

HEPPENSTALLS SOLICITORS LIMITED

POLICY STATEMENT

CLIENT INTEREST POLICY

1 INTRODUCTION

- 1.1 This document sets out the policy of Heppenstalls Solicitors Limited (“Heppenstalls”) pursuant to the current SRA Accounts Rules.
- 1.2 Heppenstalls will account to clients for interest when it is fair and reasonable to do so, subject to the provisions of this Policy.
- 1.3 Heppenstalls’ current bank is Barclays. This policy will need to change if and when Heppenstalls’ bank changes.

2 GENERALLY

- 2.1 No interest will be paid to any client when the interest accrued at the Rate is less than £75.
- 2.2 Any interest payable pursuant to this policy shall be at no more than the Barclays base rate at the relevant time, with the firm having the right to assess the rate paid to match the circumstances of the client and the amount of client funds held.
- 2.3 Any interest payable pursuant to this Policy will reflect the sum held and the length of time for which cleared funds were held (for example a modest sum held for a number of months may result in interest being payable to the client as compared to say £1million being held for one day).
- 2.4 No interest will be due in any event where client funds remain uncleared by Heppenstalls’ bank or are not released unconditionally to Heppenstalls (e.g. were “held to order” of another law firm).
- 2.5 Stakeholder Funds – where funds are held by Heppenstalls pursuant to a stakeholder account (normally jointly for the client and a third party) no interest can be payable to the clients unless the contractual documentation regulating the stakeholder fund permits this. Where Heppenstalls acts as a stakeholder it is permitted to deduct its reasonable administrative charges for acting as stakeholder unless the contractual documentation relating to the stakeholder fund prohibits this.
- 2.6 Interest Rates – the Rate defined above reflects the fact that the SRA requires any firm of solicitors to maintain client account monies upon an instant access basis.

- 2.7 No interest shall be payable to any client whilst:
- 2.7.1 there are any outstanding fees due to Heppenstalls by the client;
 - 2.7.2 in the event that the client has a persistent record of not settling Heppenstalls' invoices in full within 30 days of issue of invoices during a period of 2 years for the interest 3754449v1 2 accrued (to reflect the Firm's additional costs of pursuing those unpaid debts and additional charges or interference of cash flow experienced by Heppenstalls as a result).
- 2.8 If it is reasonable, Heppenstalls may deduct its reasonable administrative charges for calculating interest (e.g. where there have been a number of interest rate changes of the Rate during the period the interest has accrued and/or additional bank charges incurred by Heppenstalls for calculating the interest accrued).
- 2.9 Heppenstalls will set off against any interest accrued to a client such interest charged on Heppenstalls' office account (or which would have been charged equivalent to the Rate) for any disbursements incurred by Heppenstalls on behalf of the client.

3 CONTRACTING OUT

- 3.1 Individual (Consumer) Private Clients No Contracting Out – subject to the express provisions of this Policy there shall be no contracting out by Heppenstalls of the payment of interest on client account monies to individual (consumer) private clients

4 MONITORING

- 4.1 Monitoring of this policy will be by a Director.

5 EVALUATION

- 5.1 Evaluation of this policy will be by a Director.

Policy reviewed and adopted by the Board

Date of review: December 2024

Signed by: Alexandra Jennings (Managing Director)