

Policy on the Payment of Interest

1. Introduction

- 1.1 The objective of this policy is to achieve a fair outcome for our client in accordance with the Solicitors Account Rules and the Code of Conduct

Operation of this policy

- 2.1. Money that we hold on behalf of clients must be immediately available, unless clear instructions are provided to the contrary.
- 2.2. Client monies must be kept safe and available for the purpose for which it is provided and separate from funds belonging to the Firm.
- 2.3. Client monies will normally be held in a general client account (**General Client Account**). This is an account in which monies for different clients and matters are pooled. It is an instant access bank account to facilitate transactions. As such, monies held in the General Client Account are unlikely to receive as much interest as might be obtained should you hold and invest the funds yourself.
- 2.4. On occasions we may hold monies in a designated client account (**Designated Client Account**). This is an account set up specifically for an individual client and will include a reference to your identity in its name. We may set up a Designated Account if we receive specific instructions from you requesting this or if there are specific contractual requirements to do so.

3. Application of interest for client funds held

- 3.1. A sum in lieu of interest will be payable on amounts held in the General Client Account based on the rate of interest payable by the bank on the relevant amount, if it were to be held separately in our General Client Account, subject to the following paragraphs.
- 3.2. We will account to you for all interest earned on monies held in a Designated Account (net of any tax deducted at source) and subject to the following paragraphs.
- 3.3. Due to regulatory requirements and the administrative costs involved we will not pay interest if the sum calculated is less than £50 in total for the full period during which we hold your money in the General Client Account or a Designated Account.

- 3.4 We will retain interest paid to us by the bank on the aggregate of all client monies held in the General Client Account.
- 3.5 We will not pay interest on money held:
- (a) For payment of a professional disbursement once counsel or other professional has requested a delay in settlement
 - (b) For the Legal Services Commission
 - (c) On an advance from us into our general client account to fund a payment on your behalf in excess of funds already held for you in that account
 - (d) If there is an agreement to contract out of the provisions of this policy
- 3.6 We will not pay interest to you where for any reason we are prevented by law from doing so and in such circumstances will have no liability for non-payment.

4. Calculation of Interest Payable

- 4.1 Interest will be calculated and paid by reference to the applicable rate(s) over the period for which we hold cleared funds. Please ask the partner responsible for your matter if you wish to know the prevailing rate(s) of interest payable by our bank.
- 4.2 We will normally calculate and pay interest once your matter has been concluded, however there may be instances where it might be appropriate to account for interest at intervals throughout the matter.
- 4.3 In the event the Firm transfers the General Client Account and any Designated Accounts from one bank to another institution, interest will be calculated on the transferring balance(s) at the prevailing rate(s) at the date of transfer and will be credited to the General Client Account and any Designated Accounts at the receiving institution. Interest will subsequently be calculated on the transferred balance(s) in accordance with this policy.
- 4.4 Unless otherwise agreed, where we are conducting more than one matter for you, balances will not be aggregated for calculation purposes.

5. Limitation of Liability

- 5.1 We will not be liable to you or any third party for any loss or damage suffered as a result of any act omission, fraud, delay, negligence, insolvency or default of any bank, financial institution, clearing or payments system nor that of the directors, officers, employees, agents or representatives of any of the foregoing.
- 5.2 Nothing in this policy excludes or liability below the minimum level under the Solicitors Regulation Authority Indemnity Rules.

6 Review

- 6.1 This policy will be reviewed from time to time, and at least yearly, to ensure that it continues to deliver a fair outcome to clients.