



Our Ref:

Date:

Please reply to: matt.bell@mmalegal.co.uk

Dear

Your Claim for Damages

Thank you for instructing us to deal with your claim.

We should like to confirm the matters discussed and provide as much information as we can for you at this stage.

This letter explains the basis on which all necessary work will be carried out. Whilst that does mean writing at some length, we hope the information will be useful.

So, dealing with a number of important matters in turn:

Advice and action

From a review of the circumstances as described by you we believe that you have reasonable prospects of success and can confirm that a claim for compensation will be pursued.

People responsible for your work

The details you need to know are as follows.

1. We will regularly update you either by telephone, letter or email with progress on your matter. We will explain to you by telephone or in writing the legal work required as your matter progresses. There may be occasions whereby we suggest we meet to discuss your case. We will always try to fix meetings for the most convenient times.

MMA Legal Limited, a company registered in England and Wales (registered number: 13900519) is authorised and regulated by the Solicitors Regulation Authority. Access the SRA's rules at <http://www.sra.org.uk/solicitors/handbook/welcome.page>

SRA Number: 8000579

2. We will communicate with you in plain language.

3. We will update you on whether the likely outcomes still justify the likely costs and risks associated with your matter whenever there is a material change in circumstances.
4. We will update you on the likely timescales for each stage of this matter and any important changes in those estimates.
5. We will continue to review whether there are alternative methods by which your matter can be funded.
6. The address for any letters you wish to send us is on this letterhead and the reference is at the head of this letter. It is helpful if you can quote this reference when writing or calling.
7. The address of the person handling your case is found at the top of our letterhead.

We try to avoid changing the people you are dealing with, but if it should seem appropriate at any stage for the matter to be referred, for all purposes, to another member of the team, we will explain why that is suggested and arrange for an introduction.

To help us keep in touch, please let me know as soon as possible if you change your address or telephone number so that we can keep our records up to date. Further, we require that;

- You provide us with clear, timely and accurate instructions.
- You provide all documentation required to complete the transaction in a timely manner.
- You will safeguard any documents that are likely to be required for discovery.

We hope this is all the information you need to ensure we are able to keep in touch with each other during this matter and in the future.

As discussed we are able to act on a conditional fee agreement basis. However it is important to let you have details, at the outset, of how costs are incurred; how those costs may be funded; any liability that might arise to pay the costs of the Opponent; and any measures that can be taken to offer protection against liability to pay the costs of the Opponent.

The main points to note on entering a conditional fee agreement would be as follows.

- (i) You only pay us a fee if you win the claim ('win' being defined by the conditions of the agreement). You would not, provided you kept to the terms of the agreement, pay a fee unless you did win the claim.
- (ii) If the claim did not succeed, you would be responsible for the cost of reports or other outlays incurred by us on your behalf (whether or not court proceedings were issued against the Opponent).

As we act on a no win no fee agreement, if you do not win, you do not pay the incurred legal costs. It is important to stress however that this does not include the incurred disbursements. In relation to the costs incurred by the opponent if you lose, their costs will not be payable unless the Court make a finding of fraud against you. This does not apply however if you fail to beat an offer of settlement made by the opponent and in most cases, the costs awarded against you would be far in excess of your compensation, leaving you with nothing.

- (iii) If you win, our costs become payable by you, calculated in the same way as on a private basis

but with a success fee payable in addition. The success fee reflects the risk of us as a firm not being paid if the claim is not successful.

- (v) Disbursements to others are necessary to pursue the case; they include payments to experts or the Court. They will be payable by you when incurred as the case progresses. At this stage we are not sure as to what these outlays will be, but should the need arise we will of course discuss the cost of the same with you prior to incurring any disbursements.
- (vi) We enclose, for your information, your damaged based agreement, which you can enter into with us on the terms as set out above.

However, you do need to bear in mind that under a damaged based agreement we are effectively sharing the risks of the case with you and, of course, this gives us a say in how the case should be run. The case will be reviewed at appropriate stages (see above) and, if we do not then believe you are likely to win, we may decide to end the agreement.

Cancellation of Contract

If within 14 days of signing the damaged based agreement you wish to cancel then please return the mandate attached to the agreement.

Costs

The fees we charge are as a result of time spent on your case, we will also charge a success fee. This is payable by you. Details of the success fee can be found in the Damaged Based Agreement.

In simple terms, we agree not to charge you anything if your claim does not succeed, and you agree to be responsible for our basic fees plus a "success fee" if the claim is successful. Subject to the exceptions in the Damaged Based Agreement you should be rest assured that:

1. We will not charge you anything up front
2. Your contribution to fees will be paid from your damages when they are received
3. Our policy is to voluntarily limit your contribution towards our costs, including the success fee, so that it will be no more than 25% of your damages if you win. If you take out a policy of After the Event insurance, you will be required to pay for that policy in addition to your contribution to our fees.

We would advise that our hourly rates are as follows:

Partner/Director	£255.00 per hour + VAT
Solicitors/legal executives with 8 years post qualified experience	£255.00 per hour + VAT
Solicitors/legal executives with 4 years post qualified experience	£218.00 per hour + VAT
Solicitors/legal executives with up to 4 years experience	£177.00 per hour + VAT
Paralegal	£126.00 per hour + VAT

Please note that our hourly charging rates increase in line with the rates issues by the court on the 1st January of each year, unless we otherwise notify you in writing. However, we will write and advise you further in this respect should this occur.

We will keep you advised as to the various stages of your claim, the costs implication and the risk to yourself, but would refer you again to the terms and conditions attached to this letter and the Conditional Fee Agreement.

Interest

We are required to pay to you a fair sum in lieu of interest on any balance we hold on your behalf in our general client account. This is calculated on the balance held over the whole period for which cleared funds are held, and is paid at a rate not less than the rate of interest payable on the relevant amount if placed on deposit on similar terms by a member of the business community at the bank where the money is held. No interest will be paid if the amount calculated on the balance held is £20 or less. Deposit interest paid to UK residents by us will be paid without deduction of tax. It is your responsibility to declare sums so received for tax purposes.

Documents

It is important that you keep all documents which relate in any way to this matter, such as letters, contracts, receipts, diaries, computer records, photographs, videos, and anything else of that kind.

Whilst we do not need to see all of those documents at this stage, such documents may have to be produced in court proceedings, and a duty is owed to the court to ensure the documents are preserved in case they should be required. Similarly, any documents you subsequently obtain which relate to the matter should also be kept. Also, if you have any other property connected with the matter in any way, you should preserve that property until the case is concluded.

We use the information you provide primarily for the provision of legal services to you and for related purposes including:

- updating and enhancing client records
- analysis to help us manage our practice
- statutory returns
- legal and regulatory compliance

Our use of that information is subject to your instructions, the Data Protection Act 1998 and our duty of confidentiality. Please note that our work for you may require us to give information to third parties such as expert witnesses and other professional advisers. You have a right of access under data protection legislation to the personal data that we hold about you.

We may from time to time send you information that we think might be of interest to you. If you do not wish to receive that information please notify our office in writing.

After completing the work, we are entitled to keep all papers and documents while there is money owing for charges and expenses. The firm keeps papers (except for any papers you ask to be returned to you) for no more than 6 years and keeps the file on the understanding that the firm has authority to destroy it after 6 years from the date of the final bill, although documents you ask to deposit in safe custody will not, of course, be destroyed.

If we take papers or documents out of storage in relation to continuing or new instructions to act for you, we will not normally charge for such retrieval.

However we may charge you both for:

- time spent producing stored papers that are requested
- reading, correspondence or other work necessary to comply with your instructions in relation to the retrieved papers

Your Responsibilities

Please note that in a claim any dishonesty or exaggeration by you or on your behalf in relation to any part of the claim will lead to the whole claim being thrown out with you being ordered to pay the other side's costs. This will happen even if you have already won your claim.

Termination

You will see that the conditions applicable to a damaged based agreement provide for termination and its consequences.

We can end the agreement if we no longer think it likely that you will win the case or if you do not keep to your responsibilities. You can end the agreement at any time.

It is particularly important to note that if you end the agreement, or we end the agreement because you have not kept to your responsibilities, you would then be responsible to pay costs, under that agreement, whether or not the matter had then reached a successful conclusion.

Complaints Procedure

At MMA Legal we are committed to providing a quality service to our clients. However, in the event that you have cause to complain we do have a written complaints procedure which is available on request. Our aim is to deal with complaints promptly, fairly and effectively.

In the event of a problem, you are entitled to complain. We would be grateful if you could please put any complaints in writing for the attention of Matt Bell. At the conclusion of our internal complaints procedure, you also have the right to complain to the Legal Ombudsman, PO Box 6806, Wolverhampton, WV1 9WJ.

You may also be entitled to object to our bill and apply to the court for an assessment of the bill under Part III of the Solicitors Act 1974.

However, if all or part of the bill remains unpaid, we may be entitled to charge interest.

What happens next?

We are pleased to note that you wish to proceed ahead and instruct us to act on your behalf.

This letter sets out our terms of business with you, and so your continuing instructions in this matter will amount to acceptance by you of the terms. We shall be grateful if you would sign and date, in the space provided, the enclosed copy letter; we can then be sure you understand, and are happy with, the basis on which the firm will act for you. We enclose a pre-paid envelope for your use.

The law requires solicitors to obtain satisfactory evidence of the identity of their clients and sometimes people related to them. This is because solicitors who deal with money and property on behalf of their client can be used by criminals wanting to launder money.

To comply with the law, we need to get evidence of your identity as soon as possible. Our practice is to obtain copies of photographic identification and proof of your address. Further details of the types of evidence we accept are attached to this letter.

If you cannot provide us with the specific identification requested, please contact us as soon as possible to discuss other ways to verify your identity.

As this letter is an important document, please keep it in a safe place for future reference.

We do hope that this letter usefully confirms the advice given and action agreed upon, as well as dealing

with any immediate queries about the day-to-day handling of the matter and the firm's terms of business.

We look forward to hearing from you.

Yours sincerely

MMA LEGAL

Signed

.....

Dated

.....

Please note that signature of this letter constitutes confirmation of your instructions to us. It confirms that you have read and understood this letter and that you accept the terms and conditions referred to therein.

A. CONTINGENCY FEE AGREEMENT AND CONDITIONAL FEE AGREEMENT

Contingency Fee Agreement: Pre-Issue of Proceedings

This agreement is a legally binding contract between you and MMA Legal Limited. Agreement Date:

We, the solicitors MMA Legal Limited

You, the *John Cavanagh* client.....

What is covered by this agreement

Work prior to the issue of any proceedings in relation to your potential High Court/County Court claims for General and/or special damages.

What is not covered by this agreement

Issuing proceedings and any work following the issue of proceedings.

Paying us

If you win the case (which means that an agreement is reached that money is paid to you by anyone) you pay us 25% of the money we recover. This figure includes VAT at the standard rate, currently 20%. You also pay us disbursements.

If you lose the case, you do not pay us anything, except disbursements. Disbursements are payments we make on your behalf to others involved in the case. We will notify you of disbursements incurred as we go along.

If you end the agreement before the case is won or lost, you are liable to pay our costs at the rate of:

£255.00 including VAT per hour for Solicitors and legal executives with over 8 years' experience

£218.00 including VAT per hour for a Solicitors or legal executives with over 4 years' experience

£177.00 including VAT per hour for Other solicitors or legal executives and fee earners of equivalent experience

£126.00 including VAT per hour for a Trainee or equivalent

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

For what happens if we end the agreement before the case is won or lost, please refer to paragraph 5.

Our responsibilities

We must always act in your best interests in pursuing your claim for damages and obtaining for you the best possible results, subject to our duty to the court; we must explain to you the risks and benefits of taking legal action; we must give you our best advice about whether to accept any offer of settlement.

Your responsibilities

- you must give us clear instructions which allow us to do our work properly; you must not ask us to work in an improper or unreasonable way;
- you must not deliberately mislead us;
- you must co-operate with us when asked;
- you must go to the court hearing when asked;
- you must pay for disbursements as the case goes on.

What happens if you win?

If you win (which means that an agreement is reached that any money is paid to you by anyone), you pay us our share of any money and our share of the value of any non-cash benefits plus any disbursements. You agree that we may receive the money your opponent has to pay. If your opponent refuses to accept our receipt, you will pay the cheque you receive into a joint bank account in your name and ours. Out of the money you agree to let us take our share of the money and our share of the value of the non-cash benefits plus any outstanding disbursements. You take the rest.

In addition, if the court orders costs against your opponent, you pay us those costs for the work we have done for you at £255.00 per hour, with letters and telephone calls charged at £25.50 each, unless they last for 10 minutes or longer in which case they will be charged at the appropriate proportion of the hourly rate. All these figures include VAT at the standard rate of [20]%. If your opponent fails to pay any damages owed to you, we have the right to take recovery action in your name to enforce a judgment, order or agreement, including the right to apply to the Secretary of State. The costs of this action are payable by you to us in addition to.

What happens if you lose?

If you lose, you do not have to pay us anything, except our disbursements.

What happens if the agreement ends before the case itself ends?

You can end the agreement at any time. You are then liable to pay us our costs incurred up to the date you end the agreement calculated at the hourly rate, set out above under 'Paying us'.

We can end the agreement if you do not keep to your responsibilities in paragraph 2. You are then liable to pay us our costs incurred up to the date the agreement ends calculated at the hourly rate.

We can end the agreement if we believe that you are unlikely to win and you disagree with us. You do not have to pay us anything.

We can end the agreement if you reject our opinion about making a settlement you're your opponent. You are then liable to pay us our costs incurred up to the date the agreement ends, calculated on the hourly rate (unless your damages are 20% more than the offer we advised you to accept, in which case you do not have to pay us anything).

What happens after the agreement ends?

We have the right to preserve a lien over any property of yours in our possession unless any money owed to us under this agreement is paid in full. This means we can keep your papers until you pay us in full.

Costs

If we agree with you to issue court proceedings in this matter, then this contingency fee agreement shall be void *ab initio*, that is, from the beginning, and a conditional fee agreement made between the parties to this agreement and signed and dated by the parties on the same date as this agreement shall be deemed always to have been in place.

This agreement is a Non-Contentious Business Agreement within the meaning of section 57 of the Solicitors Act 1974.

Signed for the solicitors
Matt Bell (Director)

.....

Signed by the client

.....

Binding Agreement

This agreement is a legally binding contract between (client) and MMA Legal Limited. We hereby agree as follows:

Whereas the parties have entered into a contingency fee agreement of even date which is annexed to this agreement and marked A and whereas the parties have entered into a conditional fee agreement of even date annexed to this agreement and marked B.

It is further hereby agreed that in the event of proceedings being issued by [give details- Any party] against any of the parties mentioned in these two agreements as potential defendants to any action then the contingency fee agreement shall be deemed to be void *ab initio*, that is, from the beginning, and the conditional fee agreement shall be deemed to have always been in place.

In consideration for [client.....] entering into this agreement MMA Legal Limited shall pay the sum of 1p the receipt of which is hereby acknowledged by
[client.....]

This agreement is a Non-Contentious Business Agreement within the meaning of section 57 of the Solicitors Act 1974.

Signed for the solicitors

Signed by the client

Matt Bell (Director)

.....

.....

A. CONDITIONAL FEE AGREEMENT ('CFA')

This agreement is a binding legal contract between you and your solicitor/s. Before you sign, please read everything carefully. This agreement must be read in conjunction with the Schedules and the Law Society Conditions attached.

I/We, MMA Legal Limited (the solicitor(s))

You.....*John Cavanagh*.....the client

What is covered by this agreement

- Your claim for damages suffered on or about the
- Any application for pre-action or non-party disclosure.
- Any appeal by your opponent.
- Any appeal you make against an interim order or an assessment of costs.

- Any proceedings you take to enforce a judgment, order or agreement.
- Negotiations about and/or a court assessment of the costs of this claim.

What is not covered by this agreement

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

Paying us if you win

If you win your claim, you pay our basic charges, our expenses and disbursements and a success fee together with the premium for any insurance you take out. You are entitled to seek recovery from your opponent of part or all of our basic charges and our expenses and disbursements, but not the success fee or any insurance premium.

The overall amount we will charge you for our basic charges, success fees, expenses and disbursements is limited as set out in Schedule 2 below.

It may be that your opponent makes a formal offer to settle your claim which you reject on our advice, and your claim for damages goes ahead to trial where you recover damages that are less than that offer. If this happens, we will not add our success fee to the basic charges for the work done after we received notice of the offer or payment. In these circumstances, you may be ordered to pay your opponent's costs, but only up to the amount of damages and interest awarded to you.

Expenses and Disbursements

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

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

If you win overall but on the way lose an interim hearing, you may be required to pay your opponent's charges of that hearing, but usually only up to the amount of damages awarded to you.

If on the way to winning or losing you are awarded any costs, by agreement or court order, then we are entitled to payment of those costs, together with a success fee on those charges if you win overall.

What do I pay if I lose?

If you lose you will normally have the benefit of Qualified One-Way Cost Shifting so the court will not usually enforce an order for costs against you, unless:

- the proceedings have been struck out; or
- the claim is fundamentally dishonest; or
- the claim includes a claim for the financial benefit of someone else.

If you lose, you do not pay our charges, but we may require you to pay our expenses and disbursements.

Success fee

The success fee is set out in Schedule 1.

Basic charges

Details of our basic charges are set out in Schedule 2.

Ending this agreement

If you have a right to cancel this agreement under Schedule 3 (see below) and do so within the 14 day time limit, you will pay nothing. Otherwise if you end this agreement before you win or lose, you pay our basic charges and expenses and disbursements. If you go on to win, you also pay a success fee.

We may end this agreement before you win or lose, with the consequences set out in the

Law Society Conditions.

Other points

Definitions of words used in this CFA are explained in the Law Society Conditions. You have the right to cancel this agreement in the circumstances set out in Schedule 3.

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

You may be able to take out an insurance policy against the risk of paying expenses and disbursements (but not our charges) if you lose, or some or your entire opponent's costs even if you win. You will be responsible for paying the insurance premium for this if you

win. If you lose the premium is still payable. Full details are contained in the insurance policy documents. We will give further information about insurance policies to you so that you can decide whether you wish to take one out.

The parties acknowledge and agree that this agreement is not a Contentious Business Agreement within the terms of the Solicitors Act 1974.

Signatures

Signed by the solicitor:

.....

Signed by the client:

The signature of John Cavanagh is written in black ink on a yellow rectangular background. The signature is cursive and reads "John Cavanagh". Below the signature is a dotted line.

Dated:

Schedule 1

Success Fee

The success fee is set at 100% of our basic charges, where the claim concludes at trial; or 25% where the claim concludes before a trial has commenced.

The success fee percentage reflects the following:

- (a) the fact that if you lose, we will not earn anything;
- (b) our assessment of the risks of your case;
- (c) any other appropriate matters;
- (d) the fact that if you win we will not be paid our basic charges until the end of the claim;
- (e) our arrangements with you about paying expenses and disbursements; and
- (f) the arrangements about payment of our costs if your opponent makes a Part 36 offer or payment which you reject on our advice, and your claim for damages goes ahead to trial where you recover damages that are less than that offer or payment.

The Success Fee cannot be more than 100% of the basic charges in total.

Cap on the amount of Success Fee which you will pay us in the event of Success in proceedings at first instance

There is a maximum limit on the amount of the success fee which we can recover from you.

That maximum limit is 25% of the total amount of any:

- i) general damages for pain suffering and loss of amenity; and
- (ii) damages for pecuniary loss, other than future pecuniary loss;

which are awarded to you in the proceedings covered by this agreement. The maximum limit is applicable to these damages net of any sums recoverable by the Compensation Recovery Unit of the Department of Work and Pensions. The maximum limit is inclusive of any VAT which is chargeable.

The maximum limit includes any success fee payable to a barrister who has a CFA with us.

However, this maximum limit applies only to a success fee for proceedings at first instance and not to a success fee on other proceedings (such as, for example, an appeal against a final judgment or order).

We will provide you with a copy of any relevant judgment or of our calculation of any settlement showing how much of your damages should be attributed to General.

Damages and Past Pecuniary Loss, net of any sums recoverable by the Compensation Recovery

Unit. If you do not agree our calculation and this makes a difference to the amount of the Success Fee payable you, then we will put the matter for determination by an independent barrister of at least 10 years call, to be appointed by agreement between us or, in default of agreement, by the President of the Law Society of England and Wales, such barrister to act as expert and not as arbitrator and his decision shall be binding. The barrister's costs for assessing this issue *are* to be paid by you if the barrister agrees with us, but otherwise *are to be* paid by us.

You also have the right to apply to the court for assessment of our costs, including our success fee.

Schedule 2

Basic Charges

These are for work done from now until this agreement ends. These are subject to review.
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 of an hour. Other letters and telephone calls will be charged on a time basis. The hourly rates are:

Grade of Fee Earner

1. Solicitors with over eight years post qualification experience including at least eight years litigation experience [£255.00 an hour].
2. Solicitors and legal executives with over four years post qualification experience including at least four years litigation experience [£218.00 an hour].
3. Other solicitors and legal executives and fee earners of equivalent experience [£177.00 an hour].
4. Trainee solicitors, Paralegals and other fee earners [£ 126.00an hour].

Schedule 3

Notice of the Right to Cancel

This only applies if you sign the Conditional Fee Agreement:

- (i) At your home, workplace or at someone else's home; or
- (ii) At your offices but following a visit by us (or by someone acting on our behalf) to your home, workplace or someone else's home; or
- (iii) At our offices but following a meeting between us away from our offices.

You have the right to cancel this contact, without reason, if you wish and can do so by delivering, sending (including electronic mail) a cancellation notice to the person mentioned below at any time within 14 days starting with the day of receipt of this notice.

The person to whom a cancellation notice may be given is Mr Matt Bell (practice manager) of MMA Legal Limited, 85 Nursery Road, Stockport, SK4 2ND.

Reference: _____ –

Notice of cancellation is deemed to be served as soon as it is posted or sent to us. You can use the cancellation form provided below if you wish.

Signed on behalf of MMA Legal Limited:, _____

_ Dated

If you wish to cancel the contract, you must do so in writing and deliver personally or send (which may be by electronic mail) this to the person named below. You may use this form if you want to but you do not have to.

(Complete, detach and return this form ONLY IF YOU WISH TO CANCEL THE CONTRACT) To: Matthew Bell

At: **MMA Legal Limited**, 85 Nursery Road, Stockport, SK4 2ND.

Case Reference No: _____

I hereby given notice that I wish to cancel my Conditional Fee Agreement with your form.

Signed: _____

Name: _____

Address: _____

Date: