

Collectas Credit Management Limited

Collectas House, 68a High Street
Leeds, West Yorkshire, LS25 7AB
Tel: 0330 043 0428

TERMS OF BUSINESS

(Reviewed 01.07.2018)

If you have difficulty reading these terms then we can supply a further copy with a larger print size

Our aim is to offer our clients a sound debt collection service with appropriate advice at a fair and reasonable cost. It will be helpful to you if we set out in this statement the basis on which we will provide our professional services to you.

1. WHAT WE WILL DO

We will: -

- a) Explain the work we will carry out for you and where relevant the prospects for a successful outcome, represent you if you ask us to and explain what it will cost you insofar as that is possible.
- b) Keep you up to date periodically with the progress of the case and deal with your queries promptly wherever possible
- c) Subject to any obligations we may have under the Proceeds of Crime Act 2002 keep your business confidential but you agree to us using fax and email to conduct your business.

You also authorise us to (i) divulge such information about your personal and financial affairs as is necessary to complete the work for you, and (ii) if necessary to pass your personal details outside the European Economic Area to countries which do not offer the same level of protection as the UK.

2. OUR OFFICE HOURS

The normal hours of opening are between 9:00am and 5:00pm weekdays only. Messages can be left on the answerphone or you can email us outside those hours

3. PEOPLE RESPONSIBLE FOR YOUR WORK

The individual and person ultimately responsible for dealing with your work will be set out in your Letter of Engagement together with details of the assistant/secretary who may be able to deal with your queries

4. OUR CHARGES AND EXPENSES

- a)
 - i) Our charges will be calculated mainly by reference to the time spent by our staff in respect of any work which they do on your behalf (this will include for example meetings with you and others, reading and working on papers, correspondence, preparation of any detailed costs calculations, and time spent travelling away from the office when this is necessary)
 - ii) Our fees will be charged to you by way of a fixed percentage of any monies recovered, however where a client wishes to cancel our work the fee stated within the Letter of Engagement becomes immediately payable. This does not apply if you review the case before we were to take instructions to take your opposing party to court.
 - iii) From September 2017, the hourly rates are set out below, in most cases the hourly rate will be payable for being represented in court and other work that is involved in your case. We will add VAT to these at the rate that applies when the work is done. Otherwise our charges will be reviewed in January of each year and details of charges will be available upon request for your case

Sam Bircumshaw – Managing Director	£700
Owen Jones – Litigation Director	£550
Lauren Pearson – Head of Collections	£475
Faith Summers – Collections Case Manager	£300
Charles Jennings – Collections Case Manager	£300
Adam Lowe – Collections Case Manager	£300
Joseph Francis – Collections Case Manager	£300
Olivia Coles – Collections Case Manager	£300
Matthew Parsons – Collections Case Manager	£300
Natasha Fowler – Legal Clerk	£150
Lucy Andrews – Legal Clerk	£150
Emma Palmer – Legal Clerk	£150
Trainees and Admin	£60

b) In most cases we recover debts for a percentage of the recovered amount, this will be stated on your Letter of Engagement and this will never include the expenses or VAT elements, both of which are additional to the fixed fee. An estimate of your likely fees and expenses under paragraph 4 should not be interpreted as a fixed fee and we will try to make that as clear as we can in our Letter of Engagement where applicable.

c) Where additional work is called for on our part which was not contemplated within the original work covered by the fixed fee we reserve the right to revise our charge and if a further additional fixed fee is not agreed we will charge you the appropriate hourly rates set out above.

d) In addition to the time spent, we may consider and make an additional charge for or increase the hourly rate for many factors including any need to carry out work outside our normal office hours, the complexity of the issues, the speed at which action must be taken, any particularly specialist expertise which the case may demand

e) We must pay out various expenses (“disbursements”) on behalf of clients ranging from debtor tracing services, court fees, travel costs, accommodation, and so on. We have no obligation to make such payments unless you have provided us with the cleared funds for that purpose in advance of payment. VAT is payable on certain expenses. We will also charge you for photocopying, having any schedule of costs drawn up professionally, and VAT, which is not included in our overhead calculations.

f) Where relevant we will provide you with an initial estimate of fees, and expenses and give you a periodic update of them.

g) If, for any reason, a matter does not proceed to completion, we will be entitled to charge you for work done and expenses incurred on an hourly basis.

h) In all cases we are required to properly identify our clients and ascertain their usual residence. We may ask you, and by accepting our terms of business you consent, to using electronic and other means to verify your identity and address. There will be a fee for this which at present is £100 + VAT per company (up to 4 directors) each further director is charged at £40 + VAT

5. PAYMENT OF OUR CHARGES

a) Debt Collection. Our fee is usually drawn from the balance that we collect on your behalf, where payment is made directly to you it is required that our fees are paid with immediate effect and that by instructing us you expressly agree to this course of action.

b) Any expenses and disbursements are immediately payable and are not able to be paid upon completion of a case

c) Court action and litigation. We require court costs and the hourly rate to process this before

any action can be taken, any further court costs are payable immediately along with the appropriate hourly rate or proportion thereof. Our hourly rate for case file preparation and litigation shall be billed after the case or upon success if you have agreed a "Conditional Fee Agreement". All disbursements are due before any services commence

d) It is usual practice to ask clients to pay sums of money from time to time because the charges and expenses which are expected to arise during a transaction. If such requests are not met with prompt payment, delay in the progress of a case will almost certainly result. In the event of any bill or request for payment not being met, we reserve the right to stop acting for you further.

e) In all cases payment of our fees is due to us immediately. Interest will be charged daily (at 17% over the Bank of England's base rate in cases where payment is not made within 28 days of our invoice date)

f) Referrals of Business. We are often referred business by outside agencies and we comply with all relevant laws such as the Data Protection Act when dealing with those referrals. You can remain confident that we will not do anything which will compromise our independence and ability to act in your best interests.

g) Even if you have a legal agreement with a third party for payment of your debt collection fees, e.g. a bad debt protection insurance, you remain primarily liable to pay our costs and charges

6. PAYMENT OF THE COSTS OF LITIGATION

a) In some cases, you may be entitled to payment of all or some of your costs by some other party. In such circumstances, you will have to pay our charges and expenses in full in the first place and any amounts which can be recovered for you will be reimbursed to you from the other party. You should understand that the other party could become insolvent or default on an obligation to pay all or part of your costs and will not be liable to pay the VAT element of your costs if you are able to recover the VAT yourself.

b) In the same way, you may be ordered to pay the costs of another party. You will remain liable to pay our costs and disbursements in full

c) You will also be responsible for paying our charges and expenses of seeking to recover any costs that the court orders the other party to pay you (if so instructed) as these costs are not included in our initial acceptance of your casework (unless expressly specified in writing and included in our estimate of costs or fixed fee)

7. INTEREST PAYMENTS

a) If a court orders a party to pay some or all of a party's costs and expenses, interest can be claimed from the other party from the date of the court order. We will account to you for such interest awarded to you to the extent that you have paid our charges or expenses on account, but otherwise we are entitled to the rest of that interest. You hereby irrevocably agree to us receiving the costs, VAT and interest on your behalf from the paying party, their solicitors or other third party.

b) We reserve the right to make a minimum charge of £30 plus VAT for computing interest due to you from time to time

c) Commission – If we receive a commission upon completion of your case you hereby irrevocably authorise us to retain it irrespective of future appeals or costs in connection with the case. We will notify you of the amount of commission received on each occasion.

8. BEFORE AND AFTER THE EVENT AND GENERAL INSURANCE COVER

- a) In some cases, arrangements can be made to take out insurance to cover liability for some legal expenses. Please discuss with us if you are interested in this possibility
- b) You should check carefully to see whether ANY policy of insurance you hold (individually or jointly with another) will cover the costs and expenses for this case, by agreeing to these terms you confirm you have checked and notified us in writing of any such policy. If you do not advise us in writing we will continue to charge you on the basis there is no such cover

9. STORAGE OF PAPERS AND DOCUMENTS IN OUR ARCHIVES

- a) After completing the work, we are entitled to keep all your papers and documents while there is money owing to us. Generally, we will keep your file of papers either electronically or via a hard copy for six years and we may keep them longer if we decide. Storage is on the clear understanding that we have the right, and you hereby authorise us, to destroy the papers and documents after such time that we consider reasonable
- b) We will not destroy and documents such as Wills, Deeds, and other securities, we will however return them to you. We do not offer a storage facility and would recommend such documents to be held with a solicitor after your case has finished.
- c) For time, we spend producing stored papers or documents to you or another at your request we may also make a charge. We may also charge for reading, correspondence or other work necessary to comply with your instructions.

10. TERMINATION OF THIS AGREEMENT

- a) You may terminate your instructions to us in writing at any time and you must tell us clearly in writing
- b) Upon cancellation, you agree to pay our fees, if the case is subject to a damage based agreement then you hereby consent to pay, with immediate effect, the percentage plus VAT of the commission value as stated in the agreement. You also agree to pay any costs already incurred in addition to the amount.
- c) Under the Consumer Protection (Distance Selling) Regulations 2000, for some non-business instructions, you may have the right to withdraw, without charge, within 7 working days of the date on which you asked us to act for you. However, if we commence working for you with your consent in that period, you lose that right to withdraw. By signing this agreement, you give your consent. If you wish to withdraw you should phone or write to us now and do not sign this agreement.

11. AGREEMENTS WITH LIMITED COMPANIES

When accepting instructions to act on behalf of a limited company or partnership, we make clear that each Director of the company shall be held personally liable for the charges and expenses of this firm. By signing this agreement, it is confirmed that each director of the company agrees to be held personally liable for our costs and charges and shall not withdraw this agreement at any time even if the director is to leave the said Limited company. In cases where court action takes place for none payment of fees and charges the directors may be named on the court paperwork or the High Court Writ amended whilst in the process of enforcement

12. NO TAX OR INVESTMENT ADVICE

- a) We are not authorised by the Financial Services Authority to give financial advice.
- b) We will not offer tax advice or necessitate the consideration of tax planning strategies. If you have any concerns in this respect, please raise them with us immediately so that we can identify a source of assistance for you

13. COMMUNICATION BETWEEN US

- a) Our clients and staff are of first importance to us. We will work hard for you and we hope that you will be pleased with the work we do for you. However, should there be any aspect of our service with which you are unhappy, please raise your concern in the first instance with the person dealing with your file. If you still have queries or concerns, please contact Karen Fuller, who is our Client Care Manager
- b) The Data Protection Act 1998 requires us to advise you that your particulars are held on our database. We may, from time to time use these details to send you information which we think might be of interest to you and you hereby authorise us to do so. We may deal with, transfer or disclose information about you for the purpose of providing you with our services, the prevention of fraud and verifying your identity and to comply with the law as it is from time to time

14. TERMS OF BUSINESS

- a) Unless otherwise agreed, and subject to the application of hourly rates and conditional fee percentages applicable and currently in force, these Terms of Business shall apply to any future instructions given by you to this firm

INDIVIDUAL

I confirm that I have read and understood, and I accept, these Terms of Business.

Signed

Date...../...../.....

Print.....

CORPORATION / LIMITED COMPANY

In the case of a limited company I have the authority to accept these terms and bind the Company on whose behalf I now sign.

Signed.....

Date...../...../.....

Print.....

Position.....

Collectas Credit Management Limited
Company Number 11254857
VAT Registration – GB294 5648 56
Registered Office – Collectas House, 68a High Street, Leeds, West Yorkshire, LS25 7AB