



Interest Policy

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Approved By	Kathryn Lander
Managed By	Regulation and Compliance office
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Version Control	Version 5

This policy sets out how we deal with interest on money held by Harris & Harris (the firm) for a client. In accordance with the SRA Accounts Rules, it is the firm's policy to account to its clients for interest on a fair and reasonable basis for both the client and the firm.

When monies are received on behalf of the client, it will be paid into general client account currently with NatWest who are the firm's bank. We reserve the right to change our banking arrangements at any time. We will tell you in writing if we move client money we hold for you to any other bank. The general client account will hold pooled amounts for different matters for its clients. These are held on an instant access account to facilitate the transaction.

Clients are unlikely to receive as much interest as might have been obtained had they held the funds and invested the money by themselves.

1. If we hold money in a general client account on your behalf, or if money should have been held on your behalf but was not, then we will account to you for a sum in lieu of interest (gross) calculated as below.
2. We will not account to you for any interest in the following situations:
 - (a) If the amount calculates is £50.00 or less. Below that sum we consider that the administrative costs of dealing with the funds would exceed the interest due;
 - (b) On money held for the payment of a professional disbursement if the person to whom the money is owed has requested a delay in settlement;
 - (c) On an advance from us into our general client account to fund a payment on your behalf in excess of funds already held for you in that account;
 - (d) If there is an agreement to contract out of the provisions of this policy.
3. We will usually calculate and pay interest once your matter has been concluded unless interim payments are appropriate (for example in long running private client matters).
4. We will account to you for a fair sum of interest on any client money held by us on your behalf. The prevailing financial/economic climate will determine our assessment of what is fair in this context. When the financial/economic climate is poor, we will not pay any interest.

5. We will review the interest rates regularly and whenever the Bank of England changes its Bank Rate.
6. In determining the period over which interest is to be calculated, we will look at the following: the period between the date when the relevant funds received by us clear our account and, if we send the funds electronically, the date when the funds are sent or, if we send the funds by cheque, five dates after a cheque is raised.

Interest is paid gross, and it is the client's responsibility to declare gross interest received to HMRC.

Interest is paid by NatWest Bank to the firm on the aggregate of all client money held in the general client account and, subject to any interest paid to the client, is for the benefit of the firm.

If the bank in which the firm holds funds should fail, the firm reserves the right to disclose to the FSCS the names and other details for clients whose money is held on the general client account in order for the firm to claim compensation, the limit of which is currently £85,000.

This policy is reviewed from time to time by the COFA and partners of the firm.

For any other information please contact our Cashiers Department at 14 Market Place, Wells, (01749 674747)