

CLIENT MONIES - HANDLING POLICY & PROCEDURES

November 2024

Our policy

The Fisher German LLP (FG) policy has been designed in conjunction with the requirements of the Royal Institution of Chartered Surveyors (RICS) professional standard UK¹. Our client policy is based on the need to:

- Ensure any monies² we hold on behalf of our clients are always safeguarded.
- Maintain an effective control environment around the monitoring, recording and employment of these monies.

Where client money is held by us:

- Our banking providers are duly authorised, regulated and supervised by the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA).
- Any such bank accounts are operated under the exclusive control of FG; acknowledged by our providers that these funds are distinct from our own; are limited in scope and purpose to which they may be employed and are not subject to combination with office funds.
- These bank accounts will be classed as either 'comingled' or 'discrete' funded types; dependent on type will have clearly stated in their title our firm name and the word 'client' or the client's name or property name.
- Monies are held as immediately available to our clients unless as otherwise expressly instructed in writing by the client and subject to their best interest.
- Office funds are not allowed in the client money account unless it's mixed money awaiting transfer.

Where we receive our clients' funds:

- Where funds may be received on a client's behalf indirectly, i.e., cheque. These receipts are logged, lodged and monitored for clearing on a timely basis into the appropriate client account.
- Where funds are received directly into a client account, these are allocated to the client's ledger position on a sufficiently timely basis.
- All other receipts are subject to sufficient and regular review to ensure, where required, these are extricated from any FG own funds and subsequently processed into an appropriate client type account.

¹ By exception the minimum standard as determined by RICS professional standard always applies.

² Any currency and in any form, be that cash, cheque or electronic transfer, which Fisher German hold or have received on behalf of our clients in the fulfilment of our services; excluding any fee advances paid in respect of professional work to be performed, unless these fees would fall within the rules as defined by the RICS Client rules for Property Agents.

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- Any benefits identified as accruing from client own funds where these are held discretely are attributed to that client on a timely basis³.
- Any unidentified receipts are clearly identified and recorded as a separate liability within FG records. Investigations are undertaken to determine their correct allocation or where appropriate facilitate their return. Any items remaining on the expiry of three years from date of receipt will be remitted to a charity chosen by FG, which is registered in the UK and with the Charity Commission.

Where we make payments on our client's behalf

- We will only use client's own funds for settlement of the client's own liabilities.
- No payment will be originated without ensuring the client's own funds exist to cover the settlement of the liability.
- Payments made to settle a client's liabilities will be at either their explicit instruction or made under arrangement as permitted by the documented and signed client agreement.
- Payments made or charges settled⁴ are only in respect of duly and appropriately authorised supplier expenditure, supported by a relevant billing document and/or schedule of charges.

The appropriacy of access to client monies

- Access to view and review client money transactions is restricted to individuals with the appropriate roles and responsibilities within the firm to maintain the robustness of our books and records and to facilitate payments on our client's behalf.
- All payments originated from client monies accounts require approval and secondary approval dependent on value and in accordance with the relevant bank account mandate.
- All client money bank mandates are subject to sufficient periodic review and senior management sign off to ensure the continued appropriacy of payment authority.

³ All interest and charges arising from co-mingled client accounts are borne and received by FG. All discrete client accounts are credited with interest on funds as they arise and are subject to charges arising from their own payment activity.

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Where we record our client monies related activity

We ensure sufficient and appropriate audit trail exists in the systems and applications we use and the controls we exercise to demonstrate:

- The bank accounts and our ledgers are reconciled on a sufficiently timely basis.
- That any reconciliation activity is documented to evidence that this has occurred.
- That any remediating actions are documented, dated and followed through.
- All such reconciliations are subject to review within the relevant line management structure; and the senior departmental management sample review framework is in place to ensure best practice continues to be adhered to
- That these systems and our client's data is suitably protected, firewalled, backed-up and available in the event of a disaster recovery scenario to prevent business disruption.

What information we provide our clients about their monies

- Written communication of the specific bank account details, (account name, banking provider name and its branch name and address)
- The agreed terms for handling and managing the bank account and arrangements for interest and charges for their particular client monies account.
- The arrangements made for form, content, regularity and detail of financial reporting to be fulfilled by FG in respect of monies held on their behalf.
- In the event that client money were misappropriated, that we have informed RICS, the client whom is effected and our own insurers. Along with the steps that have been taken to investigate the individual occurrence, recover the loss and prevent any such future event.