

CONDITIONAL FEE AGREEMENT

This agreement is a binding legal contract between you and your solicitors. Before you sign, please read everything carefully.

Words like 'our disbursements', 'basic charges', 'win' and 'lose' are explained in condition 3 of the Law Society Conditions, which you should also read carefully.

We, the Solicitors

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{ MERGEFIELD "PRACTICEINFO_PRACTICE_NAME" }
{ MERGEFIELD PRACTICEINFO_DX_NO }
{ MERGEFIELD PRACTICEINFO_HOUSE }
{ MERGEFIELD PRACTICEINFO_POSTAL_TOWN }
{ MERGEFIELD PRACTICEINFO_POSTCODE }
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You, the Customer

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{ MERGEFIELD "LINKNAME_FORENAME_1" } { MERGEFIELD
"LINKNAME_SURNAME_1" }
{ MERGEFIELD "CLIENT_HOUSE" }
{ MERGEFIELD "CLIENT_AREA" }
{ MERGEFIELD "CLIENT_POSTAL_TOWN" }
{ MERGEFIELD "CLIENT_COUNTY" }
{ MERGEFIELD "CLIENT_POSTCODE" }
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What is covered by this agreement

- Your claim for compensation (known as "damages").
- Any appeal by your opponent.
- Any appeal you make against an interim order during the proceedings.
- Any proceedings you take to enforce a judgment, order or agreement.

What is not covered by this agreement

- Any counterclaim against you.
- Any appeal you make against the final judgment.

Paying us

If you win your claim, and or are successful on any pre-action or interlocutory court applications you pay our basic charges, our disbursements and a success fee. You are entitled to seek recovery from your opponent of part or all of our basic charges, our disbursements, a success fee and insurance premium as set out in the document "What you need to know about a CFA".

It may be that your opponent makes a Part 36 offer or payment which you reject and, on our advice, your claim for damages goes ahead to trial where you recover damages that are less than that offer or payment. If this happens, you will not have to pay any of our basic charges or a success fee for the work done after we received notice of the offer or payment.

If you receive interim damages, we may require you to pay our disbursements at that point and a reasonable amount for our future disbursements.

If you receive provisional damages, we are entitled to payment of our basic charges our disbursements and success fee at that point.

If you win but on the way lose an interim hearing you may be required to pay your opponent's charges of that hearing. Please see conditions 3(h) and 5.

If on the way to winning or losing you win an interim hearing, then we are entitled to payment of our basic charges and disbursements related to that hearing together with a success fee on those charges if you win overall.

If you lose, you pay your opponent's charges and disbursements. You may be able to take out an insurance policy against this risk. Please also see conditions 3(j) and 5. If you lose, you do not pay our charges nor our disbursements.

If you end this agreement before you win or lose, you pay our basic charges. If you go on to win, pay a success fee. Please also see condition 7(a).

We may end this agreement before you win or lose. Please also see condition 7(b) for details.

Basic charges

These are for work done from now until this agreement ends.

How we calculate our basic charges

These are calculated for each hour engaged on your matter.

Routine letters and telephone calls will be charged as units of one tenth other letters and telephone calls will be charged on a time basis.

The hourly rates are:

- Partners, Consultants and Solicitors with over 4 years experience £
- Other Solicitors and Legal Executives and other Staff of equivalent experience £
- Litigation Executives £
- Trainee Solicitors and other Staff of equivalent experience £

We will review the hourly rate on 1st May each year. We will provide you with details of any increase in our hourly rates upon request.

Success Fee

This is a percentage of our basic charges.

The reasons for calculating the success fee at this level are set in Schedule 1 to this agreement.

You cannot recover from your opponent the part of the success fee that relates to the cost to us of postponing receipt of our charges and disbursements (as set out at paragraphs (a) and (b) at Schedule 1). This part of the success fee remains payable by you.

Value Added Tax (VAT)

We add VAT, at the rate (now 20%) that applies when the work is done, to the total of the basic charges and success fee.

Law Society Conditions

The Law Society Conditions are attached because they are part of this agreement. Any amendments or additions to them will apply to you. You should read the conditions carefully and ask about anything you find unclear.

Other points

Immediately before you sign this agreement, we explained to you the effect of this agreement and in particular the following:

1. the circumstance in which you may be liable to pay our disbursements and charges;
2. the circumstances in which you may seek assessment of our charges and disbursements and the procedure for doing so;
3. whether we consider that your risk of becoming liable for any costs in these proceedings is insured under an existing contract of insurance;
4. other methods of financing those costs, include private funding, Community Legal Service funding, legal expenses insurance, trade union funding.
5. the possibility of effecting a contract of insurance against any potential costs liability at this stage and that it is appropriate to take out After the Event Insurance through ARAG Legal Services. We consider that funding your case through this Conditional Fee Agreement is appropriate.

Signatures

I confirm that my Solicitor has verbally explained to me the matters in paragraphs (a) to (e) under "Other points" above.

Signed..... (Customer)
{ MERGEFIELD "LINKNAME_FORENAME_1" } { MERGEFIELD "LINKNAME_SURNAME_1" }

I specifically confirm that I verbally explained to the client the matters in paragraphs (a) to (e) under "Other points" and confirm the matters at (e) in the writing in Schedule 2.

Signed..... (Solicitors)
{ MERGEFIELD "CALCULATION_FEE_EARNER_DESCRIPTION" }

This agreement complies with the Conditional Fee Agreements Regulations 2000 (S.I.2000 No.692)

SCHEDULE 1

The Success Fee

This Schedule forms part of the Conditional Fee Agreement between { MERGEFIELD PRACTICEINFO_PRACTICE_NAME } and you { MERGEFIELD "LINKNAME_FORENAME_1" } { MERGEFIELD "LINKNAME_SURNAME_1" }, named in that agreement.

The Success Fee

The Success Fee is set out below and is a percentage of basic charges and cannot be more than 100% of the basic charges. The percentage reflects the following and standard fees based upon the type of work.

(If the claim is a multi-track matter then a specific more detailed assessment is required following a review with a supervisor)

- (a) The fact that if you win we will not be paid our basic charges until the end of the claim;
- (b) Our arrangements with you about paying disbursements;
- (c) The fact that if you lose, we will not earn anything;
- (d) Our assessment of the risks of your case, these include the following;

- (e) any appropriate matters.

| Type of case | Risk Factor | Success Fee |
|------------------------|-------------|-------------|
| RTA | % | % |
| EL | % | % |
| Slip/Trip | % | |
| Product Liability | % | |
| Other (please specify) | % | |

TOTAL SUCCESS FEE

The matters set out at paragraphs (a) and (b) above make up [] % of the increase on the basic charges.

The matters at paragraph (c), (d) and (e) make up [] % of the increase on the basic charges.

The the total success fee is [] % as stated above.

TOTAL [] %

Signed by Fee Earner.....

Dated.....

Signed by SA

Dated.....

Law Society Conditions

1. Our responsibilities

We must:

- Always act in your best interests, subject to our duty to the court;
- Explain to you the risks and benefits of taking legal actions;
- Give you our best advice about whether to accept any offer of settlement;
- Give you the best information possible about the likely costs of your claim of damages.

2. Your responsibilities

You must:

- Give us instructions that allow us to do our work properly;
- Not ask us to work in an improper or unreasonable way;
- Not deliberately mislead us;
- Co-operate with us;
- Go to any other medical or expert examination or court hearing.

3. Explanation of words used

(a) *Advocacy*

Appearing for you at court hearings.

(b) *Basic Charges*

Our charges for the legal work we do on your claim for damages.

(c) *Claim*

Your demand for damages for personal injury whether or not court proceedings are issued.

(d) *Counterclaim*

A claim that your opponent makes against you in response to your claim.

(e) *Damages*

Money that you win whether by a court decision or settlement.

(f) *Disbursements*

Payment we make on your behalf such as (but not limited to):

- Court fees;
- Expert's fees;
- Travelling and related expenses;
- Courier fees;
- Photocopying charges.

(g) *Interim damages*

Money that the court says your opponent must pay or your opponent agrees to pay while waiting for a settlement or the court's final decision.

(h) *Interim hearing*

A court hearing that is not final.

- (i) *Lien*
Our right to keep all papers, documents, money or other property held on your behalf until all money due to us is paid. A lien may be supplied after this agreement ends.
- (j) *Lose*
The court has dismissed your claim or you have stopped it on our advice.
- (k) *Part 36 offers or payments*
An offer to settle your claim made in accordance with Part 36 of the Civil Procedure Rules.
- (l) *Provisional Damages*
Money that a court says your opponent must pay or your opponent agrees to pay, on the basis that you will be able to go back to court at a future date for further damages if:
 - You develop a serious disease; or
 - Your condition deteriorates in a way that has been proved or admitted to be linked to your personal injury claim.
- (m) *Success Fee*
The percentage of basic charges that we will add to your bill if you win your claim for damages and that we will seek to recover from your opponent.
- (n) *Win*
Your claim for damages is finally decided in your favour, whether by a court decision or an agreement to pay your damages. 'Finally' means that your opponent:
 - Is not allowed to appeal against the court decision; or
 - Has not appealed in time; or
 - Has lost any appeal.

4. What happens if you win?

If you win:

- You are then liable to pay our basic charges, our disbursements and success fee – please see Condition 3(n).
- Normally, you will be entitled to recover part or all of our charges, our disbursements and success fee and the insurance premium from your opponent.
- If you and our opponent cannot agree the amount, the court will decide how much you can recover. If the amount agreed or allowed does not cover our basic charges and our disbursements, then you pay the difference.
- You will not be entitled to recover from your opponent the part of the success fee that relates to the cost to us of postponing receipt of our charges and disbursements. This remains payable by you.
- You agree that after winning, the reasons for setting the success fee at the amount stated may be disclosed.

- (i) to the court and any other person required by the court;
- (ii) to your opponent in order to gain his or her agreement to pay the success fee.

- If the court carries out an assessment and disallows any of the success fee percentage because it is unreasonable in the view of what we knew or should have known when it was agreed, then that amount ceases to be payable unless the court is satisfied that it should continue to be payable.
- If we agree with your opponent that the success fee is to be paid at a lower percentage than is set out in this agreement, then the success fee percentage will be reduced accordingly unless the court is satisfied that the full amount is payable.
- It may happen that your opponent makes an offer that includes payment of our basic charges and a success fee. If so, unless we consent, you agree not to tell us to accept the offer if it includes payment of the success fee at a lower rate than is set out in this agreement.
- If your opponent is receiving Community Legal Service funding, we are unlikely to get any money from him or her. So if this happens, you have to pay us our basic charges, disbursements and success fee.

You remain ultimately responsible for paying our success fee.

You agree to pay into a designated account any cheque received by you or by us from your opponent and made payable to you. Out of the money, you agree to let us take the balance of the basic charges; success fee; insurance premium; our remaining disbursements; and VAT. You take the rest.

We are allowed to keep any interest your opponent pays on the charges.

Payment for advocacy is explained in Condition 6.

If your opponent fails to pay

If your opponent does not pay any damages or charges owed to you, we have the right to take recovery action in your name to enforce a judgment, order or agreement. The charges of this action become part of the basic charges.

5. What happens if you lose?

If you lose you do not have to pay any of our basic charges or success fee.
You do have to pay:

- Us for our disbursements;
- Your opponents legal charges and disbursements.

If you are insured against the payment of these amounts by your insurance policy, we will make a claim on your behalf and receive any resulting payment in your name. We will give you a statement of account for all money received and paid out.

If your opponent pays the charges of any hearing, they belong to us.

Payment for advocacy is dealt with in Condition 6.

6. Payment of advocacy

The cost of advocacy and any other work by us, or by any solicitor agent on our behalf, forms part of our basic charges. We shall discuss with you the identity of any barrister instructed, and the arrangements made for payment.

Barristers who have a conditional fee agreement with us.

If you win, you are normally entitled to recover their fee and success fee from your opponent. The barrister's success fee is shown in the separate conditional fee agreement we make with the barrister. We shall discuss the barrister's success fee with you before we instruct him or her.

If you lose you pay the barrister nothing.

Barristers who do not have a conditional fee agreement with us.

If you win, then you will normally be entitled to recover all or part of their fee from your opponent. If you lose, then you must pay their fee.

7. What happens when this agreement ends before your claim for damages ends?

(a) Paying us if you end this agreement

You can end this agreement at any time. We then have the right to decide whether you must:

- Pay our basic charges and our disbursements including barrister's fees when we ask for them; or
- Pay our basic charges and our disbursements including barrister's fees and success fees if you go on to win your claim for damages.

(b) Paying us if we end this agreement

(i) We can end this agreement if you do not keep to your responsibilities in Condition 2.

We then have the right to decide whether you must:

- Pay our basic charges and our disbursements including barrister's fees when we ask for them; or
- Pay the success fee if you go on to win your claim for damages.

(ii) We can end this agreement if we believe you are unlikely to win. If this happens, you will only have to pay our disbursements. These will include barrister's fees if the barrister does not have a conditional fee agreement with us.

(iii) We can end this agreement if you reject our opinion about making a settlement with your opponent. You must then:

- Pay the basic charges and our disbursements, including barrister's fees;
- Pay the success fee if you go onto win your claim for damages.

If you ask us to get a second opinion from specialist solicitors outside our firm, we will do so. You pay the cost for a second opinion.

8. What happens after this agreement ends

After this agreement ends, we will apply to have our name removed from the record of any court proceedings in which we are acting unless you have another form of funding and ask us to work for you.

We have the right to preserve our lien unless another solicitor working for you undertakes to pay us what we are owed including a success fee if you win.

SCHEDULE 2

Insurance Policy

On the basis of the information available to us it is our opinion that in pursuing your claim you need to have protection against the risk of having to pay your opponent's costs and your own and their disbursements should your claim fail or be abandoned.

Whilst we have not carried out a fair analysis of the marketplace on this specific occasion, we do so on a periodic basis. In all the circumstances and on the information currently available to us, we believe that the * contract of insurance would be suitable to cover you against these risks.

This is because you do not have suitable existing insurance to cover these risks. The * policy meets your needs and amongst other things provides cover to pay:

- (i) The costs and disbursements of your opponent in the event that the claim fails or is abandoned, up to a maximum of £50,000.00;
- (ii) Your own disbursements if your claim fails or is abandoned.

A copy of the full wording of the proposed contract of insurance is enclosed with this proposed Conditional Fee Agreement.

We do have an interest in recommending the * policy, but irrespective of this we consider it provides good cover and is appropriate for your needs. Details of our interest are in our Terms and Conditions of Business letter and have been explained to you.

We are not, however, insurance brokers and cannot give advice on all products which may be available.