



Athene Associates Ltd - Client Money Handling Procedure

Definitions

The following relevant defined terms have been extracted from the RICS Client Money Handling Professional Statement: -

<i>Client</i>	<i>Any person, firm, trust, body corporate or other organisation that is a client of an RICS-regulated firm.</i>
<i>Client Money</i>	<p><i>Money of any currency (whether in the form of cash, cheque, draft or electronic transfer): -</i></p> <ul style="list-style-type: none"> • <i>which a Registered Firm holds or receives for or from a Client, including money held by a Registered Firm as stakeholder; and</i> • <i>which is not immediately due and payable on demand to the Registered Firm for its own Account but excluding for the purposes of this Scheme fees paid in advance for professional work agreed to be performed, and clearly identifiable as such, unless the fees are for work undertaken as a property agent as defined by the Rules of the RICS Client Money Protection Scheme for Surveying Services.</i>
<i>Client Money Account</i>	<p><i>An account in the name of an RICS-regulated firm, a wholly owned subsidiary company of the firm or an appropriately contracted third-party transaction service provider, holding client money that belongs to: -</i></p> <ul style="list-style-type: none"> • <i>a single client of the firm (discrete client money account) or</i> • <i>more than one client of the firm (general client money account).</i>
<i>The Firm or We</i>	<i>Athene Associates Ltd as a “Scheme Member” and a “RICS Registered Firm”.</i>
<i>Member or Scheme Member</i>	<i>a member of the Scheme.</i>
<i>RICS Rules of Conduct</i>	<i>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.</i>

<i>RICS</i>	<i>The Royal Institution of Chartered Surveyors</i>
<i>RICS Registered Firm</i>	<i>A firm which is registered with RICS for regulation and which is therefore subject to the RICS Rules of Conduct</i>
<i>Scheme</i>	<i>the "RICS Client Money Protection Scheme for Surveying Services"</i>

Objective

The whole of this document is to be taken as the Firm's written procedures for Handling Client Money in accordance with the RICS Rules of Conduct. These written procedures are set forth to ensure compliance with: -

- The RICS Rules of Conduct for Firms
- The RICS Client Money Protection Scheme
- The Client Money Protection Schemes for Property Agents (Approval and Designation of Schemes) Regulations 2018
- The RICS professional statement Client Money Handling 1st Edition October 2019
- Any other regulations and statutory requirements as necessary, and to maintain best practice.

A copy of the above RICS documents are available on request.

Aims

The purpose of these written procedures is to ensure that;

Client money is held in accordance with Rule 8 of the RICS Rules of Conduct, as follows: -

Clients' money

8. *A Firm shall preserve the security of clients' money entrusted to its care in the course of its practice or business.*

and,

to comply with the rules of the RICS Client Money Protection Scheme.

Handling of Client Money – Written Procedures

As a Member of the RICS Client Money Protection Scheme for Surveying Services who adhere to the RICS Rules of Conduct for Firms, The RICS Client Money Protection Scheme, and any other regulations as necessary we: -

- Hold all client money in a client money account over which the RICS-regulated firm has exclusive control at a bank or building society authorised by the relevant banking regulatory body for the jurisdiction.
- Ensure that a client money account does not contain any sums other than the whole or any part of client money paid into it, or any sums needed to replace money that

has been withdrawn from the account by error, with accrued interest on such amounts.

- Do not hold office money in a client money account unless it is a receipt of mixed monies where the office money is awaiting transfer.
- Ensure that all client money accounts include the word 'client' (written in full) and the name of the firm in the title of the account, and that discrete client money accounts include an identifier (e.g. the client or property name) in the title of the account to easily distinguish it from other accounts of the RICS-regulated firm.
- Ensure that money held in a client account is immediately available even at the sacrifice of interest, unless other arrangements are in the best interests of the client and the client has given express instructions in writing.
- Ensure that where the client has given instructions to hold monies in a high interest account with penalties for instant access, penalties are only paid out of the client account if the client has provided specific informed consent and this will not result in an overdrawn balance – otherwise the bank **must** be instructed that penalties are to be applied to the office account.
- Confirm the bank operating conditions in writing with the bank that holds the client money account, including acknowledgment from the bank that monies in the client money account will not be combined with or transferred to any other account maintained by the firm – the bank is not entitled to exercise any set-off or counterclaim against money in that client money account for any sum owed to it for any other account of the firm.
- Ensure that where a client requests that money is held in an account to which it and the firm has access, this is a bank account set up by the client, not a firm bank account.

Information to Clients

Athene Associates Ltd will ensure that: -

- Clients receive confirmation that client money will be held in a client money account including bank account details, that the RICS-regulated firm has exclusive control over the client money and whether the account is in the name of the regulated firm, a wholly owned subsidiary or an appropriately contracted third-party transaction service provider.
- We advise clients who pay fees in advance for surveying services (but not property agent services in England) that this money is not covered by the Client Money Protection scheme
- We disclose all commissions earned by the firm while managing their property.
- We confirm to clients in writing how interest is to be applied and that bank charges will not be applied to the client account without the prior consent of the client
- We inform clients which principals and senior managers (if applicable) will have access to client funds and that where senior managers have access to client funds they cannot make payments without prior written approval from a principal
- Clients understand that any payments of cash or cheques due to the clients and received by the firm will be paid into the appropriate client account the next working day except in exceptional circumstances
- We explain to clients about the completion of regular client bank account reconciliations and demonstrate that these are reviewed by a principal or senior staff member of the RICS-regulated firm.
- We agree in writing and in advance with the client the frequency and format of reporting on money held on their account
- We detail how unidentified funds are dealt with

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Registered office: St Martin's House, 16 St Martin's Le Grand, London EC1A 4EN. Registered in England and Wales No.11032121. Athene Associates is the trading name of Athene Associates Ltd.

- A copy is provided of the firm's written procedures for handling client money.

Client Accounting Systems and Controls

Athene Associates Ltd will ensure that: -

- We keep records and accounts that show all dealings with the client money and demonstrate that all client money held by the firm is held in a client money account.
- We have appropriate systems, procedures and controls to ensure payments into and transfers or withdrawals from a client account are in accordance with instructions agreed with the client.
- We complete regular client bank account reconciliations and demonstrate that these are reviewed by a principal or senior staff member of the RICS-regulated firm.
- We publish written procedures for handling client money on the firm's website (if any) and provide a copy of these to RICS or to any person who may reasonably require a copy free of charge.
- Overdrawn balances are prevented by the firm's systems and controls, and if these do occur, we investigate and rectify them immediately.
- We control and protect accounting systems and client data and adequately protect computer systems for access, firewalls, back-ups and disaster recovery.

Controls Over the Receipt of Client Money

Athene Associates Ltd will ensure that: -

- All client money received is paid into a client money account promptly.
- When mixed monies are received the receipt is paid into a client money account and the office money is transferred into the office account promptly.
- Where client instructions are to hold only part of a payment the whole payment is placed into a client money account before transferring the relevant part out promptly.
- We account for interest or other benefits accruing from client money to the client, unless otherwise agreed with the client in writing.
- We take prompt action to attempt to identify the owner of any unidentified client money received.

Controls Over the Payment of Client Money

Athene Associates Ltd will ensure that: -

- We use each client's money only for that client's matters.
- Client money is returned to the client immediately as soon as there is no longer any reason to retain those funds, and any further payments received (e.g. by refund) are paid to the client immediately.
- All payments from client money accounts are made to or on behalf of a client and on that client's written instructions or as agreed in the management agreement.
- When fees are due and payable, unless the client has given written authorisation for deduction of agreed fees without prior notification, we send an invoice or other written notification of the costs incurred to the client before withdrawing money from a client money account for payment of the firm's fees, and then transfer those monies out of the client account promptly.
- We check that sufficient funds are held for the relevant client before making any payments on their behalf.
- We obtain written permission from clients for any direct debits and standing orders on general and discrete client bank accounts.

- We obtain written agreement from the client before bank costs are recharged to client bank accounts.
- Money that has been paid into the client account in error (e.g. money paid into the wrong discrete account or interest wrongly credited to a general client account) should be withdrawn or transferred from the client account promptly on discovery.

General Controls

Athene Associates Ltd will ensure that: -

- Employees have clear segregation of duties and responsibilities and that a Principal or appropriately qualified individual oversees the client accounting function.
- We employ competent and knowledgeable staff who are responsible for processing clients' money and who are familiar with RICS Rules.
- Accounting systems and client data are securely controlled and protected.
- Computer systems are adequately protected for access, firewalls, back-ups and disaster recovery.
- There is adequate cover for holiday and long-term absence.
- Principals cannot and do not override controls surrounding the accounting system.
- All areas of the business apply the same level of controls in relation to the client accounting function.

Donations to Charity

In the event that Athene Associates Ltd receive surplus client money in a client account, we will follow best practice and in following the below procedures we will: -

- Ensure that all efforts are made to trace the clients or owners of the money;
- Hold the surplus money in a client suspense account;
- Hold surplus money for at least three years.

If, after three 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.

If all efforts to trace the clients or owners of the money fails, and after following the above procedures, Athene Associates Ltd will donate the amount to the RICS' registered charity, LionHeart.

Compliance

Athene Associates Ltd will ensure that: -

- We are compliant with all anti-money laundering legislation, rules and regulations for all receipts of client money.
- We are compliant with the mandatory requirements of the latest edition of the RICS professional statement '*Countering bribery and corruption, money laundering and terrorist financing*'.

- We obtain any certification required under legislation currently in force and follow any requirements in the legislation for display or publication
- We ensure that any breach of these requirements is investigated and remedied promptly on discovery, including the replacement of any money improperly withheld or withdrawn from a client account
- We record any breach of the mandatory requirements of this professional statement in writing in sufficient detail including any consideration of whether to inform the RICS and any client affected by the breach
- We inform RICS, the client and the insurers of the RICS-regulated firm immediately if client money is misappropriated by any person.

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