

## **Orbit Property Management Birmingham Ltd (hereinafter referred to as “Orbit”) - Client Money Handling Procedures**

Orbit would like to ensure that its Clients understand the procedures it follows when handling client money.

### **Definition of Client Money**

Client Money is any money of any currency (whether in the form of cash, cheque, draft or electronic transfer) that:

- Orbit as an RICS-regulated firm and a member of the RICS Client Money Protection Scheme, holds for or receives on behalf of another person, including money held by a regulated firm as stakeholder and
- is not immediately due and payable on demand to Orbit for its own account, excluding 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 Property Agents

### **In accordance with the RICS professional standard on Client Money Handling effective from 1<sup>st</sup> of January 2020**

#### **Orbit ensures that:**

- 1) All Client Money is held in Client Bank Accounts with reputable high street banks that are authorised and regulated by the Financial Conduct Authority. Orbit currently holds Client Money with HSBC UK Bank PLC.
- 2) All Client Accounts are exclusively controlled by Orbit
- 3) Client Bank Accounts are solely for the use of Clients money and does not include any of Orbit’s office money.
- 4) Access to Client money is restricted to principals and specific senior employees involved in the processes of dealing with Client Money and the appropriate level of segregation and approval processes have been put in place.
- 5) All payments can only be approved by a Companies House Director of Orbit and only those on the banking mandate can approve payments
- 6) Client Accounts are reviewed daily and at numerous times throughout the day

- 7) Receipt by cheques are banked on the day or the next working day of the receipt.
- 8) Cash receipts are not accepted as a method of payment, and our bank has been informed not to accept cash payments into our client bank accounts.
- 9) All bank accounts are reconciled on at least a monthly basis and reconciling items investigated and cleared as appropriate within a timely manner
- 10) Interest earned on client bank accounts are either paid to the clients or retained by Orbit as agreed with the Client as part of the management agreement terms.
- 11) All bank charges are borne by Orbit.
- 12) All clients are made aware of the Client Bank Account being used when issued with the management agreement.
- 13) All clients are provided with details about monies held on their behalf on at least a quarterly basis via the issue of client statements or on a client request basis.

### **How unidentified funds are dealt with**

Unidentified client money is defined in the RICS client money handling professional statement as:

*Client money where the beneficiary is unknown or cannot be traced, preventing payment to the client.*

### **Orbit will always:**

- Review all bank accounts daily and investigate each receipt thoroughly.
- Keep a listing of unidentified funds which will include records of the investigation into each receipt.
- Investigate each receipt by checking accounting records, engaging with clients and tenants and where appropriate by trying to repay unidentified funds through the banking system.
- If after three years Orbit has not been able to identify client funds, they will be paid to a registered charity and an indemnity will be obtained