

# GLP SOLICITORS

## PAYMENT OF INTEREST ON CLIENT MONEY

Updated: 5<sup>th</sup> June 2026

### Our policy

Where we hold money on behalf of a client or third party in our client account, we will account for interest where it is fair and reasonable to do so.

Interest will be calculated in accordance with our Payment of Interest Policy, taking into account:

- the amount of money held;
- the length of time for which cleared funds are held;
- the need for client money to remain available on instant access;
- the rate of interest payable by our bank on the relevant client account; and
- any other circumstances relevant to whether payment of interest is fair and reasonable.

### General client account

Most client money is held in our general client account. Interest on money held in our general client account is calculated by reference to the applicable instant access client account rate available from our bank.

The rate may change from time to time. Details of the current rate are available on request.

As client money must remain readily available for the purpose for which it is held, the rate of interest payable may be lower than the rate a client or third party could obtain if they placed the money on deposit themselves.

### Separate designated client accounts

In some cases, we may hold money in a separate designated client account. This is more likely where we hold money as trustees, or where we hold a rent deposit.

Unless otherwise agreed or instructed, we will pay to the relevant recipient the interest actually received on money held in a separate designated client account. Where the money is divided between more than one recipient, the interest will usually be divided in the same proportions.

### When interest will not be paid

We will not normally pay interest:

- where the amount of interest calculated is less than £20;
- where money is held to pay a professional disbursement and the intended recipient has requested that payment is delayed;
- where money is held outside client account in a way that does not attract interest, for example cash held in our safe;
- where a different arrangement has been agreed in writing; or
- where there is another good reason why payment of interest would not be fair and reasonable in all the circumstances.

### When interest is calculated from

Interest is calculated from the date money is treated by us as cleared funds.

Unless our bank notifies us otherwise, we will normally treat funds as cleared as follows:

- cheque payments: four working days after the money has been paid into our client account;
- direct bank transfer: the following working day.

### When interest is paid

Interest will normally be paid at the conclusion of the retainer.

If we hold money for longer than 12 months, interest will normally be calculated and paid annually.

#### **Tax**

Interest will usually be paid without deduction of tax. It is the recipient's responsibility to declare any interest received to HM Revenue & Customs, where required.

#### **Alternative arrangements**

If you would like us to consider alternative arrangements for holding client money, please tell us as early as possible.

Any alternative arrangement will be considered in light of our regulatory obligations, the nature of the funds held, the need for funds to remain available, and what is fair and reasonable in all the circumstances.

#### **Questions about interest**

If you are dissatisfied with the amount of interest paid, or if you would like an explanation of how interest has been calculated, you may request a written explanation and we will provide this promptly.

*Date of last review: June 26*