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SRA 469975 | Co. 05990386

Contingency Fee Agreement

We: Clear Legal Limited T/A Clear Legal ("the Solicitor")

You: , ("the Client")

This is Your agreement dated with the Solicitor in relation to Your claim for financial mis-selling (a claim that your loan or credit facility was unaffordable) ('FMS') against your lender(s) ('Opponent(s)').[Footnote 1] This agreement relates to all legal work undertaken by Us prior to the issue of legal proceedings. Please refer to Your client care letter for confirmation of the specific claims that You have instructed us to pursue on Your behalf.

Clear Legal Limited is a firm of solicitors regulated by the Solicitors Regulation Authority ("the SRA"). The SRA website is https://www.sra.org.uk/consumers/.

This is a non-contentious business agreement within the meaning of section 57 of the Solicitors Act 1974 and is thus excluded from the provisions of the Damages Based Agreements Regulations 2013 by virtue of Regulation 1(4) of those Regulations.

What is covered by this agreement

Your claim for the recovery of compensation arising from Your claim for financial mis-selling (a claim that your loan or credit facility was unaffordable) ("FMS") against Your Opponent(s). This agreement applies to Your claim from the date that we first started work on it, even if that was before the date of this agreement. Please refer to Your client care letter for confirmation of the specific claims that You have instructed us to pursue on Your behalf.

What is not covered by this agreement

Any work done in preparation of or in pursuing court proceedings that are issued. In the event that court proceedings are issued then this agreement will automatically terminate. In the event that that happens then the Solicitor may elect to provide you with an alternative funding agreement in order for your claim to proceed in the courts.

The submission of Your claim to the Financial Ombudsman ("FOS") where, in Our sole discretion, We consider that it would not be commercially viable for Us to incur the applicable FOS Case Fee and continue acting under this agreement.

How do we define a Win under this agreement

Win means any outcome in your favour, either by an agreement to pay you compensation, or in any way that you derive a benefit from pursuing your claim ("Win").

How do we define a loss under this agreement ("Lose")

A loss ("Lose") means any outcome that does not result in a "Win" under the above definition

Other Definitions

"Overdraft Account" means a current account or similar facility operated with an overdraft limit.

"Overdraft Complaint" means a claim for FMS in relation to an Overdraft Account.

"Non-Overdraft Complaint" means any claim which is not an Overdraft Complaint.

Paying Us if You Win

A. If You win Your claim, We are entitled to charge You –

1. A fee for our own services, which will be calculated as a percentage of Your "Total Compensation".

2. "Total Compensation" means any direct monetary payment or balance reduction made by Your Opponent in respect of Your FMS claims. It includes both the cash and balance reduction elements of a refund. In relation to an Overdraft Account, this includes any payment or credit made to an Overdraft Account which has the effect of reducing what You owe to the lender or increasing the funds or overdraft that are available for You to use. For example, if you are awarded a £1000 refund but have a £500 balance and as a result receive £500 cash plus a reduction in your balance of £500, We will charge Our fee based on the £1000 figure as the "Total Compensation".

3. The amount We are entitled to deduct will be based on the Total Compensation You receive and will be calculated by reference to the Charging Table at paragraph 4 below and will either be a sum equivalent to the 'Maximum % Rate of Charge' or a sum equivalent to the 'Maximum Total Fee', whichever is the lesser. However, the amount You pay us will never exceed the total cash compensation You receive (except for Overdraft Complaints – see below).

4. Charging Table

Band	Total Compensation Received	Maximum % rate of charge (Inc VAT)	Maximum total fee (Inc VAT)
1	£1 - £1,499	36%	£504.00
2	£1,500 - £9,999	33.6%	£3,000.00
3	£10,000 - £24,999	30%	£6,000.00
4	£25,000 - £49,999	24%	£9,000.00
5	£50,000 or above	18%	£12,000.00

Please note: both the 'Maximum % Rate' and the 'Maximum Total Fee' include VAT at the prevailing rate of 20%.

Example 1

If We recover a cash refund on Your behalf of £5,000 (Total Compensation) then You will be responsible for Our fees of £1400 plus VAT (£1680 – 33.6% of the Total Compensation of £5,000).

Example 2

If We recover a cash refund of £2500 plus a balance reduction of £2500 (Total Compensation of £5,000) on Your behalf You will be responsible for Our fees of £1400 plus VAT (£1680 – 33.6% of the Total Compensation of £5,000).

Example 3

If We recover a cash refund of £500 plus a balance reduction of £2500 (Total Compensation of £3,000) on Your behalf then ordinarily You would be responsible for Our fees of £840 plus VAT (£1008 – 33.6% of the Total Compensation of £3,000). However, We will agree to cap Our fees at a sum equivalent to the total cash refund You receive and therefore You will be responsible for Our fees of £500 including VAT.

Overdraft Complaints only – how Our fees are calculated and paid

Where Your claim is an Overdraft Complaint and Your Opponent pays or credits some or all of the Total Compensation to an Overdraft Account:

1. That payment or credit forms part of Your Total Compensation and is used to calculate Our fee under the Charging Table.

2. We will not require You to find money from outside Your Total Compensation to pay Our fees. We will only look to be paid from:

(a) any cash payment made to You; and / or

(b) any increase in the funds or overdraft that are available for You to use in the Overdraft Account as a result of the compensation.; and / or

(c) any amount which Your Opponent pays directly to Us towards Our fees.

3. If, after the Total Compensation has been applied to the Overdraft Account, You:

- receive no cash payment; and
- have no more “available to spend” (no positive balance and no increase in available overdraft) than You had immediately before the Total Compensation was applied,

then We will not charge You any fee under the Charging Table, unless and to the extent that Your Opponent separately pays a sum direct to Us towards Our fees..

4. If the Total Compensation is applied to Your Overdraft Account in a way which does increase Your available balance or available overdraft facility (for example, where the overdraft limit remains the same but the debit balance is reduced so that You have more “available to spend”), We may charge Our fees out of that increase. However:

(a) We will never require You to pay an amount which would leave the account with a higher debit balance than it had before the Total Compensation was applied; and

(b) We will never require You to pay more than the amount by which Your available balance or available overdraft has increased as a result of the Total Compensation.

5. Any payment which Your Opponent makes directly to Us:

(a) in recognition of Our equitable lien; and / or

(b) by way of a contribution towards Your costs,

is a deduction made by Your Opponent from the Total Compensation. Such payments do not reduce the amount of cash compensation You receive and do not count towards the cap which provides that the amount You pay Us will never exceed the total cash compensation You receive.

Overdraft Complaints – how this works in practice

Overdraft Example 1 – no headroom created, so no fee

- Your overdraft limit is £1,200.
- Your account is £1,200 overdrawn (so you have £0 “available to spend”).
- Redress of £1,000 is awarded.
- The bank pays £1,000 into the account and immediately reduces your overdraft limit to £200.
- After this:
  - your balance is £200 overdrawn;
  - your overdraft limit is £200; and
  - you still have £0 “available to spend”.

In this situation, You have no extra money or facility available to you and receive no cash payment. We will not charge you any fee, unless the bank separately pays something to us towards our fees.

Overdraft Example 2 – headroom created, so our fee can be taken from that

- Your overdraft limit is £1,000.
- Your account is £1,000 overdrawn (so you have £0 “available to spend”).
- Redress of £1,000 is awarded.
- The bank pays £1,000 into the account but does not reduce the overdraft limit.
- After this:
  - your balance is £0;
  - your overdraft limit is still £1,000; and
  - you now have £1,000 “available to spend”.

Let’s say our fee under the Charging Table is £360 (including VAT). We may ask you to pay our fee from the £1,000 of new headroom created by the refund. If you agree:

- £360 goes to us for our fees;
- your account then sits at £360 overdrawn;
- your overdraft limit remains £1,000;
- you are left with £640 “available to spend”.

You have not had to find money from anywhere else. The fee has been taken only from the benefit created by the Total Compensation.

Overdraft Example 3 – lender pays our fees directly

Some lenders (for example, certain high-street banks) may agree to deal with our fees as part of the overall redress calculation.

In these cases, the lender may determine a Total Compensation figure, pay our fees directly to us from that amount, and then apply the remaining balance to your overdraft account.

If that happens:

- the amount the lender pays to us satisfies all or part of your liability for our fees, so you do not have to pay those fees yourself;
- it does not reduce any cash payment you receive; and
- it is an exception to the rule that the amount you pay us will never be more than your cash compensation.

After the balance has been applied to your account:

- if there is still an outstanding overdraft balance, the position described in Overdraft Example 1 or Overdraft Example 2 above will apply (depending on whether any headroom is created); and
- if there is no remaining balance, then our fees have been fully paid and you will not be asked to pay anything further.

You will never be asked to pay anything extra from your own funds.

Paying Us if You Lose

If You Lose Your claim You do not have to pay Us anything for our fees as described at paragraph A1 above. You will not have to pay any expenses and disbursements we may have incurred on your behalf.

Paying Us if You end this agreement

(This section does not apply where You exercise Your right to cancel under Schedule 1 - Notice of the Right to Cancel within the 14 day time period.)

If you end this Agreement and Win

If you end this Agreement, You must only pay Our fees if Total Compensation has been paid or is to be paid. Our fees will be calculated as if You have Won and we will be entitled to charge You in accordance with Section A above.

If you end this Agreement and do not Win

If You end this agreement and no Total Compensation has been paid, or is to be paid, and we have submitted your claim to the Financial Ombudsman Service, then we will be entitled to charge You for the work done, including all work that took place before the date of this agreement if appropriate. The charge will be calculated on an hourly rate basis and the hourly rate is £140 plus VAT per hour regardless of the qualifications or experience of the fee earner doing the work on Your claim. The charges are calculated to the nearest 1/10th of an hour for the work done. Routine letters and telephone calls will be charged at 1/10th of an hour. Should these circumstances arise we agree to cap any fee charged to You to a sum no greater than £250, including VAT.

Referring your Opponents to Us

In the past, We have experienced some lenders electing to approach customers direct as opposed to dealing with Us, and which has caused significant difficulties, both for Our clients and for Us, and, generally speaking, has always resulted in detriment to Our clients. In those circumstances, and in order to avoid any such difficulties arising, in the event that Your Opponent approaches you direct about a claim or claims that We are pursuing for You, then it is Your obligation to refer your Opponent to us as Your legal representative. For the avoidance of doubt, should You elect not to refer Your Opponent to us, and should You settle Your claim directly with Your Opponent, and should You receive the benefit of the Total Compensation then, under the terms of this agreement, those circumstances fit the definition of a Win and We are entitled to charge You in accordance with section A above.

Paying Us if We end this agreement

We can end this agreement in certain circumstances:

a. If You do not keep to Your responsibilities.

Your responsibilities are –

- to provide instructions in an honest and timely manner
- to keep Us updated with Your contact details
- to refer your Opponents to Us if they contact you direct

b. We can end this agreement if We believe that You are unlikely to win.

c. We can end this agreement if You reject Our opinion about making a settlement with Your Opponent.

In the event of any of a – c above happening then We are entitled to charge You in the same way that We would charge You in the event that You terminated the agreement, ie as outlined in the definitions of “If you end this Agreement and Win” and “If you end this Agreement and do not Win” above.

d. We can end this agreement if Your Opponent rejects your claim, or otherwise fails to provide a satisfactory resolution, and We determine in Our sole discretion that it would not be commercially viable for Us to incur the applicable Financial Ombudsman Service Case Fee and continue acting under this agreement. In those circumstances We will waive any entitlement to fees or charges under this agreement and provide You with information explaining how You may refer the complaint to the Financial Ombudsman Services Yourself.

In deciding whether it is commercially viable to continue acting, We may take into account all relevant factors, including the likely value of the claim, the likely amount of any recoverable fee, the applicable FOS Case Fee, acquisition or marketing costs incurred by Us, and the resources required to pursue the claim.

e. This agreement automatically ends if You die before Your claim is concluded. If Your personal representatives wish to continue Your claim for damages, We may offer them a new fee agreement.

We agree to the above terms:

Solicitor: Clear Legal Limited

Signed by the Client

Name: Date:

Schedule 1 – Notice of the Right to Cancel

Instructions for cancellation:

Your right to cancel

You have the right to cancel this contract within 14 days without giving any reason.

The cancellation period will expire after 14 days from the day of the conclusion of the contract.

To exercise the right to cancel, You must inform us of Your decision to cancel this contract by a clear statement (e.g. a letter sent by post, fax or email). You can use the attached Cancellation Form, but it is not obligatory.

Our contact details, to inform us of your decision to cancel, Clear Legal Limited T/A Clear Legal 115-119 Timber Wharf, 42-50 Worsley Street Manchester M15 4LD; tel: 0161 249 7885 email: enquiries@clearlegallimited.co.uk

To meet the cancellation deadline, it is sufficient for You to send Your communication concerning Your exercise of the right to cancel before the cancellation period has expired.

Effects of cancellation

If You cancel this contract, We will reimburse to You all payments received from You

We will make the reimbursement:

- Without any undue delay and not later than 14 days after the day on which We are informed about Your decision to cancel this contract;
- Using the same means of payment as You used for the initial transaction, unless You have expressly agreed otherwise, in any event, You will not incur any fees as a result of the reimbursement;

Starting work during the cancellation period

By entering into this Agreement, you expressly request that we begin work on your claim immediately and before expiry of the 14-day cancellation period. Your right to cancel within that period is unaffected. If you cancel, we will cease acting and notify the lender that we are no longer instructed and request that any complaint or claim previously submitted by us is treated as withdrawn.

Cancellation form

To Clear Legal Limited T/A Clear Legal, 115-119 Timber Wharf, 42-50 Worsley Street Manchester M15 4LD; tel: 0161 249 7885 email: enquiries@clearlegallimited.co.uk

I/we [*] hereby give notice that I/we [*] cancel my/our [*] contract for the supply of the Legal Services Ordered on/received on [Insert date of agreement]

Name of client(s):

Address of client(s):

Signature of client(s):

Date

[*] Delete as appropriate

Footnotes:

[Footnote 1] Opponent(s) is defined as anyone to whom we direct Your claim or claims in order to recover Your compensation, and anyone who ultimately pays Your claim or claims or agrees to reduce the amount that You owe by way of an outstanding balance.