

Client Account Interest Policy

1, Purpose

The Solicitors Accounts Rules 2019 and the SRA Standards and Regulations 2019 require our Firm to have a Policy that is fair and reasonable for both the Client and the Firm in respect of interest that is payable on client monies held by the Firm. The Solicitors Act 1974 permits Solicitors Firms to retain any interest earned on Client account held in a Client account over and above that which is required to be paid in accordance with the Solicitors Accounts Rules.

Where money is held in Client account interest must be accounted to the Client when it is fair and reasonable to do so in all the circumstances.

2, Key Points of the Policy

- This policy seeks to pay interest to the client where it is fair and reasonable
- Interest will only be paid on cleared funds where interest exceeds £20
- Interest rates used in the calculation will be the published HSBC rate on instant access deposit accounts
- If the bank in which we hold funds fail, compensation of up to £85,000 can be claimed

3, Policy

Our Bank

When we receive monies on behalf of a Client it would be paid into a general Client account that we hold with HSBC. This general Client Bank Account will hold all Client account monies held by the Firm on behalf of its Clients. These funds are held on the basis that they are instantly accessible to facilitate a transaction or payment for a Client or in respect of a Client matter. Our general Client account monies are held with HSBC in an instant access deposit account. Clients are unlikely to receive as much interest as they might have obtained had they held and invested the money themselves.

Cleared Funds

Interest will only be paid on cleared funds. Routinely the Bank takes around 5 working days to clear cheques that we receive including business account cheques. Interest is not at any time payable on uncleared funds.

Rate of Interest Applicable

The rate of interest paid to Clients on money held in the general Client account will relate to the HSBC published rate on deposit accounts. The rate of interest to be paid to Clients money as at the 01.06.20, and until further notice, is 0.1%.

Where interest is not payable

- If the amount of interest calculated is £20 or less.
- Monies are held for the payment of professional disbursement if the person to whom the money is owed has requested a delay in settlement.
- An advance from us into our general Client account to fund the payment on clients' behalf in excess of funds already held for clients in that account.
- If there is a specific agreement to Contract out the provisions of this interest Policy.

Where Interest is Paid

Notwithstanding the above if we hold money for you in our general Client account then we will account to you for a sum in lieu of interest. We will only account to you if the total interest on the funds that we have held intermittently on your behalf in our general Client account exceeds £20.

Where Interest Is Not Paid

Any interest which is generated on the funds that we hold for you and is £20 or less will not be paid to you. It will be donated by the Firm to charities it chooses.

Calculating and Timing for Interest Payments

We will calculate and pay interest once your matter has been concluded. Payments on account of interest whilst money continues to be held, will not be made.

We will review interest rates annually and apply a rate that we believe reflects the market rate of interest paid on an instance access current account offered by a UK High Street Bank over the period when interest is due. We will update this Policy annually with the appropriate rate of interest.

Interest will only be paid to you after we have received the corresponding amount from our Bank. Interest is paid twice yearly, by our Bank, HSBC

When a payment of interest is due to a client, we will consider the period between the date when relevant funds were received by us (and cleared) in our account and the date when the funds are spent. We wish to pay interest to Clients where it is fair and reasonable to do so and this Policy seeks to achieve that objective.

4, Financial Services Compensation Scheme

If the Banks in which the Firm holds funds should fail, we reserve the right to disclose to the Financial Services Compensation Scheme (FSCS) the names and other details of Clients whose money is held there in order for those clients to claim compensation up to the applicable limit, currently £85,000. The Firm will not be liable for any excess over the current FSCS limit. 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 payment system nor that of the Directors, Offices, Employees, Agents or representatives of any of the foregoing.

5, If you Wish to Make a Complaint About Interest

If you believe that interest is due to you that has not been paid, or that the amount of interest paid to you is insufficient then you should ask for the matter to be reviewed by the Complaints Director, Chuanli Ding by emailing info@lisaslaw.co.uk