

GUIDE TO CONDITIONAL FEE AGREEMENTS

If you win your claim

- **You will keep at least 75% of your damages;**
- The following deductions will be made from your damages up to a maximum cap of **25% of your damages**:-
 - A Success fee – limited to a maximum of 25% of your past losses and damages for your pain and suffering;
 - Any shortfall between our costs and what we are able to recover for our costs from your opponent;
 - A proportion of the ATE insurance premium which will be subject to how you intend to pay for your disbursements;
 - Interest accrued on any disbursement funding arrangement which is not recovered from your Opponent.
- This maximum cap means that we are likely to recover less than the law allows.
- This provision will apply as long as you comply with the terms and conditions and your responsibilities under the agreement.

If you lose your claim then subject to your compliance with the terms of the CFA and ATE (after the event insurance)

- **You do not have to pay our costs or a success fee;**
- You will not be liable for any disbursements incurred after the date the ATE insurance has been taken out;
- You will be reimbursed for any disbursements you have paid after the date the ATE insurance has been taken out;
- You will not have to pay for any interest accrued on any disbursement funding arrangement.
- Only in exceptional circumstances will a court order you to pay your opponents' costs but if you have taken out *after the event* insurance and assuming you have complied with the terms of the CFA and ATE you will not need to pay these.

In what circumstances might you have to pay any money?

- If you chose not to take out a disbursement funding loan then you will be asked to pay our disbursements and expenses upfront or as they are incurred. If your claim is not successful you will get this money back insofar as the disbursements are covered by the ATE. If your claim is successful we should recover these in full from your opponent;
- If your opponent makes an offer to settle your claim which you do not accept on our advice and your claim goes to Trial where you recover damages that are less than that offer you may be ordered to pay some or all of your opponent's costs. Outside of exceptional circumstances these costs will be limited to the amount of damages you receive. If you have *after the event* insurance you will not have to pay this subject to your compliance with the terms of your insurance;
- **Please note that in a personal injury claim any inaccuracy or exaggeration by you or on your behalf in relation to any part of the claim or if you are found to have been fundamentally dishonest will lead to the whole claim being thrown out with you being ordered to pay the other side's costs. This will happen if you have already won your claim. You could then be responsible for our costs as well as the other side's costs. Such conduct may also invalidate any insurance policy.**

After the event insurance

- We recommend that you take out an ATE policy with ARAG;
- This will cover the cost of your disbursements and interest on any disbursement funding package and any liability for your opponents' costs and expenses;
- If you have paid for your disbursements throughout your claim these will be reimbursed by the ATE policy;
- The premium for the insurance policy is deferred and self-insured and so you will not need to pay it if the case is lost. If your claim is successful then you will have to pay a proportion of the premium from your damages;
- The cost of the insurance policy will depend upon how you intend to pay for your disbursements (see below) but, in any event, your total liability towards the cost of this policy, any related interest and the success fee will **not be more than 25%** of your damages.

How will you pay for your disbursements?

There are two options available to you:-

- Option 1 – you pay for your disbursements upfront and/or as the case progresses;
 - It is likely we would need a minimum payment of £2,000 upfront;
 - If your claim was unsuccessful you would be repaid from the ATE policy;
 - If your claim is successful these should be recovered in full from your opponent;
 - If you chose this option and were awarded less than £100,000 you would have to pay **£1,196 (plus IPT)** towards the cost of the ATE premium from your damages (subject to the 25% cap);
 - If you chose this option and were awarded more than £100,000 you would have to pay **£4,950 (plus IPT)** towards the cost of the ATE premium from your damages (subject to the 25% cap);

- Option 2 - you take out a Disbursement Funding Loan:-
 - You would not need to pay any money towards your disbursements throughout the course of your claim;
 - If your claim was unsuccessful these would be covered by your ATE policy;
 - If your claim was successful these should be recovered from your opponent;
 - If you chose this option and were successful you would have to pay **£3,567 (plus IPT)** from your damages (subject to the 25% cap);
 - You would also be responsible for any interest accrued on the loan which is not recoverable from your Opponent (subject to the 25% cap).

Please note that this document is a guide and will not form part of any agreement you may have with Foot Anstey at any time during the conduct of your case.