

CBRE LTD CLIENT MONEY HANDLING PROCEDURE



When holding client money, RICS-regulated firms must comply with the RICS Professional Statement, Client Money Handling. Rule 8 of the RICS Rules of Conduct for Firms states: 'A firm shall preserve the security of clients' money entrusted to its care in the course of its practice or business.'

As part of these RICS requirements and due diligence this charter provides the details of CBRE Ltd Client money handling guidelines and protocols.

Definition of Client money

Client money relates to money of any currency, whether in the form of electronic transfer cash or cheque, which is:

- Held or received on behalf of another person, including money held by a regulated firm as stakeholder.
- Is not immediately due and payable on demand.

How Client money is held

Client money is held in an appropriate banking institution with a rating of BBB +

All money standing to the credit of the account is held by CBRE Ltd as trustee and the bank is not entitled to combine the account with any other account or to exercise any right of set-off or counterclaim against money in that account in respect of any sum owed to it on any other account of CBRE Ltd.

Client monies are held separately from CBRE own monies, are easily identifiable and immediately available.

CBRE PMA general clients' bank account holds pooled client money belonging to more than one client and then moved onto a designated client account once allocation of income has been made.

A discrete bank account is a client-named account which holds money belonging to a single client.

All allocated Client monies are held separately and further details of where funds are held can be found within the Management Agreement.

CBRE Residential Property Management have two client bank accounts, one holding tenancy deposits and a second holding general client funds/monies for all property instructions. CBRE Residential New Homes has one client bank account holding reservation fees for all clients.

Banking Charges and Interest

All bank accounts are current accounts. No banking charges incurred on the operation of client monies are passed to clients.

CBRE Ltd will cover transactional banking and account maintenance charges associated with the operation of such account.

CBRE Ltd is entitled to retain any interest earned through the aggregation of various client accounts to offset general bank charges and administration costs associated with operating the Client Bank Account, as per a signed Property Management Agreement (PMA), Tenancy Agreement or specific Terms of Business (TOB).

Income allocation

Identified occupier income is reviewed and assigned within 24 working hours of funds crediting our accounts.

CBRE endeavour to ensure all avenues have been exhausted to investigate and allocate any unidentified funds which will be returned 3 months from receipt if these cannot be receipted.

Client Payments

A withdrawal from a client account can only be made after authority has been approved by a signatory in accordance with the firm's procedures and systems.

All payment requests must be accompanied by supporting evidence that has been checked and authorised.

Segregation of duties in the accounting function is in place to prevent data tampering within the payment process.

Reconciliations

Bank accounts are reported monthly using a three-way reconciliation between the bank, general ledger, and individual client ledgers, as required by the RICS. Residential Property Management reported daily, Residential New Homes at least monthly.

Approved by - David Mercado, Chief Financial Officer, CBRE Limited, NSS Finance Operations