

SRA - PAYMENT OF INTEREST ON CLIENT ACCOUNT POLICY

This document is to set out the policy of DBB Law LLP (“DBB Solicitors”) pursuant to the current SRA Accounts Rules.

DBB Solicitors will account to clients for interest when it is fair and reasonable to do so, subject to the provisions of this Policy.

A distinction is made on the payment of interest between individual (consumer), private clients and commercial businesses. DBB Solicitors’ current bank is Lloyds TSB.

Payment of interest

No interest is paid to any client when the interest accrued is less than £20. The administrative time and expense in calculating such interest would exceed the value of the interest that would be paid and thus is below the de minimis level.

Any interest payable pursuant to this Policy shall be at the Lloyds TSB Business Instant Access Reserve Account rate at the relevant time. Any interest payable will reflect the sum held and the length of time for which cleared funds were held. The SRA requires any firm of solicitors to retain client account monies upon an instant access basis.

No interest will be due where client funds remain uncleared by Lloyds TSB or are not released unconditionally to DBB Solicitors.

Where funds are held by DBB Solicitors pursuant to a Stakeholder Account, no interest will be payable to the client unless the stakeholder fund permits this. Where DBB Solicitors act as a stakeholder, it is permitted to deduct its reasonable administrative charge for so doing, unless the stakeholder fund prohibits this.

No interest shall be payable to any client whilst there are any outstanding fees due to DBB Solicitors by the client. In the event that a client has a persistent record of not settling DBB Solicitors’ invoices in full within 30 days of issue during a period of 2 years, then no interest shall be payable for the interest accrued, due to the fact that the firm will have had to pursue unpaid debts and have additional charges.

If reasonable and proportionate, DBB Solicitors may deduct its reasonable administrative charges for calculating interest where there have been a number of interest rate changes during the period the interest has accrued and/or additional bank charges incurred by DBB Solicitors for calculating the interest accrued.

DBB Solicitors may set off against any interest accrued to a client such interest charged on DBB Solicitors' office accounts for any disbursements incurred by DBB Solicitors on behalf of the client.

Contracting out

Individual (consumer) private clients

Subject to the express provisions of this Policy, there should be no contracting out by DBB Solicitors of the payment of interest on client account monies to an individual (consumer) private client.

Commercial (non-consumer) clients

No interest shall be payable where any interest accrued does not exceed £500 in respect of commercial (non-consumer) clients which are normally corporate entities. This reflects the fact that most commercial clients are of greater bargaining power and status and are able to give informed consent on the basis of accepting DBB Solicitors' retainer, pursuant to the relevant client care letter agreed by them. This also allows the firm to maintain competitive fee rates. Any commercial client may request in writing that the same client account interest policy applies to them as do all individual (consumer) private clients and in such event DBB Solicitors reserve a right to increase the level of its profit costs.

Policies authorised by the Management Team

Signed by: _____
Michelle Duckworth
Managing Partner

on 2nd April 2012

Date policy reviewed: 2nd April 2012