

### **Client Interest Policy**

Our firm is committed to handling client funds with fairness and transparency in accordance with the Solicitors Accounts Rules 2019. This policy outlines how we manage and calculate interest on client funds held by our firm.

#### **Holding Client Funds**

When we receive funds on your behalf, they are deposited into a general client account, which pools money from various clients and matters. These funds are held in accounts with instant access to ensure liquidity, which means the interest rates are generally lower than what might be available to individual clients in different banking arrangements.

#### **Interest Calculation**

Interest on client funds is calculated using the HSBC Client Deposit account interest rate applicable to the relevant amount. However, interest will not be accounted for in the following circumstances:

- **Small Amounts:** If the interest due is £50 or less, we will not account for it as the administrative costs would outweigh the interest earned.
- **Professional Disbursements:** No interest will be paid on funds held for professional disbursements.
- **Advances:** If we advance funds on your behalf from our general client account exceeding the funds we hold for you, no interest will be paid on these amounts.
- **Agreement to Opt-Out:** If there is a mutual agreement to opt-out of this policy.
- **Separate Matters:** For funds held in relation to separate matters for the same client, each matter will be treated individually unless otherwise agreed.

Interest is calculated from the date we receive cleared funds into our account until the date the funds are disbursed.

#### **Payment of Interest**

Typically, interest will be accounted for at the conclusion of a matter unless interim payments are appropriate, such as in long-running private client matters. All interest payments under this policy are made without tax deductions; it is the client's responsibility to report any gross interest received to HMRC.

#### **Opt-Out Option**

Clients who prefer not to receive interest can opt-out by informing our Compliance Officer for Finance and Administration (COFA) in writing, including the relevant matter reference number.

#### **Policy Review**

This interest policy, including the £50 de minimis limit, is reviewed periodically by our COFA and Compliance Officer for Legal Practice (COLP), particularly in response to changes in the Bank of England's Base Rate.

#### **Financial Services Compensation Scheme (FSCS)**

In the event of a bank failure where client funds are held, we may disclose necessary details to the FSCS to enable clients to claim compensation up to the current limit of £85,000. Our firm will not be liable for any amounts exceeding the FSCS compensation limit.

This policy ensures that we manage client funds with integrity and transparency, safeguarding your interests at all times.