



Market Statement

Sandfield Capital Limited

May 2026

Sandfield Capital and its panel law firms have no connection whatsoever to the recent SRA industry review of the UK Litigation Funding Market currently circulating in the press or broader market commentary. This statement is being issued in response to recent investor and market enquiries arising from that coverage, in order to provide clarity on Sandfield's position and funding model.

We are aware of the recent noise in the market arising from the SRA's ongoing investigations into one specific lender within the UK Litigation Funding market and the resulting broader investor sensitivity this has created.

More broadly, while the SRA has confirmed it is conducting a number of investigations across parts of the high-volume consumer claims sector, it has not suggested that litigation finance as a whole is improper or non-compliant.

The matters reported publicly relate specifically to certain Consumer Credit Agreement (CCA) funding arrangements, which are entirely separate from Sandfield's model. Sandfield provides B2B litigation lending to regulated law firms on a non-recourse basis to the underlying end client, meaning the claimant is not party to the funding arrangement and bears no repayment obligation. This structure is fundamentally different from consumer credit-based funding models that sit at the centre of the current regulatory scrutiny, and therefore places Sandfield outside the scope of the issues being investigated.

Importantly, the SRA's investigations are understood to include consideration of arrangements where external funders may exert control over aspects of law firm operations or case progression in ways that could be inconsistent with SRA principles, and also where they may assign clients claim proceeds as security against their loans. Sandfield does not operate in this way. Our facility agreements do not provide us with, nor permit us to exercise, any control over law firm management, operational decisions, or conduct of individual cases and we take no security over clients damages.

We apply extensive due diligence and ongoing oversight to our law firm relationships and only partner with established, first-class firms that we believe operate appropriately within all applicable regulatory frameworks and professional guidelines.

Our Law Firms participated in the SRA thematic review and as part of this review disclosed our funding agreements to the SRA more than 12 months ago, there have been no concerns raised or further questions on our funding model in that time.

This is an isolated incident with one specific funder and Sandfield Capital and our funding model are not affected in any way, nor will it be.

Our funding structure is insurance-backed and operates in accordance with all applicable regulatory requirements, including FCA-regulated processes where relevant. Sandfield continues to work exclusively with established legal and insurance counterparties, and it remains business as usual across the platform.

Sources and regulatory context

The statements in this update relating to regulatory focus areas within the UK high-volume consumer claims sector are based on publicly available materials issued by UK regulators and reputable industry publications, including:

1. SRA Press Release regarding the thematic review into the litigation funding arena: [SRA | SRA calls for views to shape further robust action on claims | Solicitors Regulation Authority](#)
2. Legal Futures interview & article relating to the early identification of the SRA's thematic review into the litigation funding arena: [SRA: Claims firms "destabilised" by litigation funding deals - Legal Futures](#)

These sources are included to provide context on the broader regulatory environment in which litigation finance and high-volume consumer claims firms operate and should not be interpreted as relating to Sandfield Capital or its specific business model.