparagraph.</p>
Client Money Account	<p>in respect of the Scheme, an account which:</p> <p>a) does not contain any sums other than the whole or any part of client money paid into it, or such sums of money as may be necessary to replace any sum which by error has been withdrawn from the account, together with accrued interest on such amounts; and</p> <p>b) includes in its title the word "client" or an appropriate abbreviation of that word whether such account is held in the name of the Registered Firm or a wholly owned subsidiary company of the Registered Firm that holds money in respect of the Registered Firm</p>
The Firm or We as Member of the Scheme	<p>Wisbey Goodsell and Partners LLP t/a Wisbey Goodsell as a "Scheme Member" and an "RICS Registered Firm"</p>
RICS Rules of Conduct	<p>the RICS rules of conduct as determined by the RICS from time to time and any other applicable mandatory requirements set out by RICS, and any other specific and individual requirements notified to any particular RICS Registered Firm as appropriate</p>
RICS	<p>The Royal Institution of Chartered Surveyors</p>
RICS Registered Firm	<p>a firm which is registered with RICS for regulation and which is therefore subject to the RICS Rules of Conduct</p>
Scheme	<p>the "<u>RICS Client Money Protection Scheme for Surveying Services</u>"</p>

Terms of Reference

Specific provisions apply in respect of property agents from 1 April 2019 in respect of client money held in connection with property management work in England.

The main purposes of this scheme are:-

- a) to allow RICS registered firms to offer client money protection in accordance with the rules; and

- b) to compensate clients of an RICS registered firm for the losses of its clients resulting from the RICS registered firm's failure to account for client money to the person entitled to it in accordance with the rules.

Each RICS registered firm which holds clients' money must, as part of its RICS registration, become a member of the scheme.

Wisbey Goodsell are "property agents" as defined for the purposes of the client money protection scheme for property agents and in accordance with requirements of the scheme required to publish procedures for handling client money and provide a copy of these procedures to any person who may reasonably require a copy, free of charge.

The purpose of this document is to provide details of our procedures for handling client money.

A copy of the above RICS documents entitled "Client Money Protection" and "Client Money Handling" (RICS Professional Statement) can be made available on request.

Handling of Client money

In accordance with Section 7 of the Client Money Protection Regulatory document we are required, as scheme members, to

- 1.1 Keep Client Money in a Client Money Account with a bank or building society authorised by the Prudential Regulatory Authority (PRA), the Bank of England and the Financial Conduct Authority (the FCA)
- 1.2 As Scheme Members, we must:

- a) Maintain one or more Client Money Accounts into which all Client Money is paid;
- b) Ensure that Client Money Accounts are designated as such and easily distinguished from our other accounts;
- c) Advise clients of Client Money to be held in a Client Money Account and notify Clients of details of that account;
- d) Confirm in writing with the bank which holds our Client Money Account that that bank acknowledges that monies in the Client Money Account must not be combined with, or transferred to, any other account maintained by us, and the bank shall not be entitled to exercise any right of set up or counterclaim against money in Client Money Accounts in respect of any sum owed to it in respect of any of our other accounts;
- e) Keep records and accounts which show all dealings with Client Money.

As regards handling Client Money, we must as Members:

- a) have and comply with written procedures for handling Client Money, which comply with any RICS requirement to which Rule 7.4 refers;
- b) Publish our procedures for handling Client Money on our website;
- c) Provide a copy of our procedures for handling Client Money to any person who may reasonably require a copy, free of charge;
- d) Keep records and accounts that show all dealings with Client Money;
- e) Repay any Client Money, including where feasible any interest earned, without delay if there is no longer any requirement to retain that money or the relevant client requests it; and
- f) Hold and maintain professional indemnity insurance cover that is appropriate for the Member's size, income, type of work and the amount of Client Money held.

Compliance with the RICS Professional Standards and Guidance, UK

We are further required to:

1. Ensure that all Client Money accounts include the word "Client" and the name of the firm and the title of the account and that discreet Client Money accounts include an identifier, e.g. the client or property name in the title of the account to easily distinguish it from our firm's account;
2. Ensure that where a client requests that money is held in the account to which the firm has access, this is a bank account set up by or for the client, not a firm's bank account;

Dealing with unidentified funds

In the event that Wisbey Goodsell receive surplus client money in a client account we follow best practice and enact the following procedures:

1. Ensure that all efforts are made to trace the clients or owners of the money;
2. Hold the surplus money in a client suspense account;
3. Hold surplus money and keep records for at least six years.

If, after six years, the client or owner of the money has not been found and no true claimants to the money have come forward, in accordance with RICS guidance, it may be donated to a registered charity.

A receipt will be obtained for this transaction so should a true claimant come forward to collect the money it can be made available to them. We will request that the receiving charity should offer an indemnity to enable the Firm to recover a donation in the event of a claim.

Receipts of client money

Wisbey Goodsell ensures that:

- Incoming post is opened by a Principal or allocated member of staff and date stamped on the day received;
- All clients' money is banked as soon as reasonably possible;
- All cash and cheques received by post or by hand are promptly recorded;
- Procedures exist to identify and distinguish between the clients' and office money;
- All mixed monies are received and if there is an office element to be paid the monies are paid into a client account initially and office money is transferred into the office account once cleared;

Payments from Client Accounts

Wisbey Goodsell ensures that:

- Checks are made to ensure that sufficient funds are held on behalf of the relevant client before payments are made;
- Adequate authorisation and supervision procedures are in place for payments made by cheque, bank transfer and electronic methods;
- Insurance and adequate Principal supervision is in place where payments are made by non-principals;
- All payment requests have supporting evidence and that documentation has been authorised in advance by a Principal or other appropriate person;
- Blank cheques are not signed, and unused cheques are kept securely;
- Effective controls are in place over the setting up of new supplier accounts on the system;
- Cash payments are avoided.
- Each client's money is only used for that client's matters;
- Payments from Client Money accounts are only made with that client's instructions or as agreed in the management agreement;

- When fees are due and payable, the Client's authorisation is obtained prior to payment except where the client has given written authorisation of deduction of agreed fees.

Accounting Records and Controls

Wisbey Goodsell ensure that:

- They keep records and accounts for a period of at least six years that show all dealings with Client Money and demonstrate that Client Money is held in a Client Money Account;
- Appropriate systems, procedures and controls exist to ensure payments into and transfers and withdrawals from the Client Money Account are in accordance with instructions agreed with the client;
- Monthly bank account reconciliations are undertaken and reviewed by a Principal of the firm;
- Written procedures for handling Client Money will be published on the firm's website, once available, and a copy of these will be provided to the RICS or any person who may reasonably require these, free of charge;
- Reconciliations and account management will seek to ensure that overdrawn balances are prevented by the firm's systems and controls and when and if these do occur these are rectified immediately;
- The firm has a GDPR policy (available upon request) and computers are protected by anti-virus software, systems are regularly backed up and capable of restoration in the event of system failure.
- Quarterly accounts and bank reconciliation information will be provided to the client confirming details of monies held on their account and payable on a quarterly basis.
- Wisbey Goodsell will agree with the client the value of payments can be made without additional authorisation;

General controls

Wisbey Goodsell ensure that:

- The Client Account is ultimately controlled and overseen by a Principal of the firm;
- The firm employs competent and knowledgeable staff responsible for processing clients' money who have been made aware and are familiar with RICS requirements;
- A Principal is required to sign off on payments and bank reconciliations;
- There is adequate cover for holiday and long-term absence;
- Access to funds is restricted to Principals or allocated employees;
- Interest and bank charges are allocated appropriately;
- Signatories understand the requirements of the professional statement on client money handling produced by the RICS and guidance will be made available with regard to countering bribery and corruption etc. and the firm has written guidance which has been circulated to staff and which deals with such matters.