

Venteu Limited - Client Money Handling Procedures

May 2025

Application

Venteu limited ('the Company'), Knight Frank's global auctions business, is not regulated by the Royal Institute of Chartered Surveyors (RICS). However, for purposes of best practice, the Company will follow the principles set by RICS.

Definition of Client Money

The RICS Client Money Handling – 1st Edition October 2019, defines Client Money as money of any currency (whether in the form of Cash, Cheque or Electronic Transfer) that,

- A RICS regulated firm 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 the RICS regulated firm for its own account; but
- Excluding fees paid in advance for professional work agreed to be performed, and clearly identifiable as such, unless the fees are for works undertaken as a property agent as defined by the rules of the RICS client money protection scheme for property agents.

How and where client money is held

As part of the Royal Institute of Chartered Surveyors (RICS) professional statement (Client money handling, effective from 1 January 2020), and internal due diligence, client money held or received by Venteu Limited is banked into a general clients' bank account. There are currently four accounts in different currencies – GBP, EUR, CHF, USD.

A general clients' bank account is a Venteu Client Bank Account which holds pooled client money belonging to more than one client.

Client monies are held separately from Venteu and Knight Frank's own monies, are easily identifiable and immediately available. Within the general clients' bank account, each client's money is recorded in ledgers to maintain segregation of funds. Client money is held in an appropriate banking institution, with a minimum rating of A-/A3/A-, regulated in the UK and authorised by the Prudential Regulatory Authority (PRA), the Bank of England and the Financial Conduct Authority (FCA).

Pooled client money account

All client money is held within a client money bank accounts with National Westminster Bank Plc. The bank will not be able to use any money held in the client bank account to settle any sum owed to it by Venteu, the Knight Frank Group or any other third party. The bank will also not be able to combine any client money bank account with any other account nor have any right of set-off or counterclaim against money on the client money bank account. Venteu have control over client money.

Access to funds

Signatories are at level Associate and above. Approval to execute electronic payments from the Client Account will be restricted to firm principals or a senior manager who is remote from the day-to-day operation of that Account.

Payment of funds into a client account

The Company does not accept cash or cheque payments. All unidentified funds are reviewed as soon as possible and no later than 1 month from receipt at which time they will be allocated or returned.

Controls for authorisation of payments from a client account

A withdrawal from a client account can only be made after a specific authority has been approved by a signatory in accordance with the bank mandate or the Company's procedures and systems. All payment requests must be accompanied by supporting evidence that has been checked and authorised. Segregation of duties in the client accounting function is in place to prevent data tampering within the payment process.

How interest and bank charges are handled

The client bank accounts are not interest bearing.

Payment of Bidder Premium

The winning bidder of an auction is required to pay a Bidder Premium. The terms and conditions they have signed permit the Company to transfer the client monies held to the Company's corporate accounts in part settlement of the Bidder Premium.

Refund to losing bidders

The losing bidder shall have their funds returned as soon as practicable after the fall of the hammer.

Reconciliation of accounts

Bank accounts are reconciled on a monthly basis.

Unidentified Payments

Should we receive any funds that we are unable to identify, we will do our best to understand which client they relate to and upon identification, reimburse the client as soon as possible if necessary. Any unidentified funds we will endeavor to identify with the Agents. If someone claims the payment, upon proof of payment we will allocate it accordingly. If within 3 months, no one has claimed the monies, despite all avenues of investigation having been exhausted (emails, letters, calls, etc.), we will ask the bank to return the payment. If it is not possible to return the payment, we will hold on to it for 3 years at which point we will donate it to a registered charity of our choice. As part of this, we will obtain a receipt and an indemnity from the charity that would reimburse the firm for payment of the monies if a beneficiary is subsequently identified.

Information provided to clients about monies held on their account

Reporting and frequency requirements are agreed and documented with the client.

Approved by

The Board
Venteu Limited
April 2025