



Cordatus Client Money Handling

Procedure

January 2024

Procedure brief & purpose

Cordatus shall preserve the security of clients' money entrusted to its care in the course of its business. Cordatus ensure that client money is kept safe, client money accounts are used for the appropriate purposes and we have the appropriate controls and procedures to safeguard client money.

Scope

Cordatus is registered with the RICS Client Money Protection Scheme for surveying Services and adheres to the RICS requirements for client money.

Client Money Procedures

Holding Client Money – How and Where Client Money is held. Cordatus ensures that:

- Client money is held in a client money account (CMA) that Cordatus has exclusive control at an authorised bank or building society.
- All CMA's do not contain any sums other than client money.
- All CMA's do not contain office money.
- The word 'client', the name of the firm and an identifier is in the title of discrete CMA's.
- Money held in a CMA is immediately available unless other arrangements have been granted by the client in writing.
- Where monies are held in a specific account where penalties can be levied, that the client is aware of this and has approved any trigger event that would levy a penalty.
- Access to the operation of the CMA is restricted to principals of Cordatus or Senior employees.
- Controls are in place that require 2 principals or senior employees to approve transactions from the CMA.
- We have confirmed with the bank or building society the CMA operating conditions.
- Where the client would like to access an account as well as Cordatus that the bank account is set up by the Client and not Cordatus.
- Any interest earned will be credited to the CMA.
- Any bank charges incurred by the CMA will be charged to the CMA.

Provision of Information to Clients, Cordatus ensures that:

- Confirmation is provided in writing to the client that client money will be held in a CMA, provision of the bank account details and that Cordatus has exclusive control of the CMA and the Cordatus entity that operates the account.
- The correspondence will also disclose any commissions (if applicable), how Cordatus will deal with unidentified funds and provide the client with a copy of the Client Money Handling Procedure.
- Monthly reporting will be agreed with the client to report on the CMA balances and information will be provided to these timescales.
- On an annual basis we will send to the client this procedure and the unidentified fund handling procedure, as a reminder of this process.

Receiving Client Money, Cordatus ensures that:

- All client money received is paid into the CMA promptly, within 3 business days of receipt.
- When mixed monies are received for both the CMA and an office account, the office monies are transferred promptly from the CMA.
- Where the client instructs to hold part of the receipt, the whole receipt is placed in the CMA and the relevant part is transferred out promptly.
- Interest or any other benefit accruing in the CMA is accounted within the account, unless the Client has notified in writing with another treatment.
- We take prompt action to identify any unidentified receipts into the CMA. If funds are unidentified for a period of greater than 3 years and all avenues of investigation have been exhausted, balances can be transferred to a registered charity. However any monies paid must have an indemnity and receipt, so that if a beneficiary is identified the monies can be paid back. See separate Unidentified fund Policy.

Paying Client Money, Cordatus ensures that:

- Each CMA is used for that client matters only.
- Client money is returned to the client immediately, so long as there is no further reason to hold the client funds.
- All payments from the CMA are made to the benefit of the client and on the clients' instructions or as agreed in the management agreement.
- Where fees are due and payable, if there is no client authorisation, written notification is sent to the client before withdrawing money from the CMA before the payment of fees.
- There are sufficient funds held before payments are made from the CMA.
- We obtain written permission from the client for any direct debits or standing orders on CMA.
- We obtain written agreement from the client before bank costs are recharged to the CMA.

Accounting Records and Control, Cordatus:

- Keep records and accounts that show all dealings with client money and that demonstrate that all client money is held in the CMA.
- Has appropriate systems, procedures and controls to ensure payments in and out the CMA are in accordance with the instructions from the client.
- Completes monthly CMA bank reconciliation that are reviewed by a principal or senior member of Cordatus. All reconciliation items will be investigated and cleared as soon identified.
- Publish the written procedures for client money handling procedure on our website and provide a copy to RICS or any person who reasonable requires these free of charge.
- Any overdrawn balances are prevented with the firms systems and controls and if these occur they will be investigated immediately.
- Protect and control accounting systems and client data for access, firewalls, backups and disaster recovery.
- Provide monthly information on the CMA as agreed with the client.

Compliance, Cordatus ensures that:

- We comply with anti money laundering legislation, rules and regulations for all receipts of client money.
- We comply with the RICS professional statement regarding Countering bribery and corruption, money laundering and terrorist financing.
- We obtain any certification required under legislation currently in force and display as required.
- We investigate any breach of these requirements and they are remedied promptly on discovery.
- We record any breach of the mandatory requirements of this procedure in writing, including any consideration on whether to inform RICS and the client of the breach.
- We inform RICS and the client and our insurers immediate if client money is misappropriated by any person.

Requirements for Cordatus as RICS members:

- Ensure compliance with anti money laundering legislation, rules and regulations for all receipts of client money.
- Ensure compliance with the mandatory requirements of the RICS professional statement regarding Countering bribery and corruption, money laundering and terrorist financing.
- Follow all the procedures outlined above for the handling of client money within Cordatus.
- Not to override any controls in place to protect client money.
- Make appropriate disclosures to a senior member of the firm or a regulator immediately if we become aware of any risk of or actual misappropriation of client money and to keep a written record of the disclosure