



Chelford Law
Terms of Business
Motor Finance Discretionary Commission Claim(s)

1. Definitions & Interpretation

“Agreement” means the contractual agreement between You and Us which you enter into by signing the [Conditional Fee Agreement/Damages Based Agreement], the Client Care Letter, the Letter of Authority and this document setting out our Terms of Business.

“Business Day” means any day between Monday to Friday excluding weekends and public holidays.

“Claim(s)” means any Claim(s) or potential Claim(s) against Motor Finance Provider(s) relating to the failure to disclose commission charges or other sums paid in connection with your Motor Finance Agreement(s) and/or any other unfair lending practices identified during the provision of Our services.

“Client” means the Account/Policy Holder whose details are set out in the Letter of Authority and who has instructed Us to act on their behalf by signing the Agreement.

“Cooling-Off Period” means the period of 14 days after the signing and dating of the Agreement during which time you may cancel the Agreement without incurring any fees or charges.

“Compensation” means any sums offered, paid, given or received in respect of a settlement, goodwill gesture, policy refund, balance reduction, rebate or any other payment associated with the Claim(s) including any interest payments and associated charges.

“Damages Based Agreement (DBA)” means the contractual agreement You have entered into with Us in respect of the payment of Our fees for undertaking work on Your behalf to establish a successful Claim(s).

“Disbursements” means costs incurred on Your behalf in the course of Our work on Your Claim.

“Instruction” means your general instructions under the terms of the Agreement along with Your specific instructions whether written or verbal in respect of Your Claim(s)

“Non-litigation” means without any court action being taken and without any court representation being provided.

“Motor Finance Agreement(s) (MFA(s))” means a financial product allowing you to borrow money from a Lender specifically for the purposes of financing the purchase of a vehicle.

“Motor Finance Provider(s)” means the lender from who the finance was obtained under the terms of the MFA(s)

“Reasonable Prospects of Success” means the prospects of achieving a negotiated settlement of Your Claim being in excess of 50% to be assessed on the balance of probabilities.

“Success Fees” means the amount You have to pay Us for Our legal fees, as detailed in this Agreement.

“Terms of Business” means the Terms of Business set out herein.

“Us/Our/We” means Chelford Law.

“You/Your/I” means the Client who is party to the Agreement.

Unless the context otherwise requires, words in the singular include the plural and words in the plural include the singular

Introduction

These **Terms of Business** apply to the legal services provided by **Us** in relation to **Your Claim(s)**. By instructing **Us**, **You** agree to these **Terms of Business** in addition to the terms set out within the **Damages Based Agreement (DBA)** and the **Client Care Letter** provided to **You**.

2. Scope of Our Services

We will provide legal services in connection with **Your Claim(s)** for the recovery of discretionary commission charged under a **Motor Finance Agreement**. **Your Claim(s)** will be assessed and conducted on a **non-litigation basis**. **Our** services are strictly limited to the following:

- Investigating **Your MFA(s)** and assessing the discretionary commission arrangement.
- Corresponding with the **Motor Finance Provider(s)** and any relevant intermediaries.
- Seek disclosure of commission(s) and negotiate settlement where applicable.
- Provide **You** with advice on any and all settlement offers received.
- Attempt to resolve **Your Claim(s)** by way of a negotiated settlement.

We will not conduct litigation on Your behalf under the terms of this **Agreement**. Our services are strictly limited to those details in this Section 2). Should litigation become necessary, or should **You** wish to take legal action through the courts this **Agreement** will need to be amended or replaced. **We** will discuss suitable alternative arrangements with **You** before taking further steps.

3. Damages Based Agreement (DBA)

You have instructed **Us** under a **Damages Based Agreement (DBA)**. This means that **You** will only pay **Our** fees if your **Claim** is successful.

If **We** successfully recover **Compensation** on **Your** behalf, **We** will charge a **Success Fee**. The **Success Fee** is a percentage of the **Compensation** recovered and is structured as detailed below and within **Our DBA**.

Total Compensation Recovered	% Charged	Maximum Charge
£1-£1,499	30%	£420
£1,500-£9,999	28%	£2,500
£10,000-£24,999	25%	£5,000
£25,000-£49,999	20%	£7,500
£50,000 or above	15%	£10,000

The maximum fee charged for our services are stipulated by the SRA and can be seen in the table above.

Our fee (calculated as set out in the table above), is not inclusive of VAT, and is not inclusive of any payments we may be required to make on **your** behalf.

If **Your Claim** is unsuccessful, **You** will not be required to pay **Our** legal fees. However, **You** may still be responsible for certain **Disbursements** (see Section 4).

3.1. Early Termination

If, in accordance with clause 9.1, **Your Agreement** is terminated prior to the full completion of **Our** services, **You** may still be liable for a reduced fee depending on the stage of **Your Claim(s)** and the reason for termination (see Clause 9).

4. Disbursements

Disbursements are costs incurred on **Your** behalf during **Our** work on **Your Claim**. Potential **Disbursements** may include but are not limited to the following:

- Costs for obtaining financial records or documentation from third parties,
- Administrative costs (such as photocopying and postage), and/or
- Expert report fees (if necessary for settlement discussions).

We will notify **You** before incurring any significant **Disbursements**.

In the event of a successful **Claim**, **Disbursements** will be deducted from **Your Compensation**. If **Your Claim** is unsuccessful, **You** will remain liable for any outstanding **Disbursements**, unless covered by ATE insurance.

5. Billing and Payment

This is based on the total amount awarded and subject to any deductions which may be due including any amount outstanding to creditor.

You will not receive any bills for **Our** legal fees unless we recover **Compensation** for **You**. In that case, **We** will deduct **Our** fees, **Disbursements**, and any ATE insurance premium (if applicable) from the **Compensation** recovered.

5.1. Success Fee and Disbursements

If **Your Claim** is successful, the following will be deducted from **Your Compensation**:

- **Our Success Fee**, as outlined in the **DBA**.
- Any **Disbursements** incurred during **Your Claim(s)**.

We will provide **You** with a detailed breakdown of all deductions made from **Your Compensation** before final payment is made to **You**.

5.2 Recoverable Disbursements

In the event that **You** do not have a successful **Claim(s)** **We** may provide **You** with an invoice with a detailed breakdown of any **Disbursements** incurred during **Your Claim(s)**. **You** will be responsible for payment of the **Disbursements** within 14 days of receipt of the invoice.

6. Your Responsibilities

In order to handle **Your Claim** effectively, **You** agree to:

- Promptly provide **Us** with any relevant documentation and information.
- Cooperate with **Us** fully throughout the course of **Our** investigations and settlement negotiations undertaken on **Your** behalf
- Inform **Us** of any changes to **Your** contact details or circumstances in a timely manner.
- Respond to **Our** communications in a timely manner.

Your cooperation is vital to the successful resolution of **Your Claim**.

7. Complaints Procedure

We are committed to providing high-quality legal services. If **You** are dissatisfied with any aspect of **Our** service or have concerns about how **Your** case is being handled, please contact our Complaints Manager at Complaints@chelfordlaw.com

We operate a formal complaints procedure, and a copy is available on request. If, upon conclusion of **Our** complaints procedure, **You** are not satisfied with **Our** handling of your complaint, **You** may refer the matter to the **Legal Ombudsman**:

- **Address:** PO Box 6806, Wolverhampton, WV1 9WJ
- **Phone:** 0300 555 0333
- **Email:** enquiries@legalombudsman.org.uk
- **Website:** www.legalombudsman.org.uk

You must usually raise any complaint with the Legal Ombudsman within six months of receiving a final response from **Us**.

8. Confidentiality and Data Protection

We take our responsibilities under the data protection legislation seriously. When **We** are providing **You** with legal services **We** may process personal information about **You** and any other data subject involved in **Your Claim**. When **We** do this **We** are acting as a Data Controller in relation to that information.

All information **You** provide to **Us** will be treated as confidential, and **We** will only disclose it to third parties where necessary to handle **Your Claim** or as required by law.

You agree by signing and returning the **Letter of Authority** that **We** may disclose any personal information provided by **You** to **Us** to third parties where necessary to progress and manage **Your Claim**. **You** confirm that **You** have the required legal consents to provide **Us** with any such personal information.

We comply with the **UK General Data Protection Regulation (UK GDPR)** and the **Data Protection Act 2018** in handling **Your** personal data. A copy of **Our Privacy Policy** is available upon request and outlines how **We** use, store, and protect **Your** data.

We have the right to use public data sources and electronic verification in order to confirm the identity of **You** in order to comply with **Our** duties and anti-money laundering legislation.

9. Termination of Services & Assignment

9.1 **You** have the right to terminate this **Agreement** at any time by providing **Us** with written notice in accordance with the Notices clause at 10. If you choose to terminate **Our** services before the completion of **Your Claim**, **We** may, in accordance with clause 3.1, charge **You** for work completed up to the date of termination and for any **Disbursements** incurred.

We reserve the right to terminate this **Agreement** at any time:

- If **You** fail to provide necessary information or instructions.
- If **You** fail to cooperate with **Us**.
- If it becomes clear that **Your Claim** no longer has **Reasonable Prospects of Success**.
- You breach the terms of the **Damages Based Agreement**.
- At **Our** sole discretion, but acting reasonably in making such a decision

In such cases, **We** will provide **You** with reasonable notice and inform **You** of any liability **You** may have in respect of fees and **Disbursements** incurred up to the date of termination.

9.2 **We** may, after giving reasonable written notice to **You**, subcontract or delegate any or all of **Our** obligations under this **Agreement** to any third party including but not limited to entities within the CLP Group Limited. This **Agreement** is personal to **You** and is not assignable by **You**.

10. Notices

10.1 Any and all notices under this **Agreement** shall be:

- (i) in writing, delivered personally or sent by pre-paid first-class post and sent to
 - (a) **Us** at Chelford Law One Temple Quay, Temple Back East, Bristol BS1 6DZ

- (b) **You** at the **Your** last known address which will be as provided by **You** upon commencement of **Our** instruction and set out on the Letter of Authority, unless otherwise updated in writing.

- (ii) in writing, delivered by way of electronic mail and sent to

- a. **Us** at claims@chelfordlaw.com
- b. **You** at the email address provided by **You** upon commencement of **Our** instruction, unless otherwise updated in writing.

10.2 Any and all Notices given in respect of this **Agreement** shall be deemed to have been received:

- a. if posted, on the second Business Day following the day on which it was dispatched by pre-paid first-class post.
- b. if emailed, at the time of transmission, provided transmission is within the hours of 9am-5.00pm on a Business Day, if not, it shall be deemed served on the next Business Day after transmission.

11. Liability

We maintain a professional indemnity insurance policy which complies with the SRA's requirements with insurers approved by the Financial Conduct Authority. Full details of **Our** current insurance arrangements are available on request.

Any claims in relation to services provided by **Us** must be brought solely against CLP Group Limited and under no circumstances will any such claim be made against any of **Our** directors, employees, consultants or any other personnel.

If you instruct **Us** in relation to matters that involve other service providers (including but not limited to other professional firms) who limit their liability in any way, **Our** own liability will be limited to the amount that would have applied had the other service providers not so limited their liability.

We limit all liability to the fullest extent permitted by law to the amount of **Our** professional indemnity insurance cover from time to time.

Any exclusion or limitation of **Our** liability in these terms of business will not apply to any liability on **Our** part for death, personal injury, fraud or any other liability that may not be excluded or limited by law.

12. Tax Advice & Financial Advice

Our services will not include advice concerning the tax implications of any course of action, transaction, or settlement.

13. Governing Law and Jurisdiction

These **Terms of Business**, together with the **Damages Based Agreement** and **Client Care Letter**, are governed by and construed in accordance with the laws of England and Wales.

Any disputes or claim (including non-contractual disputes or claims) arising out of or in connection with the **Agreement** or its subject matter or formation shall be subject to the exclusive jurisdiction of the courts of England and Wales.

14. Entire Agreement

These **Terms of Business**, together with the **Damages Based Agreement** and **Client Care Letter**, represent the entire **Agreement** between **You** and **Us** in relation to **Your Claim**.

15. Acceptance of Terms

Please sign below to confirm **Your** understanding and acceptance of these **Terms of Business** and **Your** instruction for **Us** to act on **Your** behalf.

By signing these **Terms of Business** **You** confirm that **You** are aware of **Your** right to pursue **Your Claim(s)** free of charge via the Financial Ombudsman Service.

Client Name: {Title} {Firstname} {Surname}

Signature: {Signature}

Date: {SignatureDate}