

No Win No Fee Agreements

Why use a no win no fee agreement?

- If you lose, you pay nothing
- If you win, you pay a maximum of 40% of your damages* and sometimes less
- Your legal fees are always in proportion to your damages, however much work is necessary
- Your legal fees will never be more than your compensation
- You do not have to pay anything until you have received money from your opponent
- It allows you to pursue a 'small claim' where your opponent is not normally responsible for paying legal costs
- The 40% fee is only charged on damages for pain and suffering and for past financial losses, it is not charged on any claim for future financial losses
- In most cases insurance against paying your opponent's costs and your disbursements is included*

Disbursements

Disbursements are the fees we need to pay to other people as part of your case, for example medical reports, court fees and barristers' fees. We can ask barristers to work on a no win no fee basis. Disbursements need to be paid whatever 'no win no fee' arrangement or other agreement is used.

Unless we tell you otherwise, we will pay the disbursements during the case. If we recover interim damages or interim costs for you during the case we may take payment for your disbursements from that money. If you win your opponent is usually required to pay your disbursements for you at the end of the case.

* In cases valued at £100,000 or more the cost of insurance may be in addition to the 40% fee (see 'Insurance')

How it works

The following four documents are enclosed:

- A contingency fee agreement, covering work done before court proceedings start
- A conditional fee agreement, covering work done once any court proceedings start
- A bridging agreement, to switch from the contingency fee agreement to the conditional fee agreement if and when court proceedings start
- A cancellation notice, if you want to change your mind and cancel within 14 days of the agreements being entered into

If you wish to go ahead with the no win no fee arrangement, please sign all three agreements (but not the cancellation notice) and return them to us. We will then sign them and send you a copy to keep.

The agreements refer to how your legal fees are calculated (by hourly rates and a 'success fee'), and fees being payable by your opponent. Whatever happens, the net fee to you is always capped at 40% of your damages.*

If you lose, we do not charge for the work we have done

Insurance

If your estimated compensation is under £100,000 we will take out insurance for you to pay your disbursements if you lose. The cost of the insurance forms part of the 40% net charge to you, and is not payable if you lose the case.

The insurance may also cover you against the risk of paying part of the costs of the case if you win. This happens infrequently, but can include circumstances such as:

- If your opponent makes an offer of settlement, known as a Part 36 offer which you do not accept, but you go on to recover damages no better than the offer.
- If you or your opponent need to make an application to the court for an order and the court decides you should pay the costs of the application, for example if you make an application which is refused, or it has been made because you have missed or are likely to miss a time limit.
- If you win your case overall but lose a significant part of it, for example if your claim is very high but the court awards you a much lower figure.

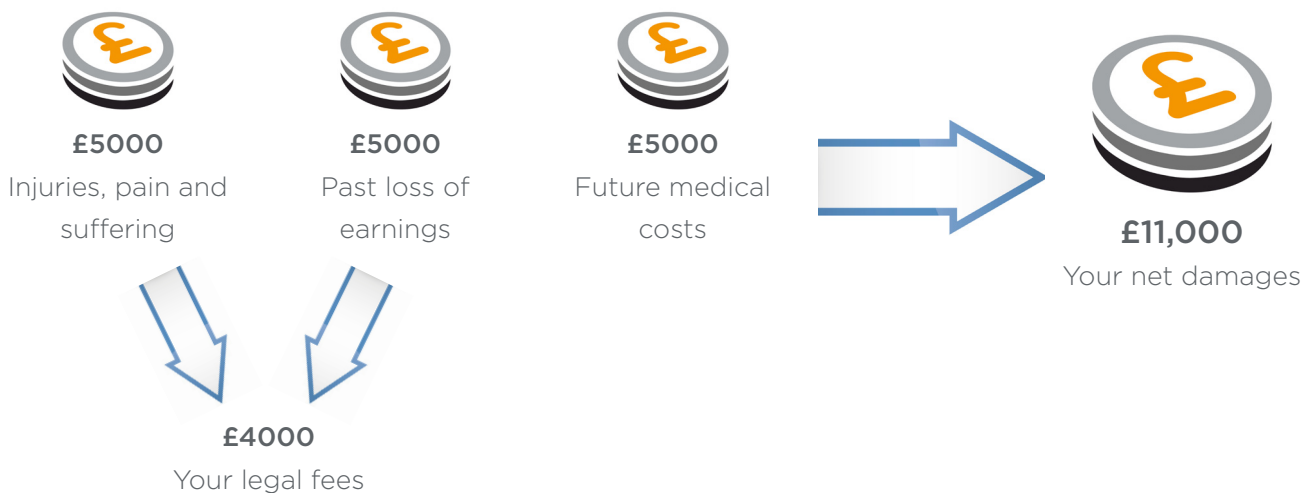
If your damages are estimated to be over £100,000 we will need to obtain a quotation for insurance cover from our provider. Because the premium is likely to be higher we would charge you the premium in addition to our 40% fee. The size of such claims means it is likely that the overall cost of the insurance would be a small percentage of the damages. We will advise you of the cost of the insurance in advance and you can choose not to take it out. In that event we will advise you on your options and your potential liability for disbursements and any other costs.

Example:

If for example you have a claim for:

- £5000 for injuries, pain and suffering
- £5000 for past loss of earnings (i.e. earnings lost before the settlement of the case)
- £5000 for future medical costs

If you win, you would pay out of your damages 40% of the money for pain and suffering and for past loss of earnings, but nothing from the future losses. You would therefore pay £4,000 and keep the remaining £11,000.



If you lose, we charge nothing and the insurance policy pays your disbursements for you. You pay nothing.

Alternatives to no win no fee agreements

Some people have cover for legal expenses from sources such as home or motor insurance or trade union membership. If you have, please let us know and we can find out whether we can use it to pay your legal costs. Often such policies require you to use a no win no fee agreement anyway, and just provide the insurance described above.

We can also offer to run your case without any no win no fee arrangement, with our fees based on our hourly rates and no success fee, but you would have to pay our charges if you lose the case, and we would need regular payment of our fees as the case as the case goes on. Your fees would also not be limited to any percentage of your damages, and your opponent may not be required to pay all (or indeed any) of your legal costs. For those reasons, most people use a 'no win no fee' arrangement.

Fraud or Dishonesty

If you lie about or exaggerate your claim, you would lose all protection against having to pay your own and your opponent's legal costs.

In a personal injury claim any inaccuracy 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. For example if the court finds that the accident was the other party's fault but you exaggerate your injuries or the amount that you have spent then your claim would be lost. You will then be responsible for this firm's costs as well as the other side's costs. Such conduct will invalidate any insurance policy.

One deliberate exaggeration in one email can lose your whole claim.

Documents to Return

Please sign and return:

- The contingency fee agreement
- The conditional fee agreement
- The bridging agreement

Please also send a copy of your insurance policy schedule if you think you may have insurance cover for legal expenses already.

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