



The RICS clients'  
money protection  
scheme clients' guide  
01 February 2011

## Clients' money

RICS' rules say that firms regulated by RICS shall preserve the security of clients' money entrusted to it.

This means that a firm regulated by RICS should ensure that:

- your money is **protected**
- any money you entrust to the firm is held in a **client account**, separate from the firm's own money
- the client account is a bank or building society account that has the word '**client**' in its title and contains only money that belongs to clients of the firm
- the firm **confirms the details** of the account with you in which your money is held
- your money can only be used for those purposes that **you have agreed** with the firm.

RICS also funds a Clients' Money Protection Scheme. This is a free service provided by RICS to clients of firms that are regulated by RICS.

RICS purchases insurance to protect its exposure under the Scheme.

### Protecting your money

Clients who entrust money to firms regulated by RICS are protected in the unlikely event that the money is mishandled.

You can easily recognise a firm that is regulated by RICS by the strapline "Regulated by RICS" used on their business stationery.

### How do I know my money is protected by the Clients' Money Protection Scheme?

Any money, up to the scheme limits, entrusted to a firm that is regulated by RICS will be covered by the scheme. If you wish to check whether the firm is regulated by RICS please contact the Regulation Helpline on 0207 695 1670.

### How much does the scheme cover?

Each claim per member of the public is limited to a maximum of **£50 000** subject to an overall aggregate limit for the scheme of £5,300 000 for any one calendar year.

### What money is covered under the scheme?

The scheme covers the direct loss of money held by a RICS regulated firm on behalf of clients.

## Are there any exclusions?

There are a number of exclusions as RICS applies the same terms to any claim under the scheme as apply to RICS under its insurance policies. The five that are usually most relevant are:

- a. all amounts due, or which might become due, in respect of interest or loss of profits or any other loss.
- b. monies in the form of secured loan received by the firm whether such monies are fraudulently obtained or not.
- c. monies held in an account that, with the client's agreement, has gone into overdraft.
- d. any monies lost due to market fluctuations in any investment, trust or similar made with the client's consent.
- e. any money lost that is held with the clients consent in a non FCA registered bank or building society due to the failure of such bank or building society.

## What about conditions?

Conditions are kept to a minimum but two of the more important conditions are that:

- you must report any known or suspected loss to us within 6 months of you becoming aware of it. Even if you do not know the full extent or details of your loss you should advise us as soon as you become aware of a problem  
and
- where a fraud or dishonesty is suspected then the details must also be reported to the police and other relevant authorities.

## How to make a claim

All claims should be submitted in writing to the:

Risk and Insurance Manager  
RICS Regulation  
55 Colmore Row  
Birmingham  
B3 2AA

You will need to be able to provide evidence of your loss and if the firm is in any form of insolvency proceedings a copy of the insolvency practitioner's report where available detailing the reasons for the failure and the amounts due to client/creditors will be most helpful.

If the firm is still trading then the RICS will instigate a regulatory review visit to that firm to identify and try to confirm the monies due to clients. When making a claim RICS will expect you to provide such assistance as is reasonable in identifying any persons who may have been at fault and in recovering any loss from such persons or firm.

The RICS will acknowledge receipt of any claim within 7 working days.

Upon receipt of all the information needed to substantiate a claim, RICS hopes to be able to settle the claim quickly. Claimants will be kept informed of progress and advised of any reasons for any delay in the process.

Upon payment of the claim by the RICS the debt/loss will be assigned to the RICS for them to pursue any recovery against the firm or persons responsible.

For further information please contact:

RICS Regulation  
55 Colmore Row  
Birmingham  
B3 2AA

**t** +44 (0)20 7695 1670

**f** 020 7695 3746

**e** [regulation@rics.org](mailto:regulation@rics.org)

Nothing in these guidelines should be construed as granting any person or firm any direct rights against the insurers either under the Contracts (Rights of Third Parties) Act 1999 or any other legislation.



## Confidence through professional standards

RICS promotes and enforces the highest professional qualifications and standards in the development and management of land, real estate, construction and infrastructure. Our name promises the consistent delivery of standards – bringing confidence to the markets we serve.

We accredit 118,000 professionals and any individual or firm registered with RICS is subject to our quality assurance. Their expertise covers property, asset valuation and real estate management; the costing and leadership of construction projects; the development of infrastructure; and the management of natural resources, such as mining, farms and woodland. From environmental assessments and building controls to negotiating land rights in an emerging economy; if our members are involved the same professional standards and ethics apply.

We believe that standards underpin effective markets. With up to seventy per cent of the world's wealth bound up in land and real estate, our sector is vital to economic development, helping to support stable, sustainable investment and growth around the globe.

With offices covering the major political and financial centres of the world, our market presence means we are ideally placed to influence policy and embed professional standards. We work at a cross-governmental level, delivering international standards that will support a safe and vibrant marketplace in land, real estate, construction and infrastructure, for the benefit of all.

We are proud of our reputation and we guard it fiercely, so clients who work with an RICS professional can have confidence in the quality and ethics of the services they receive.

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