

Client Account Funds Interest Policy



1. Introduction

The over-riding objective of the Client Interest Account Policy is to achieve what we believe is a fair outcome for our clients whilst recognising that money must be immediately available unless the firm is instructed to the contrary.

This policy applies to all client money held by Capsticks LLP.

2. Responsibility and Overview

This policy will be reviewed at least annually by the Director of Finance to ensure that it remains fair and reasonable.

3. General Principles

As a general principle, Capsticks Solicitors will not hold funds in client account any longer than is absolutely necessary and is committed to accounting to our clients as quickly as possible. As a result, it is unusual that interest will be paid on monies held in client account.

4. Contracting Out

The general position under paragraph 7.1 of the Rules is that interest will be paid on money held in client account. However this provision will NOT apply where there is an agreement between the parties to contract out of this provision under paragraph 7.2 of the Account Rules.

4.1 Client Account

All monies will be held in an instant access account to ensure funds are immediately accessible. Banking arrangements will be reviewed from time to time to ensure we act fairly on your behalf.

Interest on client account will be paid when it is fair and reasonable to do so. We will normally calculate and pay interest once a matter is concluded but in some cases it may be more appropriate to account for interest at intervals throughout the matter.

Due to the administrative costs involved, interest will not be paid if the sum calculated is less than £50 in total for the full period during which we hold the money in client account.

Where we are conducting more than one matter for clients, balances will not be aggregated for calculation purposes.

Interest earned on client balances belongs to the firm and where it is fair and reasonable to do so the client is paid a sum in lieu of interest and the client must be advised to declare that sum for the purposes on tax calculation.

4.2 Interest Calculation

We will review the interest rates each time the Bank of England changes the base rate to ensure that our client rate is in line with the interest rates offered by standard high street banks on business account.

In determining the period over which interest is to be calculated, we will use the period between the date when the relevant funds received by us clear the account and the date when the funds are sent. Free days are excluded from the calculations.

4.3 Interest Rates

With effect from 18 April 2024, our applicable rates are as per the table below:

<u>Value</u>	<u>Barclays rate</u>	<u>Client rate</u>	<u>Free days</u>
>1,000.	4.85	1.45	5
>2,000.	4.85	1.45	5
>10,000.	4.85	1.45	5
>499,999.99	4.85	1.45	5
>9,999,999.99	4..85	1.45	0

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