

Summary Document

Thank you for instructing FLS to act on your behalf in relation to your potential claim (or claims) for compensation in relation to motor finance products that you have previously taken out.

What will we do for you?

We will act for you on a 'No Win, No Fee' basis to identify any claims you may have, prepare the required paperwork and present your claim(s) to your motor finance provider(s). We will provide you with advice regarding the making of the claim, any offer of compensation you receive and, if your claim is rejected, advice on the next steps and whether your claim can be escalated.

What might you need to do?

Not that much! You need to carefully read and sign the paperwork that is presented to you. We will also need proof of identity documentation from you, so we know that you are indeed you. For any other information, we will use a soft credit report or similar means to collect details of your motor finance contracts (it won't affect your credit rating). If we do require anything else from you, we will get in contact via email or call. One key thing, please ensure that you have (i) not already made a complaint to your lender or the Financial Ombudsman Service yourself; or (ii) instructed anyone else to represent you in relation to a complaint. If you have, please tell us straight away

How will we keep you updated?

We have a dedicated team who would be delighted to answer any questions you may have at any point. We will update you as soon as there is a material update with your claim(s). If there are no material updates, we will update you via email periodically.

How much will it cost?

The amount you pay will depend on the amount of redress due to you, and will be subject to fee caps set by the FCA for such claims. The examples below show the amount of redress you may receive, as well as the fees you will need to pay, both exclusive and inclusive of VAT :

| (1) Redress amount | (2) Your Fee (+VAT) | (3) Example Redress | (4) Example Fee (excl VAT) | (5) Example Fee (incl VAT) |
|--------------------|----------------------------|---------------------|----------------------------|----------------------------|
| £1 - £1,499 | 30% up to a max of £420 | £500 | £150 | £180 |
| £1,500 - £9,999 | 28% up to a max of £2,500 | £2,500 | £700 | £840 |
| £10,000 - £24,999 | 25% up to a max of £5,000 | £12,500 | £3,125 | £3,750 |
| £25,000 - £49,999 | 20% up to a max of £7,500 | £30,000 | £6,000 | £7,200 |
| £50,000 + | 15% up to a max of £10,000 | £75,000 | £11,250 | £13,500 |

The numbers shown in columns (3) - (5) above are for illustration purposes only. The amount you receive may be more or less than these examples. Fees shown in column (4) are exclusive of VAT, whereas fees will include VAT at the prevailing rate, as shown in column (5).

Where you have existing amounts due to the entity paying redress and they offset any redress due to you from those amounts, you must still pay our fees.

Can I change my mind?

You can cancel for free within 14 days from when you sign our Engagement Letter. You can cancel at any time after this initial 14 days however, we reserve the right to apply a fee to cover our reasonable costs for the work undertaken in processing your claim up to the date of cancellation. Please refer to Section 5 of the Engagement Letter which outlines in detail how the cancellation charges are calculated and the maximum that can be charged in each case.

Statutory Compensation Schemes

You do not need to use a solicitor or claims management company to make your claim to the Lender (you can make a claim to the Lender yourself), and if your claim is not successful you can refer it to the Financial Ombudsman Service yourself for free. Subject to the terms of any additional or further statutory redress scheme, you may also be able to make a claim yourself under such a scheme for free.

Engagement Letter – Motor Finance Commission Claim

Dear Sir or Madam,

Introduction

Thank you for instructing First Legal Solicitors Ltd (**FLS**), a law firm authorised and regulated by the Solicitors Regulation Authority (**SRA**) under SRN: 634939, to act on your behalf in relation to your non-litigious potential claim (or claims) for compensation under an FCA redress scheme and/or direct to lender complaint (comprising all damages any interest, whether in the form of monies or another form, due to you) (**Redress**) against such party or parties (the **Lender**) who may have provided you with a motor finance product or products, in respect of which you may have suffered harm as a result of certain motor finance commission arrangements (the **Claim**).

References in this letter (the **Engagement Letter**) to “we” and “us” are to FLS. Where we refer to Redress being received by “you” we mean by you personally, FLS or another person on your behalf. The Engagement Letter, the scope of work as found in the link at 1.4, the Privacy Policy and the Letter of Authority should all be read together and together constitute the entire agreement between the parties. The key terms of these documents are summarised in the Service Summary.¹

The purpose of this Engagement Letter is to set out the basis and the terms on which FLS will act for you in relation to your Claim. Subject to the terms of this Engagement Letter and as explained in greater detail below:

We will act for you on a ‘No Win, No Fee’ basis and receive our **Fee** as a percentage of any Redress received by you from the Lender (this arrangement is a damages based agreement made pursuant to the Damages-Based Agreements Regulations 2013 (Statutory Instrument 2013/609));

If the Agreement is terminated outside of the 14-day “cooling off” period which starts from the date we receive this Engagement Letter signed by you (the **Cooling Off Period**) you may be liable to pay a reasonable amount for the time we have spent working on the claim (**Termination Fees**) even if Redress is not received by you (see Section 0 (*Cancellation, termination and when Termination Fees are payable*) for more details).

By agreeing to the terms of the Agreement, you are instructing us, and we are agreeing, to process your Claims. A detailed description of the scope of work can be found in Appendix 1

Our Fees / No Win, No Fee

Our ‘No Win, No Fee’ arrangement means that we will not be entitled to any Fees if your Claim does not result in Redress being received by you (a **Win**) unless the Agreement has been terminated outside of the Cooling Off Period. If the Agreement has been terminated outside of the Cooling Off Period, then even if you do not receive any Redress, you may be required to pay Termination Fees as explained further at Section 7 (Cancellation, termination and when Termination Fees are payable) below. If your Claim is successful and results in any Win (a **Successful Claim**), we will receive our Fees calculated as: (a) a fixed percentage of the value of all Redress received by you or on your behalf capped at a maximum fee as set out in the table below; plus any VAT applicable to that amount (charged at the prevailing rate at the time).

You will be charged the lower of: (1) “the Percentage of Redress Amount owed to FLS as Fees”, or (2) the “Maximum FLS Fees per Band”, in the table below applicable to the Redress awarded for the Claim.

| Band | Redress Amount | Percentage of Redress amount owed to FLS | Maximum FLS Fees per band | Example Redress | Example Fee (Excluding VAT) | Example Fee (Including VAT) |
|------|-------------------|------------------------------------------|---------------------------|-----------------|-----------------------------|-----------------------------|
| A | £1- £1,499 | 30% | £420 | £500 | £150 | £180 |
| B | £1,500 - £9,999 | 28% | £2,500 | £2,500 | £700 | £840 |
| C | £10,000 - £24,999 | 25% | £5,000 | £12,500 | £3,125 | £3,750 |
| D | £25,000 - £49,999 | 20% | £7,500 | £30,000 | £6,000 | £7,200 |
| E | £50,000 + | 15% | £10,000 | £75,000 | £11,250 | £13,500 |

The Fees include expenses and any other charges provided for in or imposed under the Agreement but exclude VAT. Note that the amounts shown in the columns Example Redress and the two Example Fee columns are purely illustrative, and any Redress and Fee charged may be different.

The Fees we charge match the caps set by the Financial Conduct Authority, which regulates Claims Management business and offer the same terms. The Fees have been set at this level for the following reasons: (a) based on our professional experience, our Fees fairly represent the time which our staff are likely to spend on information gathering, assessing your claim and dealing with the relevant paperwork; (b) there is a risk to us that your Claim will not result in a Win, in which case we will not receive any payment; (c) we may be undertaking work over a long period without payment from you; and (d) we have borne the burden of costs and expenses.

The fee caps set out above do not apply in the event that any Termination Fees are payable which we address in Section 0 below. Fees in this Section 0 and Termination Fees in Section 0 are inclusive of our expenses and costs.

Under what circumstances are Fees zero?

If (a) your Claim is unsuccessful in its entirety meaning that no Redress is received by you (this might (for example) be because the Lender has indicated it will not award any Redress (an **Unsuccessful Claim**)); and (b) the Agreement has not been terminated (unless it was terminated within the Cooling Off Period, which we explain in more detail at in Section 0 below), then there is no Win and our Fees will be zero.

Payment of Fees

Upon receiving any Redress on your behalf, we will transfer the Redress (less our Fees plus VAT) to you promptly, together with a settlement breakdown.

In the event that we do not receive the Redress on your behalf and the Redress is sent directly to you or a person on your behalf, you must inform us immediately and we will promptly issue you with an invoice for our Fees plus VAT.

Our entitlement to Fees applies even if the Redress which you are awarded is not in the form of a cash settlement. If you currently have debt outstanding with the Lender, the Lender could provide you with Redress by reducing the level of that indebtedness (e.g. reducing the balance of a loan), rather than paying you a cash amount. Our Fees would be calculated as a percentage of the value of the Redress (i.e., the amount by which your loan balance was reduced) and will, where necessary, need to be paid by you out of your own funds. If you do have such outstanding liabilities with the Lender, please inform us as soon as possible at: enquiries@firstlegalsolicitors.uk

Cancellation, termination and when Termination Fees are payable

You are allowed to cancel the Agreement by notice to us at any time:

If cancellation occurs during the period of 14 days beginning on the day when the Agreement is entered into (the **Cooling Off Period**) we will not charge any Termination Fees.

Subject to Section 0, if cancellation occurs at any time after the Cooling Off Period but *before* Redress is received by you (directly or by FLS or another party on your behalf), Termination Fees shall become payable by you to us.

Where you cancel your agreement outside of the 14-day cooling off period, which starts from the date you sign your agreement with FLS, including where you cancel your Agreement because you instruct another representative to act for you, the following fees may apply.

| Stage Completed Before Cancellation | Cancellation Fee (excluding VAT) |
|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| A - Onboarding completed & eligible Claim(s) identified | £75 |
| B - Claim submitted to a Lender | Plus £25 per claim |
| C - Lender response received | Plus £25 per claim |
| D - Additional correspondence carried out with a Lender (e.g., evidence requests, clarifications, follow-ups) | Plus £25 per claim |
| E - Where an offer of Redress has been received | 30% of the Redress for each Claim (plus VAT), subject to the FCA fee caps |

If you terminate the Agreement outside of the Cooling Off Period, we will send you an itemised invoice detailing the work we have completed on your behalf and confirming the amount of any Termination Fees.

In the event Termination Fees are unpaid after 21 days from the date of our invoice, you will also be liable for: (a) a £30 administration charge (which will be added to the balance of the Termination Fees); and (b) late payment interest on the Termination Fees, calculated at 8% per annum from the fee payment due date until the total amounts owed by you are received by FLS.

We shall have the right to terminate the Agreement and Termination Fees shall become payable if you breach your obligations contained in Section 0 of this Agreement.

We shall have the right to terminate the Agreement but Termination Fees shall not become payable if: (a) it would be a breach of FLS's legal or regulatory obligations to continue to act for you; or (b) we are of the view that you are unlikely to Win and/or should withdraw the Claim and/or the FOS has made a final determination of the Claim.

Both FLS and you shall have the right to terminate the Agreement and Termination Fees shall not become payable if you have received a Final Response from the Lender and wish to refer the Claim to the FOS, but FLS has declined to do so.

In the event that we terminate the Agreement, we shall do so in writing giving you reasonable notice and explaining our reasons for doing so. In the event you wish to terminate the Agreement, you must notify us by emailing cancellations@firstlegalsolicitors.uk or alternatively you may write to us at First Legal Solicitors Ltd, Fourth Floor, 8 Princes Parade, Liverpool, L3 1DL.

Client obligations

By entering into the Agreement, you confirm the following: (a) you have not instructed another claims management firm or firm of solicitors to bring a Claim for you; (b) you are not currently in a debt

management plan or arrears with the Lender; and (c) you have never been declared insolvent either by the way of an individual voluntary arrangement, bankruptcy, debt relief order or a trust deed.

As at the date of entry into the Agreement you agree that you have read and will retain each of the documents referred to in Section 0 (above), namely this Engagement Letter (which sets out the basis on which our Fees are payable), the LOA and the Privacy Notice.

As of the date of entry into the Agreement, you also agree:

to co-operate with us, and any third parties (including our insurers), in a timely manner and to give full, proper, and truthful information and instructions in relation to the Claim, as and when requested;

not to instruct another claims management company or law firm to process the Claim(s) (or a materially similar claim) on your behalf;

not to pass any information about the Claim to any other claims management firm or firm of solicitors;

provide FLS with all the documentation likely to be needed to pursue your Claim, including relevant identification documents and proof of address;

and confirm that you are not the subject of any criminal proceedings and should you become subject to any criminal proceedings during the term of this Agreement, you will inform us immediately of those proceedings;

that we are appointed as your sole representative to log any request(s) with any third party, in relation to our services to you under Section 0 of this Engagement Letter;

to accept through FLS a reasonable offer of Redress that FLS considers should be accepted;

to use your best endeavours to ensure that Redress is paid directly to FLS and not to take any action which would result otherwise;

if Redress is paid to you directly by the Lender or received by you 'in kind', you will: (i) notify us immediately; and (ii) pay our Fees at the agreed rate promptly upon receiving our invoice.

Additional assistance

The DSAR we obtain on your behalf may suggest to us that you could potentially be owed a refund or other redress for a claim which is not covered by the Agreement. As we consider appropriate, we will be in touch to inform you of this and discuss next steps.

If the Claim is rejected by both the Lender and FOS, but we believe there are legal grounds to proceed with litigation we will be in touch to inform you of this and discuss next steps beyond the scope of this Agreement. For the avoidance of doubt, we are not by this agreement agreeing to represent you or act for you in respect of any civil litigation in respect of your Claim. If this becomes necessary and we agree, we will provide you with a separate agreement.

Complaints & Regulatory Information

If you are unhappy with FLS's service at any stage throughout the process, please contact our Customer Service Department: (a) by emailing enquiries@firstlegalsolicitors.uk ; or (b) by telephoning 0151 837 5030.

FLS is subject to the Legal Services Ombudsman.

8.3 FLS is regulated by the Solicitors Regulation Authority ('SRA'). You can complain to the SRA at any time here: <https://www.sra.org.uk/consumers/problems/report-solicitor/>

Miscellaneous

FLS may have paid a fee to a relevant third-party firm to introduce you to us. FLS may also make payments to introducers depending on the outcome of your claim.

If any term or provision of the Agreement is found by a court or other competent authority to be invalid, illegal or unenforceable, such provision shall be deemed to be deleted from the relevant part of the

Agreement and the validity and enforceability of the remaining provisions of the Agreement shall continue in full force and effect.

Notwithstanding Section 0 above, the parties shall negotiate in good faith in order to agree the terms of a mutually satisfactory provision to be substituted for the provision so found to be void or unenforceable.

Section 0 and Section 0 of this Engagement Letter shall survive any termination of this Agreement.

We reserve the right to amend, modify or vary the terms of this Agreement, provided that any amendment will be communicated to you in writing with at least 10 days' prior written notice. Any amendment under this Section 0 shall be made in good faith and shall be reasonable, proportionate and necessary to reflect changes in applicable law or regulation, market conditions or business operations, or improves or updates to the services provided.

Governing law and Jurisdiction

The Agreement and any disputes or claims arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) are governed by and construed in accordance with the laws of England and Wales.

Important Information

Your obligations to us under this Agreement continue until the earlier of: (a) our confirmation that your Claim has resulted in a Win, you have received Redress and all our Fees (plus VAT) have been paid; or (b) termination by either party and payment of applicable Termination Fees and any other outstanding amounts, if any, in accordance with the terms of this Agreement.

You do not need to use a Solicitor or claims management company to make your Claim(s) to the Lender, and if your complaint is not successful you can refer it to the FOS yourself for free. Subject to the terms of any further or additional Redress Scheme, you may also be able to make such a Claim for free.

If you choose not to instruct FLS, you may seek further advice or look for another person to assist you with the claim, subject to any time limits within which your claim must be made

FLS have explained their use of outsourced IT management systems and I consent to granting access to my information for these purposes .

In making the Agreement available for signature, FLS have given their agreement to its terms.

This Engagement Letter forms part of the Agreement (together with the LOA and the Privacy Notice), the terms of which are acknowledged and agreed below.

Signed

Date

[Client Name]

Appendix 1:

FLS, through one of its dedicated claim handling teams, will provide the following services:

1. An initial assessment of your case and any potential claim
2. We will complete pre-administrative work and make a Data Subject Access Request (DSAR) to your finance broker/lender where required. Once we receive the relevant information from your lender, we will review the finance agreement and associated terms and conditions
3. Where we believe there is a genuine cause for a valid claim, we will present your non-litigious claim for redress from a broker/lender either direct or through any FCA redress scheme.

4. We will calculate an estimated amount of loss based on information within the finance credit agreement you took out for your car finance, if we believe you have grounds to proceed with a claim.
5. Negotiating on your behalf to obtain an offer of redress for you if you were mis-sold.
6. If an offer of redress is made, we will advise you whether it is an appropriate amount to settle your claim, or whether to negotiate with the Lender for a higher amount, which we will do on your behalf, if we deem it appropriate.
7. Where appropriate and deemed unavoidable, we will pursue the case through the Financial Ombudsman Service.
8. If the complaint is rejected by both the lender and FOS, and we believe there are legal grounds to proceed with litigation, we can refer your case to another solicitor to pursue the court litigation route, or we could assist you in this action. While we do not envisage litigating your claim through court, if we do need to pursue litigious legal action, we will discuss this with you in advance, as we will need to enter into another agreement with you in respect of the work to be undertaken and also to discuss the process and whether you may need to give evidence before a court.
9. The DSAR we obtain on your behalf may reveal that you have other financial agreements where you are owed a refund or other redress. By signing this agreement, you confirm that we may advise and where appropriate assist you in recovering money for you from these claims. We may, if required, introduce you to another solicitor for this purpose.

Letter of Authority to Act

[Client Name]

[Client Reference]

[Client Current Address]

[Date of Birth]

[Client Previous Address]

This authority relates to all accounts and credit agreements I hold (or have previously held) with your firm and supersedes any previous letter of authority you may hold on file from myself. I authorise the extension of this authority to all outstanding claims which you are currently processing on my behalf.

Please take this authority as my instruction for you to deal exclusively with First Legal Solicitors Ltd (**FLS**) in relation to my complaint against your firm (within the meaning as set out in the Dispute Resolution: Complaints sourcebook of the Financial Conduct Authority (**FCA**) Handbook (**DISP**)) in respect of the potential mis-sale of my vehicle finance agreement(s) and any associated motor finance commission payments and such authority shall cover all accounts and agreements I have held with you both past and present. First Legal Solicitors Ltd (FLS), are a law firm authorised and regulated by the Solicitors Regulation Authority (SRA) under SRN: 634939 whose registered office is 4th Floor, 8 Princes Parade, Liverpool, L3 1DL.

I hereby:

- authorise you to provide FLS with the account numbers in respect of all accounts I hold (or have previously held) with you;
- authorise you to provide FLS with any other information requested by it at any stage (including details of the commission model used upon entry into my vehicle finance agreement(s));
- authorise FLS to make a data subject access request (**DSAR**) under the UK General Data Protection Regulation and the Data Protection Act 2018 in order to obtain all personal information and documentation you hold about me and my accounts. I expect this to be sent to FLS within 30 calendar days of receiving such request;
- authorise FLS to make a request under section 77 of the Consumer Credit Act 1974 to obtain information such as a copy of my credit agreement and a statement of account details from you. I expect this to be sent to FLS within 30 calendar days of receiving such request; and
- appoint FLS as my sole representative when logging my request(s); and
- should FLS not receive either (i) the DSAR response one month; or; (ii) the complaint outcome within the timelines set by the FCA in DISP; (iii) or a satisfactory complaint outcome, FLS may be instructed to lodge a formal complaint on my behalf with the Financial Ombudsman Service.

If you need to contact a third party to progress my request, I hereby also authorise and consent for the third party to provide you and FLS with any information required.

Please ensure that all communications and any payments are directed to FLS and they will subsequently be forwarded to me.

I remind you of your obligation to comply with the FCA Principles of Business (in particular, Principles 1 and 6, as well as treating all customers fairly).

I also confirm that a photocopy or an electronic copy of this Letter of Authority will have the same legal effect as the original.

Important Notice

This Letter of Authority forms part of my Agreement with FLS. It is signed electronically and my intention is that has the same effect as if signed with a pen.

Signed

Date

[Client Name]

Client Confirmation

I confirm that:

- I have not already made a complaint directly to my lender or via the Financial Ombudsman Service; and
- I have not instructed any other representative to make a complaint to my lender or the Financial Ombudsman Service on my behalf.

I understand that:

- I am not required to use a Solicitor or claims management company
- I can complain directly to my lender or via the Financial Ombudsman Service for free
- I can await the implementation of the FCA motor finance redress scheme

My decision to instruct First Legal Solicitors Ltd is voluntary and I understand that there are alternative, free routes available.

Signed

Date

[Client Name]