



August 2024

# Client money handling procedures

# Contents

Overview	4
Definition of client money	4
How and where client money is held	5
Access to funds	6
Timescales for payment into client accounts	6
Payment authorisation	7
Interest and bank charges	8
Bank account reconciliations	8
Information provided to clients about client money	9
Disputes or complaints	9





# Client money handling procedures

At JLL, our dedication to managing our clients' finances is of the highest priority, and we strive to provide them with the utmost confidence that their funds are secure and protected.

This document outlines the key principles and procedures we operate for the handling of client money.

## Overview

We have designed our procedures and processes for managing client money in line with the RICS professional statement "Client Money Handling" 1st edition October 2019.

Jones Lang LaSalle Limited or JLL (RICS Registered Firm No. 003870) is a member of the RICS Client Money Protection Scheme.

We consider the following to be the core objectives of our approach to handling client money:

- To safeguard the funds entrusted to us by our clients.
- To maintain accurate accounting records in respect of our clients' money.
- To provide clarity and transparency of the approach we adopt to our clients.

## Definition of client money

We consider client money to encapsulate the following:

- Any currency (whether cash, cheque, draft or electronic transfer) that we hold or receive on behalf of our clients as part of the delivery of our services.
- Excluding amounts which are immediately due and payable on demand.



# How and where client money is held

In relation to client money we hold or receive, the following conditions apply:

- All client money is held in designated client money accounts; either a **common account** or a **discrete account**.
  - **Common accounts** are bank accounts which hold pooled client fund monies belonging to singular clients with multiple managed funds and are used to facilitate receipts and payments.
  - **Discrete accounts** are client specific accounts (i.e. they are unique to individual clients) and are used to facilitate receipts and payments and hold client money relating to the relevant client.
- All bank accounts utilised by JLL for client money are exclusively controlled by JLL, except where the client requests that money is held in an account to which it also has access. In such cases, these accounts are established by the relevant client. In which case these accounts are not deemed as 'client accounts' per RICS Client Money Rules.
- All bank accounts utilised by JLL for client money are provided by an appropriate banking institution authorised by the Prudential Regulatory Authority (PRA) or the Financial Conduct Authority (FCA).<sup>1</sup>
- All client money accounts are solely utilised for client money and do not include office money (i.e. funds relating solely to JLL's own business).
- All discrete accounts include the word client and the name of the client in the title of the account.
- All client money held is available on demand.
- We obtain written confirmation from the bank of the operating conditions for all client money accounts.

<sup>1</sup> Note: For UK Property & Asset Management Services, such accounts are held in the name of AMAS Limited, a wholly owned subsidiary of JLL. Residential accounts are held in the name of Jones Lang LaSalle (S E) Limited. Both arrangements are established in compliance with RICS requirements.



## Access to funds

Client money account signatories are restricted to specific individuals, who possess an appropriate level of experience and seniority (namely a Management Grade).

New signatories for client money accounts can only be authorised by a principal of the firm.

All bank mandates are reviewed on at least an annual basis and approved by a member of senior management.

Access to the e-banking systems to approve is limited to such individuals, as well as the Cash Management team to process payments.

## Timescales for payment into client accounts

Electronic transfers of client money are made either directly into a clients discrete account or a common account where monies are subsequently allocated to the relevant discrete accounts. Receipts are reviewed on a daily basis to support this process.

All receipts not automatically allocated to relevant client discrete bank accounts are logged and reviewed daily to ensure allocation to appropriate client money accounts where possible.

Where money is received by cheque, these are logged and recorded. Cheques are banked periodically but at least once a month.

Cash payments directly into client accounts are not accepted. Where cash is received in the delivery of our services to clients (e.g. income relating to a car park), this is collected and banked on a regular basis, using third party security companies where appropriate.

Unallocated funds are reviewed regularly by the Cash Management team, with items remaining unallocated for 28 days returned to the sender unless under investigation for allocation. Any unallocated cash returned through this process requires approval from at least one individual on the relevant bank mandate.



# Payment authorisation

As noted above, access to the bank accounts is limited to appropriate and authorised individuals.

All payments made from client money are made to or on behalf of the relevant client, in line with the agreed service delivery (e.g. as documented in a Property Management Agreement (PMA)). Payments for management fees are made in line with agreements for each individual client.

Payments are made via electronic transfer (e.g. FPS, BACS or CHAPS) wherever possible, but in all cases of payment, the payment

requests must be supported by appropriate evidence (such as the original invoice) and approved by the relevant individuals. Additional controls are in place to restrict other methods of access to funds (e.g. restrictions on withdrawals).

No payments are made unless there are sufficient funds held to cover the payment.

Segregation of duties are in place between the teams and individuals involved in client accounting, data management, accounts payable and payment approval.



# Interest and bank charges

The bank accounts used to hold client money are interest bearing accounts, for which JLL cover all bank charges (including transaction fees and account maintenance charges). Discrete accounts are credited with interest at an agreed rate and interval. JLL is entitled to retain any interest earned through the aggregation of client money within managed common accounts, including to offset general bank charges and administration costs associated with operating the relevant bank accounts (in line with specific client agreements, such as the PMA).



# Bank account reconciliations

Records are maintained for all common and discrete accounts maintained by JLL, including an audit trail of transactions for each account.

All common and discrete accounts are reconciled on at least a monthly basis between the cash book, bank statement and general ledger by a member of the Bank Reconciliations team, with

a supervisory review carried out by a senior member of the team.

Reconciling items identified are investigated with the relevant teams (e.g. Client Accounts) to identify actions required to resolve them, where necessary. Levels of reconciling items are monitored and reviewed regularly.



# Information provided to clients about client money

For all clients, we advise the clients, in writing, of the bank account details (account name and details of the bank) and agree the terms of the account handling, including arrangements for interest and charges.

Reporting arrangements are agreed individually with each client to meet their needs, but typically include regular financial reporting and details of the client money held by JLL on their behalf.

Where we receive surplus client money, such money is held within a designated unclaimed

client funds account (distinct from other client money accounts) and efforts are made to identify the owner and return the funds. Where this is not possible, the funds are transferred to a registered charity in line with the RICS rules. The unclaimed client funds account is reviewed on at least an annual basis to determine whether any transfers or other action is required. In the event that any client money is misappropriated, we take prompt action to inform RICS, the client affected and our insurers. Any such event is suitably investigated with remedial action taken where required.

## Disputes or complaints

Whilst we endeavour to avoid disputes wherever possible, we recognise that occasionally when dealing with our clients, we may do or omit to do something that gives rise to dissatisfaction, disappointment or a complaint. In such circumstances, we want to put things right and improve our service.

Typically, such instances are addressed via day-to-day contract management or client

interactions, however, specific arrangements for individual clients are agreed as part of our client agreements (e.g. defined within the PMA).

In addition to the above, JLL has a defined [Complaint Handling Procedure](#) (in line with the RICS Rules of Conduct) to respond to and address written complaints.





jll.com

*JLL*

**30 Warwick Street**

London

W1B 5NH

## About JLL

For over 200 years, JLL (NYSE: JLL), a leading global commercial real estate and investment management company, has helped clients buy, build, occupy, manage and invest in a variety of commercial, industrial, hotel, residential and retail properties. A Fortune 500® company with annual revenue of \$20.8 billion and operations in over 80 countries around the world, our more than 108,000 employees bring the power of a global platform combined with local expertise. Driven by our purpose to shape the future of real estate for a better world, we help our clients, people and communities SEE A BRIGHTER WAY<sup>SM</sup>. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated. For further information, visit [jll.com](https://jll.com).

