

CLAPHAM & COLLINGE LLP

INTEREST POLICY

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1. The purpose of this document is to set out the Clapham & Collinge LLP (C&C) policy regarding interest in relation to money held on behalf of clients as set out in rule 7 of the SRA Accounts Rules, set out below:
 - i. *7.1 you account to clients or third parties for a fair sum of interest on any client money held on their behalf.*
 - ii. *7.2 you may by a written agreement come to a different arrangement with the client or the third party for whom the money is held as to the payment of interest, but you must provide sufficient information to enable them to give informed consent.*
2. The overriding objective of this policy is to achieve what C&C believes is a fair and reasonable outcome for both the client and C&C.
3. To facilitate transactions during the conduct of a matter client and designated deposit funds are held in instant access client bank accounts with Bank of Scotland and such banks as C&C may utilise for business.
4. Where specifically instructed by the Client funds can be held in a designated deposit account. The interest rate on designated deposit accounts will be that earned on a designated client account with the Bank of Scotland. Interest earned on designated deposit accounts is for the benefit of the client. Interest on designated deposit accounts will be calculated annually or when the account is closed.
5. The rate of interest paid to clients on monies held by them will be the same rate as is paid from time to time by Bank of Scotland under their Corporate Instant Access account (previously called the Corporate Call account). All such interest will be paid gross and it is the responsibility of clients to account to HMRC for any tax due by them on the interest.
6. Trust money will be held in either the general client account or a designated deposit account and is subject to the same policy as set out in this document.
7. For transactional work interest will be calculated and paid to a client on the closure of the client's file if the amount due exceeds the minimum level set out in paragraph 8 below. Where the work for the client is ongoing interest will instead be paid annually and credited to the client on 5 April of each year.
8. Interest will not be applied to specific matters where the sum of interest calculated in accordance with paragraph 5 above is less than £50 from 6 September 2023.
9. C&C reserves the right to charge at usual fee earner rates for any reasonable additional time cost or third-party cost that is incurred implementing a client's request in respect of their funds.
10. C&C receives interest on the aggregate of all cleared client money held in its general client accounts and subject to any interest paid to clients is for the benefit of C&C.
11. Should any bank in which C&C hold funds fail then, in accordance with Solicitors Regulation Authority guidance we reserve the right to disclose to the Financial Reporting Standards Council the names and details of clients whose money is held there to facilitate compensation for those clients, up to the applicable limit currently £85,000 per individual client.

12. C&C will not be liable to you or any third party for any loss or damage suffered as a result of any act, fraud, delay, negligence, omission, insolvency of any bank, financial institution, payment or clearing system nor that of the directors, employees, agents or representatives of any of the above.
13. This policy will be reviewed regularly to ensure a fair outcome is being achieved for both the client and C&C.
14. We cannot and will not act as a bank for clients. As a result the general rule is that we will not hold monies for a client between conveyancing transactions, e.g. between a sale and a purchase that are not completed on the same day. If a client asks us to do this we will consider the options with the client and if then approved by the conveyancing head of department or COFA we will hold the monies but no interest will be payable. However there must be a clearly identified second transaction for which the monies are to be used in this situation.