MONEY SHIELD

CLIENT MONEY PROTECTION CERTIFICATE

This certificate confirms your money is protected by the Money Shield Client Money Protection Scheme. Should a Money Shield Member cease to trade and have misappropriated your rent deposit or other funds, Money Shield will reimburse you whether you are a landlord or a tenant.

Details of your agent

ALVIN GARDINER T/A FROWENS

Trading as

FROWENS ESTATE AGENTS

Scheme Reference number

82390102

Expiry date: 01/12/2027

HOW TO CLAIM

Simply go to money-shield.co.uk/page/Claim and complete the CMP claim form.

Claims to the scheme must be made within 12 months of Money Shield announcing on its website that claims for Client Money misappropriated by a particular Member Firm are being accepted. Failure to do so could result in a subsequent claim to the scheme being rejected.

You do not need to prove fraud. You only need to provide supporting evidence that you have not received the money you were legally entitled to, this may be in the form of your tenancy agreement or deposit protection certificate along with bank statements.

Your money is protected throughout the time that your agency is a member of the Money Shield Client Money Protection Scheme. If your agent leaves the scheme, they are required by law to notify you. All agents managing properties in England, Scotland or Wales are legally required to belong to a Government approved Client Money Protection scheme at all times and details of the scheme must be publicly available. If you discover at a later date that money has gone missing during the period of their membership of the scheme, you will still be covered even if they have subsequently left the scheme.

Unfortunately, we cannot make payments for any loss arising from war (whether foreign or civil, terrorism, rebellion, revolution, military uprising or any form of confiscation by the state.

Money Shield Ltd, 6 Tournament Court, Edgehill Drive, Warwick, CV34 6LG

MONEY SHIELD

SCHEME RULES

October 2025

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2 INTRODUCTION

Money Shield is a Client Money Protection (CMP) Scheme which provides reimbursement to landlords and tenants should a Money Shield agent misappropriate their rent, deposit or other Client funds. This document outlines the Rules which apply to any Member Firm that holds or handles Client Money or that has a contract with a Client and then outsources the Client Accounting to another organisation/legal entity.

These Rules define the minimum level of accounting control required by a Member Firm where Client Money is transacted by the business of that Member Firm.

Money Shield reserves the right, at its sole discretion, to amend these Rules from time to time. Such changes will be notified to Member Firms as soon as administratively practicable.

3 SCHEME LIMITS AND COVER

- **Direct Loss** - The Scheme provides for reimbursement only in respect of direct loss of client money and covers no indirect or consequential loss.
- **Limit per Claim**: £50,000 and maximum of £500,000 per company
- **Annual aggregate Scheme Limit**: £5,000,000
- **Risks Excluded:** Exclusions from cover are as follows:

a) Monies misappropriated after a scheme member's termination of membership.
b) Monies misappropriated by an employee of a firm which would be covered by the firms PI policy
c) Where the agent is still trading and has refused to hand over funds to a tenant or landlord for whatever reason and should pursue recovery through the small claims court.
d) Any loss arising from war, (whether foreign or civil, terrorism, rebellion, revolution, military uprising or any form of confiscation by the state.

Clients must notify Money Shield of a non-payment by a Member Firm within 12 months from the date the payment was due. Failure to do so could result in a subsequent claim to the scheme being rejected.

4 GENERAL OBLIGATIONS

4.1 Principal, Partner or Director responsibilities

- A Principal, Partner or Director must join the firm to the scheme;
- Details of all Member Firm's branches must be provided;
- Member Firms have an obligation to provide Money Shield with up-to-date information. This includes any change in circumstances that affect the company, such as changes to the main Principal, Partner or Director who joins the Member Firm to the scheme or any changes to business addresses, branch openings and closures and changes in business structure;
- Member Firms are required to join an approved independent redress scheme; with the exception of Member Firms operating a letting agency based solely in Scotland, as landlords and tenants of such companies have access to redress through the First-Tier Tribunal;
- Member Firms are required to join an approved tenancy deposit scheme and protect deposits in accordance with that scheme's rules;
- All Member Firm Principal, Partners or Directors share the responsibility of maintaining a proper bookkeeping system. Any misappropriation or error by one Principal, Partner, Director or a member of staff is the responsibility of every Principal, Partner or Director. It is therefore

incumbent upon all Principals, Partners and Directors to satisfy themselves that any breach of the Rules is rectified immediately;

- It is the duty and responsibility of Member Firms that these Rules are readily available to and understood by all Principals, Partners and Directors of a Member Firm and, most essentially, by any staff responsible for operating the accounting process and procedures of that Member Firm.
- A copy of these Rules must be provided to the reporting Accountant prior to beginning an examination unless the Member Firm is using a Healthcheck in accordance with Rule 9.
- Member Firms must publish their handling client money handling procedures on their company website and, upon request, make hard copies available, free of charge, to all customers. To meet this obligation the following link to the Money Shield Scheme Rules (https://money-shield.co.uk/page/schemerules/) should be added to the Member Firms website. The annual Accountant's Report will require confirmation that this Rule has been met.

4.2 Breaching the Rules

- Any breaches of, or a failure to comply with, the general or specific requirements of these Rules will, at Money Shield's sole discretion, result in the immediate termination of membership.

5 CLIENT MONEY

5.1 Client Money shall include

- Client Money is any money which legally belongs to a client and is protected by a member under the scheme;
- Any money received or held by a Member Firm or its Client Accounting Service Provider (CASP) to which they are not beneficially entitled and over which there is exclusive control;
- Money held in respect of properties owned jointly by a Principal, or one or more Partners, or Directors, together with a person who is not a co-Principal, co-Partner or Director of the Member Firm;
- Payments or lodgements in respect of fees and/or disbursements received before these have been earned or incurred by the Member Firm or passed on to a third party;

5.2 Client Money does not include

- Money (other than tenants' deposits) received in respect of properties wholly owned by a Principal, or by one or more Partners or Directors of the Member Firm;
- Money held in an account from which a particular Client can separately make withdrawals and where the Member Firm does not have exclusive control. In the rare circumstances where such accounts are operated, the Member Firm must promptly confirm to the Client in writing (and retain a copy) that:
    - The account is not a Client Account; and
    - Such money is not covered by Money Shield.

  Tenants' deposits passed to a Tenancy Deposit protection scheme operating a custodial option under the provisions of the Housing Act 2004 in England and Wales, the Housing (Scotland) Act 2006 and the Tenancy Deposit Schemes Regulations (Northern Ireland) 2012.

5.3 Interest on Client Money

- A Member Firm may enter into an arrangement, which must be in writing (for example via terms of business, tenancy agreement, letter of engagement, pre-tenancy application documents or similar), with a Client (landlord or tenant) that allows the Member Firm to retain interest earned on money held on a Client's behalf. Where no such arrangement exists, any interest earned belongs to the relevant Client;
- Where interest is credited to Client Account(s) of a Member Firm, the Client Account(s) should be organised in such a way that the Member Firm is able to account to each individual Client for the amount of interest earned or due to them;

- A Member Firm holding Client Money (in this context, tenancy deposits) as stakeholder during a tenancy, is entitled to retain any interest that may accrue to such money, providing this entitlement is made known to the relevant Client(s), in writing, from commencement.

5.4 Access to, or availability of, Client Money

A Member Firm must ensure that, at all times, all Client Money is held in Client Accounts and is available on demand to Clients without undue delay or penalty.

6 CLIENT ACCOUNT

6.1 Client Accounts must be properly designated and easily identifiable

The individual beneficial owners of any money contained therein should be attributable, without difficulty, for the following main reasons:

- To prevent a Bank or Building Society offsetting a credit balance in one account against a debit or charge incurred by another;
- To enable a receiver or liquidator or other investigator to identify money that does not belong to the Member Firm;
- To allow such accounts to easily be monitored and reconciled both internally and externally to demonstrate the financial integrity of the Member Firm and to ensure the smooth running of its accounting practices.

6.2 Title and conditions of a Client Account

- All Member Firms who receive, or may receive, deposits in transactions to which the Estate Agents Act 1979 applies shall open and operate a distinct Client Account for that purpose in accordance with the requirements of that Act and with the Regulations made under it;
- A Member Firm that receives or holds Client Money must maintain at least one Client Account for this purpose;
- Any such account(s) must include both the word "Client" and the legal name of the Member Firm or CASP in the title;
- The Member Firm must hold on file in its Records, written confirmation from any Bank or Building Society where a Client Account is held, that the following conditions apply to any such account(s):
    - All money held in the account is Client Money; and
    - The Bank or Building Society is not entitled to combine the account with any other account or to exercise any right of set-off or counter claim against money in that account in respect of any sum owed to it on any other accounts of the Member Firm.

6.3 Payments out of a Client Account

A Member Firm should withdraw, transfer or make a Payment from a Client Account only in the following circumstances:

- Money paid in to open or maintain the account where it is no longer required;
- Money paid into the account, which does not belong to the Client, for Payment to the person lawfully entitled to it;
- Money payable to a Client, or, to an appropriate person suitably authorised (in writing) to receive such Payments on that Client's behalf;
- Money being paid directly into another Client Account;
- Reimbursement of money to the Member Firm for money expended by the Member Firm on behalf of the Client;
- Money lawfully and contractually due, in respect of a Member Firm's fees and charges;
- Legitimate disbursements, e.g., amounts subject to invoices, costs or demands incurred or received on behalf of the Client;
- Within three working days of becoming aware of a relevant contravention, money paid into the

account in contravention of these Rules.

Payments must be in accordance with lawful and contractual written arrangements; or the Client, or an authorised representative, has been notified or invoiced in writing by the Member Firm of the amount and purpose for which the money is being withdrawn and no objection has been raised within a reasonable timescale. No Payment shall be made for or on behalf of an individual Client that exceeds the total amount held on behalf of that particular Client.

6.4 Methods of Payment from a Client Account

Payment from a Client Account may be made by:

- A cheque;
- An electronic transfer to another Bank or Building Society account, provided that such an arrangement does not constitute a direct debit transaction;
- A bank draft;
- Cash but only in exceptional cases and where sufficient staff safety and financial security measures can, in the opinion of the Member Firm, be taken for the holding of such money prior to Payment; the handing over of such money; and where sufficient Records of receipt are obtained upon collection of the money.

6.5 Signatories to Payments from a Client Account

To avoid undue delays or inconvenience to Clients or others entitled to receive Payments, during any absence from the business, the Member Firm must make adequate provision for designated personnel to be able to authorise and/or make appropriate Payments.

A Member Firm has a duty of care to ensure that appropriate controls exist around the ability of any individual(s) to make Payments from a Client Account, including making online Payments, and must maintain an up-to-date and accurate record listing. As a minimum this should include:

- The full names of such persons;
- Any limits or restrictions governing the amounts for which that individual is authorised either exclusively or jointly with others; and
- An example or specimen signature of each person.
- The original of such a list or schedule should be lodged with the relevant Bank or Building Society used by the Member Firm and a copy retained within the Records of the Member Firm.

6.6 Payments into a Client Account

Payment of money into a Client Account is restricted to the following:

- The minimum sum required to open or maintain the Client Account;
- Client Money;
- An amount required to be paid by a Member Firm to restore in whole or part any money paid out, or withdrawn, in contravention of these Rules;
- A cheque or bank draft that includes Client Money as well as other money.

6.7 Timing of Banking

A Member Firm must bank all receipts of Client Money into an appropriate Client Account within a maximum of two working days from the day on which it was received.

All Payments out of a Client Account should be made promptly, and within not more than twenty-eight days of becoming due.

6.8 Reconciliation

Every Member Firm shall:

- At least once every two calendar months (and within no later than ten weeks of a previous Reconciliation), reconcile the balance on their Client's cash book(s) with the balance in their Client Account(s) using the Bank/Building Society statement(s); and with the total of each Client's balance in the Clients' Ledger;
- Ensure that such documents necessary to support the Reconciliation so produced have been kept safe, complete and readily available in the cash book or other appropriate place;
- All such Reconciliations should be checked and signed by a Principal, Partner or Director of the company, or by such person formally appointed, who shall not be the person responsible for the preparation of such Reconciliation;
- Reconciliations must be stored so as to be readily available at audit or inspection.

6.9 Client Money from Member Firms' properties

A Member Firm must not conduct personal or office transactions through a Client Account, save that it shall be permissible for the Member Firm to manage and collect rent on a property or properties belonging to any Principal, Partner, or Director of the Member Firm, so long as the number of properties involved are *de minimis* (no more than 5%), declared to and so recorded by the Accountant while completing the Annual Audit. It is permissible to hold tenants' deposit monies relating to such properties in a Client Account.

6.10 Old or dormant Client balances

- If a Member Firm has credit balances in its Client Account(s) that represent Client Money previously held for Clients who cannot now be traced, or which cannot now be attributed to or identified as belonging to a particular Client, the Member Firm is not entitled to take that Client Money;
- Such old/dormant Client Money should be transferred to and recorded in a suitably designated Client Suspense Account Ledger. Any such account remains within the scope of these Rules and still subject to regular Reconciliation at the Annual Audit;
- A Member Firm must take reasonable steps to identify to whom the Client Money belongs through their accounting and other Records and this should include carrying out an extensive investigation; and in the case of an old or ex-Client for whom the Member Firm no longer acts, reasonable steps must be taken to trace the Client;
- Money Shield may allow the old or dormant Client Money to be donated by the Member Firm to a suitable registered charity; subject to:
    - An undertaking that any valid proven claim subsequently received by the Member Firm from the beneficial or legal owner would immediately be met by the Member Firm from its own resources; and
    - A written explanation to Money Shield of:
        - The actions taken by the Member Firm;
        - The current situation and status of any investigations;
        - Disclosure of the amount involved; and
        - Sufficient time (at least six years) having elapsed from last contact from the Client or activity on the relevant Clients' Ledger.

6.11 Client Suspense Account

- Where any merger, acquisition, amalgamation or similar takes place between a Member Firm and any other Member Firm or company, any such Client Money held in the relevant Client Suspense Account should be transferred to the new company or Member Firm.
- The Member Firm passing the funds must receive a written undertaking that such Client Money

will, subject to a valid future claim, be refunded to the beneficial or legal owner. A Member Firm is advised to include in any contract of sale (or similar) an indemnity from the purchaser that any Client Money previously transferred as a charitable donation, will be a liability of the purchaser.

7 CLIENT ACCOUNT SERVICE PROVIDER (CASP)

7.1 Member Firms who use a CASP

Are subject to the following conditions:

- The CASP must be a Member Firm of either Money Shield or Propertymark;
- The CASP must have £2,000,000 Professional Indemnity Insurance;
- CASPs must report on all Client Money not just Client Money held on behalf of Money Shield or Propertymark Member Firms;
- CASPs must allow Money Shield to undertake compliance checks, in accordance with Rule 10, which cover all Client Money, not just Client Money held on behalf of Money Shield or Propertymark Member Firms;
- Member Firms using a CASP must pay the Money Shield membership fee but they do not need to provide an Accountant's Report. However, if the CASP does not provide the Accountants Report then the Member Firm using the CASP will have their membership terminated (as will the CASP if they are a Member Firm);
- If the CASP is terminated from Money Shield membership, Member Firms using the CASP will also be terminated;
- CASPs cannot use a HealthCheck.

8 KEEPING RECORDS

Each Member Firm must keep properly detailed accounting Records, using a bookkeeping system that is adequately designed and operated.

8.1 Records must demonstrate

- All Client Money received, held or paid out by the Member Firm;
- The amounts, dates, names, property addresses, reference numbers and other relevant details to identify individual transactions;
- Any other money dealt with through a Client Account, attributable to individual Clients;
- An individual Client's balance of Client Money held, and a balance of all Client Money held.

8.2 Documentation

- All dealings shall be recorded as appropriate, either:
  - In a Client cash book, or in a Client's column of a cash book; or
  - In a journal recording transfers from the ledger account of one Client to that of another; and
  - In either case, additionally in a Clients' Ledger or in a Client's column of a ledger.
- Records must include a list of all persons for whom a Member Firm is or has been holding Client Money, Reconciliation documents and a list of all the Bank and Building Society account(s) in which the money is held and must include counterfoils or duplicate copies of all receipts issued in respect of Client Money received, which shall contain the particulars required to be shown in the accounts;
- The Records kept for the purpose of complying with these Rules must be preserved for six years from the end of the accounting period to which they relate, or from when the account shows a nil balance following a cessation of the contractual relationship between the parties, whichever is the later. Money Shield recommends that a Member Firm consult with their Accountant

before disposing of, or destroying, any historic accounting Records;

- Where a computerised bookkeeping system is in operation, this must be capable of producing printed information to conform to these Rules, which therefore is or can be preserved in a permanent format.

9 ACCOUNTANT'S REPORT

Member Firms who handle Client Money are required to annually submit either: The Money Shield Accountant's Report or undertake a HealthCheck, which is subject to meeting the qualifying criteria (see Rule 9).

The latest version of the Money Shield Accountant's Report can be obtained from the following link: www.money-shield.co.uk click 'Join Now'.

It is the duty of each Member Firm to provide to their Accountant at appropriate times an up-to-date copy of these Rules, together with the relevant Accountant's Report, which must be submitted to Money Shield in due course. This does not constitute a contract between the Accountants of the Member Firm and Money Shield. A Member Firm must take appropriate steps to include in its letter of engagement/contract with its Accountant a clause that permits a copy of any such report to be provided to Money Shield in order to comply with these Rules.

9.1 Qualifications of Accountants

An Accountant is eligible and qualified to give an Accountant's Report for the purposes of these Rules if he or she is a member of any of the following:

- The Institute of Chartered Accountants in England and Wales;
- The Institute of Chartered Accountants of Scotland;
- The Institute of Chartered Accountants in Ireland;
- The Association of Chartered Certified Accountants;

And, if the agent carries out transactions regulated by the Estates Agents Act 1979:

- An individual who is a registered auditor within the terms of Section 1239 of the Companies Act 2006; or
- An employee of such an individual; or
- A Partner in or employee of a Partnership that is a registered auditor within the terms of the Companies Act 2006; or
- A Director or employee of a company that is a registered auditor within the terms of the Companies Act 2006; or
- A member or employee of a Limited Liability Partnership under the Limited Liability Partnership Act 2000 that is a registered auditor within the terms of the Companies Act 2006.

An Accountant is disqualified from making a report under these Rules if, at any time between the beginning of the accounting period to which the report relates and the completion of the report, the reporting Accountant shall be a connected person to any Principal, Partner or Director of the Member Firm (or CASP) or to any member of the staff employed by the Member Firm in the preparation of the Client accounting Records.

9.2 Submission of report

- The report must be submitted to Money Shield by the Member Firm no later than six months after the end of the accounting period to which it relates. Failure to provide an Accountant's Report within twenty-eight days of the deadline will result in the Member Firm being terminated from Money Shield. This timescale may be altered with prior written agreement from Money Shield;
- The relevant accounting period:
    - Shall cover not more than twelve months except where otherwise agreed by Money Shield;
    - Shall begin at the expiry of the last preceding accounting period for which a report under these Rules has been submitted to Money Shield;
    - Shall, where possible, correspond to a period or consecutive period for which the accounts of the Member Firm or CASP are ordinarily made up.
    - A change of the accounting period of a Member Firm must be notified to Money Shield at least one month before the end of the originally notified accounting period.
- Where a Member Firm has a Client Account or uses a CASP, but no Client's Money has been held during the relevant period, a report shall be completed, by the Accountant, to this effect.

9.3 Special requirements

- Where a Member Firm has more than one place of business, one or more report(s) may be submitted in respect of the business, provided that the report(s) cover(s) all Client Money held, received or paid out by the Member Firm;
- Where a Member Firm uses more than one CASP, then the requirements must be met for each CASP;
- New Member Firms:
    - That have started trading with a Client Account nil balance and have not yet had an accounting year end are required to immediately submit an Accountant's Report;
    - Whose company has already had an accounting year end will need to immediately submit an Accountant's Report for the company's last financial year.

10 Client Account HealthCheck (in lieu of an Accountant's Report)

- Member Firms may choose to undertake a HealthCheck rather than submit an Accountant's Report if they meet the following criteria:
    - At no stage during the financial year does the total amount held in the Member Firm's Client Account(s) exceed £500,000;
    - Client Money held by a Member Firm must only relate to residential lettings and management activities;
    - The Member Firm must not handle Client Money on behalf of any other legal entity;
    - The Member Firm must not use a CASP.

  Money Shield reserve the right, at its sole discretion, to withdraw the HealthCheck facility from any Member Firm at any time.
- HealthChecks must be undertaken by The Lettings Partnership http://www.thelettingpartnership.co.uk/services/healthchecks/ and Member Firms must agree to provide specified information through an online form directly with The Lettings Partnership who will assess the Member Firm's compliance with accepted Client Accounting practice;

- Should Money Shield be in receipt of a HealthCheck assessed as 'Refer,' Money Shield may seek further explanation(s) or undertake further investigations which may include compliance checks and/or accounts inspections of the Member Firm.

11 COMPLIANCE CHECKS

11.1 Client Accounting compliance checks and investigations

In order to robustly monitor compliance with these Rules, Money Shield may, at any time, carry out or authorise a visit or inspection on any Member Firm subject to the following:

- The Member Firm will be provided with a minimum of ten working days' notice;
- A Member Firm must co-operate with such a visit or inspection and will be required to produce or make available, at a time and place duly notified, such Records and documents (howsoever maintained or stored) as necessary for inspection and review by a person appointed by Money Shield, in order that a report on compliance may be produced;
- CASPs must ensure that their terms of business allow Money Shield access to their Client Account Records for these purposes. Any refusal to comply will result in the Member Firm being terminated from Money Shield;
- Visits or investigations may or may not comprise an audit and may or may not be restricted to an assessment of the systems, procedures and controls operated by the Member Firm with regard to these Rules;
- If the Member Firm is found to have contravened or breached the relevant Rules, Money Shield shall require the Member Firm to pay the total costs incurred by Money Shield in carrying out such visit or inspection and rectify the breach within the time specified by Money Shield;
- Any breaches of, or a failure to comply with, the general or specific requirements of these Rules may, at Money Shield's sole discretion, result in immediate termination of membership;
- Money Shield may, at any time, require a member to produce for inspection the company books of account, Bank statements, vouchers and other relevant documents, to provide copies, and give necessary information and explanations. The Member Firm shall comply with any of these requirements at a time and place specified by Money Shield.

12 PROFESSIONAL INDEMNITY

- All Member Firms shall maintain a Professional Indemnity (PI) insurance policy with a minimum limit of indemnity of £100,000. Failure to maintain PI insurance cover or a failure to provide documentary evidence of that cover to Money Shield will result in termination of membership from Money Shield;
- A Member Firm is required to provide documentary evidence of their PI insurance cover on their renewal to Money Shield. In circumstances where a policy with rolling or continuous cover has been arranged, Money Shield will require written confirmation from the insurance company or insurance broker that cover continues in place;
- A Member Firm's PI insurance policy must include the following elements:
  - Cover is on a civil liability basis;
  - The limit of cover must be on an "any one claim" basis;
  - Indemnity in respect of any claims arising out of all work undertaken since the inception of the business;
  - Cover for liability arising out of all aspects of the Member Firm's activities.
- For Member Firms that operate as a CASP, PI insurance cover must:
  - Have no exclusion or limitation in respect of fraud or dishonesty (fidelity cover relating to the CASP's own money may be limited or excluded); and
  - Have an indemnity limit of at least £2,000,000 in respect of any one claim.

13 FEES

- Membership Fees, once paid, are non-refundable;
- The fee is payable annually on the anniversary of the joining date;
- Fees are paid via PaySafe, an online secure payment provider;
- Money Shield may, from time to time, require all Member Firms to pay a special additional levy to help maintain and sustain the financial viability of the scheme.

14 USE OF CERTIFICATE/LOGO

14.1 Certificates

- Member Firms have a legal obligation to display a copy of their Money Shield membership certificate in all branches covered by Money Shield.

14.2 Logos

- The Money Shield Logo may be used on the company's website and in any branches covered by Money Shield;
- It is a condition of the use of the Money Shield logo that it shall not be used without indicating that it is a Collective Trademark. This can be done by adding a note on your website which states: "The Money Shield logo is a Collective Trademark owned by Money Shield Limited;"
- Note: Displaying the logo when you are not authorised to do so, or falsely claiming to be a member of the scheme, is a criminal offence. The business itself, a person in charge, or an employee or an associate, may be subject to conviction, fine, or civil court order.

15 TERMINATION

15.1 Member Firms will be terminated immediately from the scheme

In the following events:

- Member Firms who do not renew their Money Shield subscription and/or fail to supply the necessary documentation in accordance with these Rules;
- Member Firms who breach of these Rules;
- Member Firms who misappropriate Client Money, irrespective of whether it results in a claim on the scheme;
- Where a successful claim is made to the scheme;
- In any other circumstances at Money Shield sole discretion.

15.2 Consequences of Termination

- Money Shield shall reimburse the losses incurred by a Member Firm's Clients as a result of Client Money being misappropriated by said Member Firm either before or during their Money Shield membership (subject to the scheme limits) in accordance with the claims process which shall be in force from time to time;
- Client Money paid to the Member Firm after termination are excluded from any claim;
- Claims to the scheme must be made within 12 months of Money Shield announcing on its website that claims for Client Money misappropriated by a particular Member Firm are being accepted. Money Shield will make this announcement once it has investigated and

confirmed that :

- The Member Firm has misappropriated Client Money
- The Member Firm either:
    - i) appears to have ceased trading,
    - ii) has become insolvent,
    - iii) is subject to a compulsory strike off by Companies House

- Where a Payment is made by Money Shield to reimburse any Client then individuals who hold a share capital of more than 5% or who have day to day control of the business or who have control over the access to Client Money shall be jointly and severally liable to indemnify Money Shield and/or its insurers in respect of any such Payment;
- Money Shield will cooperate fully and make full disclosure to any appropriate authority in the event of criminal investigation or proceedings;
- Where membership ceases (for whatever reason) and Money Shield has cause to believe Money Shield may be, or may become, liable to a claim under the scheme, Member Firms shall have an ongoing liability to provide full access to Money Shield or its representatives in relation to these Rules.

16 DATA PROTECTION

Member Firms have an obligation to:

- Ensure that the details of their organisation and the contact details for their nominated point of contact / representative are kept up to date, with an obligation to update Money Shield within 14 days of any change.
- Inform Money Shield of any allegation or finding made about their Member Firm by any ombudsman, independent redress scheme or professional body.
- Inform Money Shield of any complaints / disputes which could lead to a claim against the scheme.

As Money Shield will be processing data about its Member Firms, including personal data relating to the nominated contact, Members Firms are directed to the Money Shield Members Privacy Notice www.money-shield.co.uk

Money Shield reserves the right to distribute or receive information about alleged or actual misconduct by Member Firms from or with other relevant bodies, such as ombudsman schemes, independent redress schemes and tenancy deposit schemes

17 Glossary

17.1 Interpretation and definition of the key terms referred to in these Rules

Accountant	A suitably qualified or authorised person as detailed in clause 8.1 of these Rules.
Accountant's Report	The annual form duly completed and signed by the Accountant and provided to Money Shield.
Annual Audit	The undertaking of either an Accountant's Report or The Letting Partnership HealthCheck on an annual basis.
Bank	The Bank of England, the Post Office (in the exercise of its powers to provide Banking services) or an authorised institution that has permission to accept deposits under the Financial Services and Markets Act 2000.
Building Society	As defined in section 119(1) of the Building Societies Act 1986 and is an authorised institution that has permission to accept deposits under the Financial Services and Markets Act 2000.
Client	Any person or body for whom the Member Firm or Client Accounting Service Provider holds or receives Client Money (which may include a landlord or Tenant); including past, present and prospective Clients.
Client Accounting Service Provider (CASP)	A Member Firm that manages Client Money on behalf of another Member Firm.
Client Account(s)	A suitably designated and recognised current or deposit account at a Bank or Building Society into which Client Money is paid or transferred.
Client's Ledger	Documents, journals, file cards, printouts – handwritten, mechanical or computer generated – which comprise a permanent chronological record of transactions and balances for an individual Client, at any time.
Client Money	Money that has been held on the client's behalf in the process of letting agency or property management business. Examples of Client Money may include: • Tenants' deposits • Rents • Service charges • Interest (if in an interest-bearing Client Account) • Arbitration fees • Fee money taken in advance • Client Money held but due to be paid to contractors • Money held by Member Firms appointed as a Receiver
Healthcheck	See The Lettings Partnership Healthcheck below
Office Account	Any normal trading, business or office Bank account opened or maintained by the Member Firm in which funds are held, or transferred, funds belonging to the Member Firm and/or from which outgoings incurred or due from the Member Firm, are paid; as distinct and separate from a Client Account.
Payment(s)	Any type or style of disbursement, withdrawal or transfer from a Client Account.
Member Firm	Member Firm (legal entity) under the control of any Principal, Partner, or Director.

Reconciliation	An analysis that identifies, on a given date, any differences between balances on Client Ledgers against sums held in the Client Account(s) and the Client Account cash book.
Records	All documentation relating to the necessary operation and monitoring of the accounting/bookkeeping process in compliance with these Rules.
The Lettings Partnership Healthcheck	An independent limited company offering a HealthChecks to businesses who meet certain criteria as defined by Rule 9.

Money Shield Limited, Registered No: 11186202
Registered Office: Arbon House, 6 Tournament Court, Edgehill Drive, Warwick, CV34