

Direct Dial: 0333 242 0587

Email: VPC@leighday.co.uk

Your Ref:

Our Ref: 341338/1

Dear Client,

Claim in relation to Vauxhall, Peugeot and Citroën/DS vehicle emissions

Thank you for instructing Leigh Day to bring a claim regarding your Vauxhall, Peugeot or Citroën/DS vehicle(s).

This letter explains and records, for the avoidance of any doubt, the nature of the instructions you have given to us, the advice we have given you so far and the action we have agreed to take to pursue the case further.

It should be read with the enclosed Conditional Fee Agreement (CFA) which contains important information about the costs of your case.

Acceptance of our terms and conditions creates an obligation to pay us in line with the attached CFA. Your acceptance to these documents is given by clicking on our website where clearly indicated, emailing us, or by signing and returning a paper copy. Please keep a copy of the documents as evidence of our solicitor's retainer with you.

Your Requirements and Objectives

You wish to obtain compensation in relation to alleged emissions defeat devices including cheating software and thermal windows in the Vauxhall, Peugeot or Citroën/DS vehicle(s) you bought in England and Wales and/or in relation to the failure of Vauxhall, Peugeot or Citroën/DS to manufacture your vehicle(s) so as to effectively limit emissions throughout their lives .

You want advice about bringing this claim. You have instructed us to investigate the claim and, if you have reasonable prospects of winning and obtaining compensation, to issue and pursue legal proceedings on your behalf.

We are still at the early investigation stage of the claims. It may be that following the receipt of further evidence and/or disclosure, we do not consider your vehicle to be one of the models affected by the emissions issue. If this is the case, then we will inform you.

The Issues Involved

Your claim is likely to be made on the basis that:

- you bought, hire purchased or leased a Vauxhall, Peugeot or Citroën/DS vehicle(s) in England or Wales that contained unlawful emissions defeat devices including cheating software and thermal windows and/or that was/were not manufactured so as to effectively limit emissions throughout their lives.

*Please note: in order to satisfy this ground, **we can only bring a claim on behalf of the individual/legal entity named as the purchaser on the vehicle purchase documents.** We will also need proof of legal ownership (for example, copies of your purchase invoice or finance agreement) If you are not the named party on the purchase documents, please inform us as soon as possible.*

- you did not know that the vehicle(s) contained the software/defective parts before buying it/them;
- had you known about the emissions cheating software/defective parts you would not have bought the vehicle(s) or at least would only have been willing to pay a lower price for it/them. If this is incorrect, please inform us urgently.

In order to bring this claim you also confirm that:

- You have not instructed another law firm to bring a claim for you in connection with the same vehicle(s) as you have instructed Leigh Day to bring a claim on your behalf. If you have instructed another law firm, please inform us as soon as possible.
- You have not already issued proceedings in Court on your own behalf in relation to this claim.

- You are not subject to any form of bankruptcy or insolvency proceedings.

There are several kinds of legal claim which we may make on your behalf depending on your individual circumstances including:

1. **Deceit/fraudulent misrepresentation and breach of statutory duty.** This type of claim may be made against the manufacturing companies who installed the emissions cheating software, and the companies responsible for the marketing/retail of the vehicles;
2. **Breach of contract, namely the term as to satisfactory quality.** This type of claim may be made against the authorised dealer or authorised finance company you purchased your vehicle(s) from;
3. **Breach of the Consumer Protection from Unfair Trading Regulations 2008 (“CPUT”).** This type of claim may be made against the authorised dealer or authorised finance company you purchased your vehicle(s) from;
4. **Unfair relationship under Consumer Credit Act.** This type of claim may be made in circumstances where you purchased your vehicle(s) via Vauxhall, Peugeot or Citroën/DS’s authorised finance companies.

The main issues vary depending on the type of legal claim made, but include determining:

- Whether affected vehicles would have met EU emissions standards if the emissions test cheating software had not been used;
- Whether the emissions test cheating software meets the definition of a “prohibited defeat device” under EU emissions testing law;
- Whether the vehicles were manufactured so as to effectively limit emissions throughout their lives;
- Whether the manufacturers made false or misleading representations that the affected vehicles met EU regulatory requirements;
- Whether each claimant relied on the defendants’ false or misleading representations when deciding to purchase their affected vehicle;

- How much compensation each claimant is entitled to, including for financial and non-financial losses. When determining how much compensation each claimant is entitled to, the main factors considered will be:
 - I. by how much the resale value of their vehicle has been reduced;
 - II. whether any “fix” of the vehicles performed by the manufacturers has any negative effects such as on performance, fuel economy, or reliability;
 - III. any negative personal effects on each claimant such as inconvenience, loss of amenity and upset; and
 - IV. the seriousness of the manufacturer’s misconduct.

There are also several issues which only apply to specific types of claim. For example, in claims for breach of contract or under CPUT we will need to show that the dealers and authorised finance companies could reasonably be expected to be aware that the manufacturers represented that the affected vehicles met regulatory requirements.

Defendants

The claim is to be brought against such defendants as we advise. This may include any Vauxhall, Peugeot or Citroën/DS company (such as their approved finance companies, and the dealer from whom you bought your affected vehicle(s)).

Status of Legal Proceedings

We are at a very early stage of the litigation where we are gathering information and evidence in relation to the claims. We have recently sent Letters Before Action to the Defendants and await substantive responses. We are also currently working with experts to increase our understanding of the nature of the devices installed in Vauxhall, Peugeot or Citroën/DS vehicles.

In addition, on 10 June 2021, it was reported by [Reuters](#) that Peugeot has been charged in France with consumer fraud, and had been ordered to provide 30 million euros in guarantees for potential payouts. Citroën has also been summoned to Court in France. It is anticipated that these French criminal investigations will shed more light on the cheat devices the manufacturers installed in their vehicles.

As stated above, it may be that on further investigation your vehicle is not one that is affected by an emissions issue. If this is the case, we will advise you promptly and provide you with our advice.

In due course we are optimistic that we will be in a position to advise you to issue court proceedings against Vauxhall, Peugeot or Citroën/DS, and that we are then likely to make an application for a Group Litigation Order (GLO). We will only take this step when we are satisfied that there is a good chance of the claim succeeding..

A GLO is made when there are multiple Claimants and Defendants and the Order provides for the case management of the claims which give rise to common or related issues of fact or law. In effect, the GLO allows the claims to be heard together rather than on an individual basis making it far more efficient.

A GLO will normally:

- establish a framework for the management of the large number of claimants that are likely to make a claim in respect of Vauxhall, Peugeot or Citroën/DS vehicles. This includes setting out the common issues that the Court will determine under the GLO;
- establish a Group Register recording brief details of the claims of all claimants who join the group action;
- create a Steering Committee of law firms to conduct the litigation on behalf of all claimants;
- provide how legal costs are to be shared between the parties;
- set out what information each claimant must provide to the Defendants about their claim.

Any directions given at any Case Management Conferences and any decision of the Court will be binding on all claims that are entered onto the Group Register. The Court may direct that one or more of the claims are to proceed as 'test cases' with all other claims being stayed whilst awaiting the outcomes of the test claims.

As well as pursuing court proceedings we will explore all possible ways of achieving your objectives, including mediation or some other alternative dispute resolution procedure if appropriate and if the manufacturers will agree to it.

Group Litigation

In large group actions where we may act for thousands of individuals in the same matter, it is very difficult to obtain instructions from all claimants about how best to conduct their

claims. In accepting the terms of the CFA, you authorise us to take all the steps we consider appropriate to best conduct your claim (see paragraph 7.5 of the CFA).

Limitations or Exclusions

There are some limitations to the scope of our retainer if the time limit to make one of the claims described above ends within the first three months from the date of your instruction (i.e. the date you accept these terms).

By accepting our terms and conditions, you are stating that **you understand that any claim(s), in respect of which the time limit to claim expires within three months from the date you accept these terms, fall outside of the scope of this retainer (unless we inform you in writing that we are able to act for you in relation to any such claims).** Please refer to the “*Time Limits to Claim*” and “*Issuing Proceedings*” section below for further details.

If, as your case progresses, you wish to take some further action other than that which we can foresee now, we will discuss whether we can assist you and the cost implications of our doing so.

We have accepted your instructions and below we give you some preliminary advice and set out our plan of action.

Advice

Causes of action

The types of legal claims we recommend you bring depend on your individual circumstances. Certain criteria must be met to bring each type of claim. Not all types of claim are available to everybody. Even where available, we may recommend that you do not bring a particular type of claim in your circumstances. Broadly speaking:

1. All claimants can claim in **deceit/fraudulent misrepresentation** and **breach of statutory duty** against the appropriate manufacturer.
2. All claimants can claim against their dealer or finance company for **breach of contract**, provided they bought their vehicle less than 6 years before proceedings are issued. However, this claim may be more difficult to prove against non-Vauxhall, Peugeot or Citroën/DS approved dealers or finance companies. We therefore recommend that claimants who bought their vehicle from a non- approved dealer or from a finance company other than an approved Vauxhall, Peugeot or Citroën/DS one, do not make this claim.

3. **CPUT** claims can only be made by claimants who bought their vehicle or made a finance payment in relation to their vehicle on or after 1 October 2014 (this is when the legislation providing for CPUT claims came into force) and used it for non-business purposes. A claim under CPUT must be issued within 6 years of the date of the contract, however there may still be a claim for any continuing payments after this date. However, this claim may be more difficult to prove against non-approved dealers or finance companies. We therefore recommend that claimants who bought their vehicle from a non-approved dealer or from a finance company other than Vauxhall, Peugeot or Citroën/DS finance not make this claim.
4. Claims under the **Consumer Credit Act** should only be made by claimants who financed their vehicle with a Vauxhall, Peugeot or Citroën/DS finance company.

Each of the different types of claim has different advantages and disadvantages. The biggest difference is between those who can claim under CPUT and those who cannot. Generally, claimants who can claim under CPUT are able to claim for substantially greater compensation than under any of the other types of claim.

This is because under CPUT you are in principle entitled to recover a discount on payments made after 1st October 2014 ranging from 25% to 100% depending on how serious the court considers Vauxhall, Peugeot or Citroën/DS's actions to have been. The size of the discount is less dependent on proving you suffered financial loss than the other types of claim. We will seek a 50% - 75% discount. However, the court may award less than that and it is common for claims to settle for something less than the full amount claimable to avoid the risk of losing.

The compensation recoverable under the other types of claim is more dependent on proving loss and, on the information currently available, a lower amount will probably be recoverable than under CPUT.

The manufacturers have so far denied that any software fitted to their vehicles in the UK is unlawful.

However, based upon the information we have, we advise that making a court claim and participating in the group action has reasonable prospects of success overall. We consider the potential benefits of bringing a court case will justify the costs and risks involved provided enough claimants join the group claim.

Funding your Claim

We are offering to bring your claim under a Conditional Fee Agreement (CFA). Recognising that this is likely to be a major legal battle with the Defendants, we have secured funding from an appropriate commercial funder - Balance Legal Capital I G Ltd (the funder), advised and managed by Balance Legal Capital LLP. The funder will pay on your behalf our discounted charges and disbursements.

The funding agreement we have entered into with the commercial funder will ensure that we have the resources in place to provide the best service to our clients.

In return for providing this funding, the funder will require payment from your damages if you win your claim.

The total payment to the funder and to us under the CFA (which includes the funder's fee, legal costs, insurance premium, and other costs related to your claim) will however be capped at 35% of any damages/compensation that are awarded to you (inclusive of VAT) plus any litigation costs recovered from the Defendants.

This means that if you win, you will always receive at least 65% of your damages/compensation recovered from the Defendants.

The CFA does not, however, protect you from exposure to the opponent's legal costs should the claim be unsuccessful.

To protect you and the rest of our clients from the risk of having to pay the manufacturer's and other defendants' legal costs should the claims be unsuccessful, the funder has agreed to indemnify you to the extent of an After the Event (ATE) legal expenses insurance policy which it has secured to cover the risk of this potential liability, details of which are included in the CFA. We have also included in the CFA a formal "statement of demands and needs" which will set out key details of the insurance policy. The cost of this policy is included within the 35% payment from damages.

Other sources of Funding and Legal Expenses Insurance

You may have other sources of funding your claim than the package we are offering. For example:

- Legal expenses insurance. Many home insurance products include legal expenses insurance either automatically or as an optional add-on. You should contact your insurers to check.

- If you are a member of a trade union, you should check whether the union will fund you.

If you have such an alternative source of funding, then it may be cheaper for you to use it than the funding package we are offering. We are not offering to act via such legal expenses insurance/union funding, so if you wish to use it you may need to instruct another firm.

Action

The next steps we need to take are set out below:

- Confirm you accept the terms of the enclosed funding documentation, and the obligation to pay if you win, **by email or by signing and returning a hard copy if you have not already accepted via our website**;
- Ensure we have completed regulatory checks including verification of your identity electronically and if necessary via supporting documents you will be asked to provide;
- For you to provide confirmation of the details of your vehicle(s);
- Unless you have already done so when you signed up to the claim, for you to provide the further details requested about your purchase. **Unless you provide these details, we will not be able to take your claim forward; we will also be unable to advise you about the time limits that apply to your claim.**
- For you to provide copies of documents proving that you purchased or otherwise acquired your vehicle(s). Examples of such documents are order forms, invoices and finance agreements. If you have not retained your documents, please request these from your dealership and/or finance company as relevant as soon as possible. Please send any documents to vpc@leighday.co.uk **Again, unless you provide satisfactory proof of purchase/acquisition, we will not be able to take your claim forward.**
- Carry out further investigations to determine whether your vehicle contains a prohibited defeat device;
- Calculate the estimated value of your claim, which is called “quantum”;

- Obtain expert evidence;
- Issue proceedings and pursue your claim in court (if appropriate).

Time limits to Claim

The time limit for claiming depends on the type of claim:

1. **Deceit/misrepresentation and breach of statutory duty** claims must be brought within 6 years of you discovering (or if you could have discovered with reasonable diligence) that your vehicle had emissions test cheating software.
2. **Breach of contract** claims must be brought within 6 years of the breach of contract, which in this case is 6 years from the date of purchase.
3. **CPUT** claims: the CPUT legislation has not yet been tested before the Courts. The Court may find that CPUT claims must be brought within 6 years of the date of the contract to acquire (or possibly delivery of) the vehicle. It is also possible that the Court would find a CPUT claim arises (and so limitation starts to run) at the date of each payment you made in respect of buying or financing your vehicle. What does this mean in practice? Out of an abundance of caution, where possible, we will issue proceedings on the basis of the date of the agreement or vehicle delivery – but where that is not possible (for example, if we were instructed after that date) we will also issue proceedings on behalf of our clients to protect the right to claim for any ongoing payments.
4. **Consumer Credit Act (CCA)** claims should be brought within 6 years of the first payment made under your Vauxhall, Peugeot or Citroën/DS finance agreement, although it may be possible to bring the claim after that date but only in respect of getting compensation for any payments made within 6 years or to be made in the future.

If the time limit passes for you to bring a claim, you cannot rely on that claim. You can still bring any of the other kinds of claim available for which the time limit has not yet passed. However, if limitation passes in respect of one or more of your claims, this is likely to affect the overall level of damages you receive if successful.

Issuing proceedings

By accepting our terms and conditions, you authorise us to issue proceedings on your behalf in order to pursue your claim (subject to the restrictions noted below).

As explained in the 'Limitations and Exclusions' section above, **we will not be in a position to issue proceedings on your behalf for any claim(s) which expire within three months from the date you accept these terms, as any such claims are excluded from the scope of this retainer (unless we have confirmed otherwise in writing).**

The reason for this is because in a group claim such as this, where there are a very large number of claimants, it is important to conduct the case in a proportionate and coordinated manner – and in accordance with the court's expectations – from the outset. Issuing separate Claim Forms for each individual client in a group claim is disproportionate to managing the claims in a cost-efficient manner.

However, provided we are satisfied it is likely your vehicle is affected and the case is otherwise strong enough, we will issue the group proceedings in due course (much based on the advice of our Counsel team). For the reasons given above, that may be at a later stage than is appropriate in your individual case.

We will only be able to issue proceedings on your behalf once we have received further information and sufficient evidence to support your claim.

As and when we issue group proceedings we/the funder will cover the cost of the court fee, provided you accept our conditional fee agreement.

Are there any significant risks in issuing group proceedings?

In short, no. The funder will pay for the court fee and the ATE insurance is in place to protect against the risk of losing, provided you comply with the terms of the CFA. Your claim will be joined together with the many thousands of people who will be joining the court proceedings.

Timescales

At this early stage, it is impossible for us to give an accurate prediction of the timescale for a satisfactory outcome, taking into account your requirements and objectives above. In our experience group claims of this type, may take 2 to 5 years to progress through the Court, but it could take much longer. The length of time the claim takes, will depend on any complexities arising within the litigation.

There are some things we cannot control, in particular, the approach that the defendants will take to the litigation.

We will update you regularly with more information on the timescale of your case, particularly in relation to the timescales for next steps, which can be predicted more accurately.

The Management of your Case

I have responsibility for the overall management of the Vauxhall, Peugeot or Citroën/DS emissions claims and will be running your case within the action.

I am a Partner within the firm and have extensive specialist product liability and group action experience. I will also be assisted from time to time by other partners, solicitors and paralegals within the Product Safety and Consumer Law Team, but I will remain responsible for your individual case.

It is the policy of our firm, and one of our professional responsibilities, that the work of the person handling your case be supervised by one of the partners in the practice. This rule applies even if the person handling your case is himself or herself a partner in the practice. The partner charged with responsibility for supervision of the work done on your case is Sally Moore.

Communicating with you

During the current pandemic we have contingency plans in place, including homeworking arrangements, to make sure we can continue to provide a service to our clients, via email, telephone and where appropriate for you, via Microsoft Teams.

We usually correspond with clients by email. We will send any sensitive personal material in an attached document, which is encrypted with a password for reasons of information security.

If you would prefer to use another method of communication, please let us know. Even where we usually communicate with you via email, there may be occasions when we have to send material to you non-electronically (for example, bulky documents).

When we correspond with you by post we will send you any sensitive material, (such as, for example, medical records or reports) using Special Delivery to protect against the loss or misuse of this information. Special Delivery requires a signature from you, or it will be returned to us. Should you not wish us to use Special Delivery to send you

such documents, but you would prefer us to use the ordinary post for all postal correspondence with you, including sensitive material, then please let us know.

We ask that you do not use WhatsApp to contact your Legal Team.

Finally, if you are happy for us to discuss your case with any other person, please provide their details.

Complaints

Leigh Day is committed to providing high quality legal advice and client care. If you are unhappy about any aspect of the service you have received or about your bill, please bring it to our attention as soon as you can. We will try to resolve the matter fairly and quickly. We will apologise if need be and do our best to offer a practical solution.

You can obtain a copy of our complaints procedure here: <https://www.leighday.co.uk/our-complaints-policy> or by request.

If we are unable to resolve your complaint, then you can have the complaint independently looked at by the Legal Ombudsman. The Legal Ombudsman investigates complaints about services issues with solicitors.

The Legal Ombudsman expects complaints to be made to them within one year of the date of the act or omission about which you are concerned or within one year of you realising there was a concern. You must refer your concerns to the Legal Ombudsman with six months of our final response to you.

You can contact the Legal Ombudsman at PO Box 6806, Wolverhampton, WV1 9WJ,
Telephone: 0300 555 0333,
email: enquiries@legalombudsman.org.uk
Website: www.legalombudsman.org.uk

The Legal Ombudsman has produced helpful booklets to guide you if you have a complaint. We can let you have copies on request, or you can find them on the Legal Ombudsman's website. They are called **Here to Help**, **How to Complain to Your Service Provider**, **Investigating Your Complaint** and **Our Approach to Investigations**

The Solicitors Regulation Authority (SRA) can help you if you are concerned about our behaviour and that it may be in breach of the SRA's Code of Conduct. You can find information on how and when to raise a concern with the SRA on the SRA website here; <https://sra.org.uk>

If your complaint is about your bill you can apply for an assessment of the bill under Part III of the Solicitors Act 1974. The Legal Ombudsman cannot consider a complaint about the bill if you have applied to the Court for assessment of the bill. We may be able to charge interest on all or part of an unpaid bill.

Any concerns about our commitment to equality, diversity and inclusion will be dealt with in line with our Equality, Diversity and Inclusion policy, which is available upon request.

Data Protection

All information that we hold concerning you as an individual will be held and processed by the firm in accordance with current UK data protection legislation. Such personal and sensitive data will be used by the firm to provide you with legal services and for related purposes, such as to inform you about the firm's services and events. We will not, without your consent, supply your name and addresses to any third party except where:

- such transfer is a necessary part of the legal services that we undertake,
- the transfer is necessary to comply with the reasonable requirements of a third party who is funding your case, or
- we are required to do so by operation of law.

As an individual, you have a right under Data Protection Legislation to obtain information from us, including a description of the data that we hold on you. Should you have any queries concerning this right, please contact our Data Protection Officer, Viviana Marcus dataprotection@leighday.co.uk. A copy of our firm's Privacy Policy is available on our website. Please let us know if you would like the policy sent to you.

Confidentiality

Generally speaking, the law says that the information you give to your solicitor for the purpose of obtaining legal advice, or because you are involved in litigation, is confidential. Your solicitor may not disclose it to anyone, even members of your family, without your permission. This duty to preserve your confidential information applies both to individual and institutional clients of the firm.

However, it is important that you are aware that there are some exceptions to this. For example, under the terms of the litigation funding agreement that we will enter into on your behalf we may share details of your claim with the litigation funder. The Litigation Funding Agreement itself contains provisions regarding confidentiality which are applicable.

If you have insurance to cover your legal costs, we will also have to provide information to your insurers, whether they are legal expense insurers or after the event insurers. For example, it is likely to be a condition of your cover that we report to your insurer from time to time on the prospects of success of your claim in percentage terms, the value of

your claim and whether there are any negotiations in progress. In that situation, we will discuss this with you.

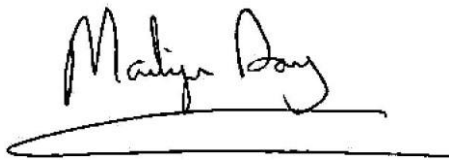
The Solicitors Regulation Authority (SRA)

The Solicitors Regulation Authority (SRA) regulates more than 100,000 solicitors in England and Wales, as well as registered European lawyers and registered foreign lawyers. Established in January 2007, it is the independent regulatory body of the Law Society of England and Wales

Leigh Day is a legal disciplinary partnership. We are regulated by the Solicitors Regulation Authority under registered number 00067679. Our VAT number is 429700745. A list of partners is available for inspection at our Registered Office: Priory House, 25 St. John's Lane, London EC1M 4LB.

Please contact me if there is anything that you would like to discuss at this stage regarding the arrangements for the conduct of your case or if you would like any other information.

Yours sincerely

A handwritten signature in black ink that reads "Martyn Day". The signature is written in a cursive style and is positioned above a long, horizontal, slightly wavy line that serves as a decorative underline.

Martyn Day
Senior Partner
Leigh Day

Conditional Fee Agreement with Litigation Funding (' CFA ')

Agreement date:

We/Us: Leigh Day, of Panagram, 27 Goswell Road, London, EC1M 7AJ

You (the client):

1. How this agreement operates

- 1.1 This is a conditional fee agreement [**'CFA'**] to fund your legal claim. Your legal costs will be part-paid by a third-party litigation funder [the **'Funder'**] as the claim proceeds.
- 1.2 Under the agreement with the Funder [the **'Litigation Funding Agreement'**], if the emissions claim is successful, the Funder is entitled to a return [**'Funder's Return'**] which includes: repayment of any funding provided; a return of 1.9x the full amount of funding committed by the Funder; and any residual amount. We can provide full details of the Funder's Return on request.
- 1.3 All costs payable under this agreement and the Litigation Funding Agreement including: the Funder's Return; ATE insurance fees (see **Schedule 4. Insurance policy - Summary below**); our costs and success fees (see **4. Paying us** below); barrister's fees (see **5. Barrister's fees** below); and all other fees, are referred to as the **'Capped Fee'** below. Provided that you keep to the terms of this agreement, the Capped Fee is 35% of any sums recovered plus any litigation costs which are limited to the amount received from the Defendant. This means that if you win, you will always receive at least 65% of your compensation.
- 1.4 By entering this agreement, you authorise us to enter the Litigation Funding Agreement, and to deduct the Funder's Return from any sums that you recover in the emissions claim plus any costs that you recover. This deduction will be capped at the level of the 35% Capped Fee described above [the **overall cap**].
- 1.5 By entering this agreement, you also authorise us to arrange insurance to cover your risk of having to pay the defendants' costs if the emissions claim is unsuccessful [**'ATE insurance'**]. You further authorise us to deduct the ATE insurance premium from any compensation you recover. This deduction is subject to the overall cap.
- 1.6 This agreement is a legal contract between you and us. Before you accept this agreement, please ensure that you have read everything carefully. This agreement must be read in conjunction with the schedules and the Law Society Conditions (as amended by us), which are attached, and which are part of this agreement.

2. What is covered by this agreement

- 2.1 Your claim for remedies arising from the purchase/acquisition of a Vauxhall/Peugeot/Citroën/DS vehicle(s) which was allegedly fitted with an unlawful defeat device or which was not manufactured so as to effectively limit emissions throughout the life of the vehicle [the **'claim'**]. 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.

- 2.2 Any appeal you make on our advice.
- 2.3 Any appeal made by an opponent which we advise you to defend.
- 2.4 Any proceedings you take to enforce a judgment, order or agreement.
- 2.5 Negotiations about and/or a court assessment of your costs.
- 2.6 Any pre-action applications or non-party disclosure applications which we advise you to make.

3. What is not covered by this agreement

- 3.1 Any counterclaim against you.
- 3.2 Any appeal made by you without our agreement, or any appeal by your opponent which we advise you not to defend.
- 3.3 Any detailed assessment of an opponent's costs.
- 3.4 Where on your instructions we carry out work which is not covered by this agreement, then you will pay us for that work on a time spent basis whether you win or lose unless we agree in writing to extend the scope of this CFA or to a further CFA.

4. Paying us

The terms 'discounted charges', 'basic charges and 'success fee' which are used in this section are explained in schedules 1 and 2. Other terms are defined in the Law Society Conditions below in Schedule 5.

- 4.1 You must pay our discounted charges and disbursements in any event, and we may invoice for these at not more than monthly intervals as your claim proceeds. However, these charges will be met on your behalf by the Funder under the Litigation Funding Agreement.
- 4.2 If at any point your opponent is ordered to pay you costs, you will become immediately liable to pay us the basic charges and disbursements which are subject to the costs order, but (unless you have already won) your immediate liability will be limited to the sums actually recovered. Any balance, together with a success fee, will be payable if you win (or have won) your claim.
- 4.3 If you win your claim, you are liable to pay us our basic charges, disbursements and a success fee, plus any applicable tax [collectively '**our costs**']; you will also be liable to pay the Funder's Return and any premium for ATE insurance (see schedule 4). Credit will be given for any sums already paid. You authorise us to deduct all these sums from any sums recovered from your opponent before remitting the balance to you.

4.4 If you win, your opponent is likely to be ordered to contribute to your legal costs. Any costs recovered will be payable to us, and will be used (i) to repay the sums advanced by the Funder; and (ii) to defray the balance of our basic charges and disbursements. The costs recovered are unlikely to cover the whole of our basic charges and disbursements, and will not cover the success fee, the Funder's Return or any ATE insurance premium. These unrecovered charges will remain payable by you, and will be deducted from your compensation [the '**shortfall**']. However, so long as you keep to this agreement and comply with its terms, your liability for the shortfall is limited to the overall cap. Any outstanding balance due to us, barristers instructed by us, the Funder or any insurer will be waived.

Formal offers to settle by an opponent

4.5 The court may make a costs order against you if it finds that you should have accepted a formal offer of settlement by an opponent. If the court makes such a costs order against you because of an offer which you rejected on our advice, then we will waive (i) the difference between our basic charges and our discounted charges and (ii) our success fee for the period which is covered by that costs order.

5. Barristers' fees

5.1 We may also instruct barristers to act on your behalf. Where barristers do not act on CFAs, their fees will form part of our disbursements. Where barristers act on CFAs, then unless otherwise provided their fees will be payable in the same circumstances as our own discounted charges, basic charges and success fee. The barristers will therefore be paid discounted charges (if applicable) in any event, but these charges will be met by the Funder. The balance of the barrister's basic charges and any success fee will be payable if you win. The provisions above relating to costs which are payable by opponents and to formal offers to settle will also apply, with necessary modifications, to barristers' fees. Barristers' fees are also subject to the overall cap.

6. Opponent's costs

6.1 After court proceedings have started, you may be ordered to pay your opponent's costs, e.g. if you lose your claim, lose an interim application, or fail to better a formal offer to settle.

6.2 You are generally able to insure against paying opponent's costs. See schedule 4 for the ATE insurance arrangements which apply to your claim.

7. Group litigation – costs sharing and delegated authority

7.1 Where your claim is one of a group of similar claims, liability for legal costs will be shared by all the members of the group. Subject to contrary agreement or court order, you and the other members of the group will share liability for our costs (including any barristers' fees) as follows:

7.1.1 Each member will be exclusively liable for costs which relate exclusively to their claim.

- 7.1.2 Each member will also be liable for a share of those costs common to multiple claims [**'common costs'**].
 - 7.1.3 Irrespective of the date of their agreement with us, each member of the group will be treated as if they were a member from the earliest date on which common costs began to be incurred, and liability to pay common costs may then be calculated quarterly, beginning with that date.
 - 7.1.4 In each quarter, liability to pay the common costs will be divided by the number of members pursuing claims on the first day of that quarter, and each member will then be liable to pay an equal share.
 - 7.1.5 If in any quarter a member compromises his or her claim with an opponent on terms which provide for the opponent to pay that member's costs, then that member will be liable to pay his or her share of the common costs up to and including the last day of that quarter.
- 7.2 Liability for the ATE insurance premium will be shared by the members of the group in accordance with the terms of the policy, or in accordance with any costs sharing agreement required by the insurers. Liability to pay the Funder's Return will be determined by the Litigation Funding Agreement.
- 7.3 It may be necessary to make different costs sharing arrangements depending, for example, on how the court manages the proceedings relating to your claim. Where we reasonably consider that this is necessary, you agree that we may substitute such alternative costs sharing terms as are reasonable.
- 7.4 Where you are part of a group, any liability to pay the costs of an opponent will, in default of agreement, be determined by the court. Often, the costs of a successful opponent in group litigation will be a liability of the unsuccessful claimants in equal shares, but the court has wide powers to make different orders.
- 7.5 In group litigation, it is not usually possible for solicitors to take instructions from each individual client about how best to conduct their claims. In such a case, you therefore authorise us to take all the steps we consider appropriate to best conduct your claim, including (but not limited to):
- 7.5.1 deciding what types of legal claims to pursue on your behalf and how best to put these forward;
 - 7.5.2 making strategic decisions on how best to progress the claim, including decisions regarding preliminary legal issues, lead claims and appeals;
 - 7.5.3 issuing legal proceedings where appropriate;
 - 7.5.4 deciding what type of generic evidence is needed and obtaining such evidence;
 - 7.5.5 selecting and instructing appropriate barristers in your claim;
 - 7.5.6 selecting and instructing appropriate experts and filing and serving expert evidence;
 - 7.5.7 agreeing case management directions and extensions of time with your opponent and seeking the court's resolution where appropriate;
 - 7.5.8 making and defending interim applications where agreement with your opponent cannot be reached or where the court's permission or approval is required;
 - 7.5.9 entering into settlement negotiations or alternative dispute resolution with your opponent, and where appropriate, settling the claims;

- 7.5.10 taking all steps to recover our costs from your opponent, including commencing detailed assessment proceedings and entering settlement negotiations or alternative dispute resolution;
 - 7.5.11 give consent on your behalf in the event that any member of the group is required to discontinue their claim;
 - 7.5.12 appointing a Committee of claimants who have instructed us to make decisions on your behalf, if we consider appropriate; and,
 - 7.5.13 instructing other solicitor's firms or groups of firms to carry out work on your behalf, if we consider appropriate.
- 7.6 Where exercising our authority under clause 7.5 we will always act in the best interests of the majority of the group. If the best interests of the majority of the group differ from your best interests, we will advise you of this, but you agree that we may cease to act for you in these circumstances, in which case the payment terms in clause 10 below of Schedule 5 will apply. Where possible we will refer you to alternative solicitors.

8. Your right to have our costs assessed

- 8.1 You have the right to have our costs (which include barristers' fees where we have instructed the barristers, but not the Funder's Return or any ATE insurance premium) checked by a judge. This process is called detailed assessment. You should inform us immediately if you wish to have our costs assessed, as the process is subject to strict time limits. We will then advise you further on what is required.

9. Other points

- 9.1 We add VAT or other applicable taxes to our costs where this is required by law. Our VAT Registration Number is 429700745.

- 9.2 You acknowledge and agree that:

- 9.2.1 We may arrange:

- a. litigation funding and enter a Litigation Funding Agreement on your behalf;
- b. ATE Insurance and enter an ATE insurance policy on your behalf;

and deduct any resulting charges (subject to the overall cap) from any compensation recovered.

- 9.2.2 This agreement is governed by English law, and (save where otherwise provided for below) any dispute arising out of or related to it or arising out of or relating to us acting for or advising you (or purporting to act for or advise you) shall be subject to the exclusive jurisdiction of the courts of England and Wales;
- 9.2.3 If any part of this agreement is found to be unlawful or unenforceable, or would if given effect render all or part of this agreement unlawful or unenforceable, then that part of the agreement shall be without effect and is severed from it, and the remainder of this agreement continues in full force and effect.
- 9.2.4 In particular, if this agreement or any part of it is found to be unlawful or unenforceable, you agree that you will still have provided us with authority to

enter into a Litigation Funding Agreement on your behalf and the Litigation Funding Agreement shall remain binding on you.

Acceptance of terms and signatures

You may accept this agreement, and the obligation to pay if you win, either by clicking your acceptance to these documents on our website where indicated, sending us an email confirming you accept the terms and the obligation to pay if you win, or by signing and returning a paper copy. By accepting this agreement you confirm that you have read this agreement and that you have asked any questions you wanted to ask about it and understand it, and that you agree to be legally bound by it. You specifically confirm that you have understood and agree to the matters stated under 'Other points' above.

If you have not previously accepted our agreement you may enter this agreement and accept its terms by signing below:

Client name:

Signed by the Client:

Date:

Schedule 1: The Success Fee

1. The Success Fee is a percentage uplift on our basic charges.
2. The applicable percentage depends on the stage at which your case concludes. The stages are as follows:
 - Stage 1: the case concludes prior to legal proceedings being issued: 10%
 - Stage 2: the case concludes after legal proceedings are issued, but without a defence being served which denies liability and/or causation and before Stage 3: 20%
 - Stage 3: the case concludes less than 3 months but more than 14 days from the date that a trial is due to commence: 30%.
 - Stage 4: the case concludes 14 days or fewer from the date that a trial is due to commence, or concludes after that date: 40%

For the avoidance of doubt (i) the success fee which results from the stage at which the case concludes will apply to the whole of your claim, and not simply from the conclusion of the previous stage; (ii) subject to (iii) below, if your claim is part of a group, whether the case is one where a relevant defence has been served or which has been listed for trial is determined not with reference to your individual claim, but to the overall position in the group litigation. Hence, if a generic defence is served, or if a defence is served in lead or test claims only, then the case overall will be deemed to be defended, including your claim, and Stage 2 may apply. If a trial is listed thereafter in any group claim, then the case overall is deemed to be listed for trial, and Stages 3 or 4 may apply. Hence, even if your claim is stayed immediately after issue, the success fee will increase if other claims in the group (such as lead or test claims) are met with a defence denying liability and/or causation or proceed towards trial. (iii) But in determining the success fee which applies to your claim in a case to which (ii) above applies, events which occur after you have won your individual claim will be disregarded. Hence, if you win your claim at stage 2 because of an early settlement, only the stage 2 success fee will payable by you, even if the case as a whole continues to trial and other claims are therefore subject to a higher success fee.

(Reference to a group means any group of claims which are managed together by the court, whether or not a formal group litigation order is made.)

3. The success fee percentage reflects the following:
 - 3.1 that if you lose, we will only be paid our discounted charges;
 - 3.2 that we are at risk if you reject a formal offer to settle;
 - 3.3 that our costs are subject to the overall cap, which means that substantial costs may have to be written off in certain circumstances;
 - 3.4 we defer your liability to pay unfunded basic charges until you have won;
 - 3.5 the risk that irrespective of our rights to payment under this agreement, we may not be able to enforce them;

3.6 The inherent uncertainty of litigation, including the following specific risks:

- The Defendants may successfully argue that the software/equipment fitted to vehicles in the UK did not constitute a defeat device and so was not unlawful;
- It transpires that your specific vehicle does not contain a prohibited defeat device;
- The Defendants may successfully defend claims that their cars were not manufactured so as to effectively limit emissions throughout the life of the car;
- Expert analysis may reveal there are no or very small losses arising from the Defendants' actions;
- The Defendants may successfully argue that the use of the software fitted to the vehicle and/or the ineffective components used to manufacture the vehicle were not misleading as defined in the Consumer Protection from Unfair Trading Regulations 2008 ("CPUT") or did not amount to a fraudulent misrepresentation or breach of contract;
- The Defendants may successfully argue that the manufacturer's prohibited conduct under CPUT was not a significant factor in your decision to purchase the vehicle, or that you did not rely on the manufacturer's misrepresentation when purchasing the vehicle;
- The Defendants may successfully argue that you are not entitled to any discount under CPUT or that you have suffered no losses;
- Some Defendants (i.e. dealers) may successfully argue that, because they are separate legal entities and did not know about the emissions cheating software/ineffective components, they are not liable for a Defendant manufacturer's conduct;
- The Defendants may successfully argue that you are out of time to bring your legal claim.

4. In addition to the risks identified above, the success fee is the premium that we require in order to represent you on conditional payment terms, and (subject to your right to assessment) is payable irrespective of its relationship to risk.
5. The Success Fee cannot be more than 100% of the basic charges in total, and if in error a success fee of more than 100% is provided for, then the success fee will nevertheless be limited to 100%.

Dispute resolution procedure

6. Where disputes are to be resolved under the disputes resolution procedure in Schedule 1, the dispute will be determined by an independent barrister of a standing and seniority which is appropriate having regard to the complexity and value of your claim. The barrister shall act as an expert and not as an arbitrator and their decision shall be binding. In default of agreement as to the identity of the barrister, the chair of the Commercial Bar Association or their delegate shall nominate the barrister. Both you and we will have the opportunity to make representations to the barrister in writing, within 21 days of receiving notification of their appointment. They will then immediately prepare a written opinion deciding what is properly attributable to the classes of damages we have identified. We will undertake to pay the barrister's fees in the first instance, but the barrister will direct that you pay their fees if they agree with us, and that we pay their fees if they agree with you. Where the barrister does not agree with either you or us, then you and we will each be responsible for half of

the fees. Where you must pay all or part of the barrister's fees, we may deduct them from your compensation.

Schedule 2: Discounted Charges & Basic Charges

Discounted Charges

1. Discounted Charges are that part of the Basic Charges which are payable by the Litigation Funder as the case proceeds. Although payable by you, they will be met by the funder subject to the terms of the Litigation Funding Agreement without recourse to you unless you go on to Win.
2. The Discounted Charges will be 60% of the Basic Charges stated below.

Basic charges

3. Basic charges are calculated by the time spent by us or our agents on your claim. We will calculate our basic charges in units of one tenth of an hour. The hourly rates are:

Grade of Fee Earner	Hourly Rate	Hourly Rate including VAT at 20%
A Conducting Partners with more than 12 years post qualification experience.	£600	£720
B Solicitors, in-house counsel and legal executives with over 8 years post qualification experience including at least 8 years litigation experience, and other fee earners of equivalent experience and/or responsibilities	£500	£600
C Solicitors, in-house counsel and legal executives with between 4 and 8 years post qualification experience including at least 4 years litigation experience, and other fee-earners of equivalent experience and/or responsibilities.	£350	£420

D Other solicitors of up to 4 years post qualification experience and legal executives and fee earners of equivalent experience and/or responsibilities.	£270	£324
E Trainee solicitors, paralegals and other fee earners of equivalent experience and/or responsibilities	£175	£210

4. We may review the hourly rate annually and we will notify you of any change in the rate in writing.

Schedule 3 – Notice of the Right to Cancel

Client Reference Number:

Date:

You have the right to cancel this agreement without giving any reason within a period of 14 days after the date on which you entered it.

To exercise the right to cancel, you must inform us of your decision to cancel by a clear statement (e.g. a letter sent by post, fax or e-mail). You may use the attached cancellation form if you wish but you do not have to.

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. You can cancel by:

post to: Leigh Day, Priory House, 25 St. John's Lane, London EC1M 4LB, UK

or

e-mail to: VPC@leighday.co.uk

or

fax to: + 44 20 7253 4433

Subject to the next paragraph, if you cancel we will reimburse any payments received within 14 days of being informed that you have cancelled. We will make the reimbursement using the same means of payment as you used, unless you have expressly agreed otherwise; in any event you will not incur any fees as a result of the reimbursement.

Where you requested us to begin the performance of services during the cancellation period, you shall pay us an amount which is in proportion to what has been performed until you have communicated your cancellation to us.

Leigh Day

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Cancellation Notice

If you wish to cancel the agreement you may use this form if you want to, but you do not have to.

To: Leigh Day, Priory House, 25 St. John's Lane, London, EC1M 4LB, UK

Email : VPC@leighday.co.uk

Fax : + 44 20 7253 4433

I/We hereby give notice that I/we wish to cancel my/our conditional fee agreement, your reference :.....

Signed:.....

Name:

Address:

Date:.....

Schedule 4: ATE Insurance

ATE insurance and litigation funding

1. We recommend that your claim be covered by ATE insurance and third-party litigation funding because:
 - 1.1 You are liable to pay our disbursements whether you win or lose and these need to be both financed and covered in the event you lose;
 - 1.2 Litigation funding enables Discounted Charges to be paid as the litigation progresses, without which we and the barristers would be unwilling to act;
 - 1.3 You are at risk of having to pay your opponent's costs if proceedings are issued and you lose either your claim or an interim hearing/dispute;
 - 1.4 The funder has agreed to indemnify you for these costs to the extent of the ATE insurance policy and subject to the terms of the funding agreement (in particular Clause 10.2); and
 - 1.5 As of the date of this CFA, the funder has secured an ATE legal expenses insurance policy to protect the funder against paying adverse costs.
2. The key features of the policy and the litigation funding agreement are:

Insurance policy – Summary

3. The insurance policy provides for up to £4 million of insurance cover through Litica Limited and Lakehouse Risk Services Limited. The Funder is the insured under the insurance policy. We have assessed that amount as sufficient, but will keep that under review and, if necessary, seek additional cover. The insurers are A-rated for credit worthiness. Please see Schedule 5 which is a formal "statement of demands and needs" which sets out key details of the insurance policy.
4. An upfront premium of £720,000 has been paid for the policy by the Funder (Stage 1). The remainder of the premium is deferred and contingent. It is deferred until the conclusion of the claims and it is contingent on the claims being successful. The remainder of the premium (the balance) is calculated depending on the stage at which the claims successfully conclude:
 - 4.1 (Stage 2) If the legal action is concluded after the Claim form is issued but prior to the date first ordered for the exchange of lists of documents: £1,200,000 plus IPT.
 - 4.2 (Stage 3) If the legal action is concluded on or after the date first ordered for the exchange of lists of documents but prior to the date first ordered for the exchange of witness statements: £1,400,000 plus IPT.

- 4.3 (Stage 4) If the legal action is concluded on or after the date first ordered for the exchange of witness statements but prior to the expiry of 28 days therefrom: £1,600,000 plus IPT.
 - 4.4 (Stage 5) If the legal action is concluded after Stage 4 or proceeds to a satisfactory outcome; £2,000,000 plus IPT.
5. The balance will be payable if damages are recovered from your opponent, in which case liability will be shared by all the successful claimants, and each such claimant's share of the premium will be deducted from their damages, subject to the 35% Capped Fee.

Litigation Funding Agreement – Summary

- 6. The Funder will advance funds to Leigh Day to enable it to pay: legal costs (including solicitors costs and barristers' costs which are subject to the discounts described above); insurance costs; disbursements; and other costs related to the claim.
- 7. In return for the litigation funding, if the claim is successful, Leigh Day has agreed to pay the Funders' Return from the sums and costs recovered from your opponent.
- 8. You authorise Leigh Day to enter the Litigation Funding Agreement with the Funder, and to deduct the Funders' Return from any sum or costs recovered on your behalf in the claim. This deduction is subject to the cap that applies to the 35% Capped Fee as described above.

What will the Funder pay

- 9. Leigh Day has prepared a budget of the costs required to run the claim for you and all other claimants in the group, which includes an amount for marketing to increase the group size. Subject to the terms of the Litigation Funding Agreement, the Funder will pay the costs incurred by Leigh Day in accordance with that budget.
- 10. Although Leigh Day believes the budget is sufficient to run the claim to conclusion, it may be that something changes and therefore additional money is required beyond the budget. In that case the Funder may agree to provide additional funding, but that extra funding would have to be negotiated by Leigh Day and the Funder at the relevant time and might not be on the same terms as the original funding.

When could the Funder stop funding?

- 11. The Funder may stop the funding if there is a material change in your claim (e.g. if your claim turns out not to be valid, or unlikely to win in court or if it transpires that total value of all group members' claims is so small that the litigation will not be economic). Funding may also be stopped if there is a material breach of the terms of the funding agreement, and in the other circumstances set out in the funding agreement. If funding is stopped, Leigh Day will return to the funder any money disbursed to them and not already spent on legal costs in relation to the claim.

Other points to note

12. We should also advise you of these points:

- 12.1 We are not insurance brokers. The legal expenses insurance market is complex and changes frequently and we may not have carried out a full assessment of other alternative insurance products which may be available in the market. Different types of policy may be available.
- 12.2 We are not directly regulated by the Financial Conduct Authority. However, we are included on the register maintained by the Financial Conduct Authority so that we can carry on insurance mediation activity, which is broadly the advising on, selling and administration of insurance contracts. This part of our business, including arrangements for complaints or redress if something goes wrong, is regulated by the Solicitors Regulation Authority.

Schedule 5: Statement of Demands & Needs

Summary of cover required:

Solicitor:	Leigh Day (for and on behalf of the Claimants in the underlying claim as set out below)
Subject matter:	<p>Consumer Group Action brought by the PSA owners against PSA, Peugeot, Citroen, Vauxhall, Opel (including authorised and non-authorised dealerships) and associated Finance Companies. Please see Quotation Schedule for full details.</p> <p>For the following heads of claim:</p> <ol style="list-style-type: none"> 1. Breach of statutory duty/Euro tort 2. Deceit 3. Breach of Contract 4. Under the Consumer Protection from Unfair Trading Regulations (CPUT) 5. Unfair relationship under the Consumer Credit Act
Proposer Insured:	Balance Legal Capital I G Ltd
Type of Cover:	Funder Adverse Costs Indemnity Insurance to cover opponent's costs that the Claimants would be liable to pay in the event that their claim is unsuccessful.
Additional Scope:	Anti-Avoidance provision to satisfy a security for costs requirement.
Jurisdiction / Location of legal action	England & Wales
Limit of Indemnity	£4,000,000 to cover opponent's costs only
Not covered:	Own side's costs and disbursements are not covered.
Excess	£nil
Special Note	Funder Adverse Costs Indemnity Insurance wording applicable.

Schedule 6

Law Society Conditions (as amended by us)

1. The amended Law Society Conditions below are part of this agreement. You should read the conditions carefully and ask us about anything you find unclear.

Your responsibilities

2. You must:
 - 2.1 give us instructions that allow us to do our work properly, and not ask us to work in an improper or unreasonable way;
 - 2.2 observe the utmost good faith in all your dealings with us, disclosing all information relevant to your claim, and never providing us with information which is misleading or untrue;
 - 2.3 You must also let us know if you are subject to a bankruptcy order or a bankruptcy petition has been presented by or against you or you are subject to any other form of insolvency process. This applies both at the outset and throughout the course of your case. This is because it could affect us being able to conduct your claim and have an impact on your award of compensation. If you are declared bankrupt, some or all of your compensation may go to your Trustee in Bankruptcy;
 - 2.4 go to any expert examination or court hearing where reasonably required;
 - 2.5 comply with all the terms of this agreement and the terms of the ATE insurance policy and Litigation Funding Agreement;
 - 2.6 not enter into any direct negotiations or agreements with an opponent;
 - 2.7 even where this agreement has ended:
 - not make or accept any offer of settlement which excludes payment of our reasonable and proportionate basic charges and disbursements without our agreement (which is not to be unreasonably withheld);
 - not do anything else which might unreasonably prejudice our recovery of any part of our reasonable and proportionate basic charges and disbursements from your opponent;
 - provide us with all reasonable assistance to recover our costs from your opponent.
- 2.8 Where your claim is part of a group, you must in addition:
 - enter into any costs sharing agreement with other claimants which we reasonably advise you to enter, and thereafter comply with the terms of that agreement;
 - do nothing which might unreasonably prejudice any other members of the group; and
 - keep confidential all information received by you in connection with your claim or the claims of other members of the group;

Dealing with costs if you win

3. You will use your best endeavours to recover our basic charges and disbursements from your opponent. You further provide us with your irrevocable authority to pursue such a claim in your name. We may charge you our basic charges and disbursements in any such claim, but only to the extent recovered from your opponent. If we and your opponent cannot agree the amount payable, the court will decide how much you can recover. Any unrecovered costs will remain payable by you, but only up to the overall cap.
4. Any interest paid by your opponent which is referable to our unpaid costs will belong to us. Any interest referable to costs paid by the Funder will belong to it. If you are awarded an 'additional amount' referable to our costs under rule 36.17(4)(d)(ii) of the Civil Procedure Rules, then that will also belong to us.
5. If your opponent does not pay any compensation or legal costs owed to you, we have the right to take recovery action in your name to enforce a judgment, order or agreement. We may charge you our basic charges and disbursements in any such claim, but only to the extent recovered from your opponent.
6. Your obligations under this sub-section of the agreement ('Dealing with costs if you win') survive even if the agreement is ended.

Ending this agreement

(a) Paying us if you end this agreement

(This sub-section does not apply where this agreement is cancelled by you under Schedule 3.)

7. If you end this agreement, you must pay our basic charges and our disbursements immediately, together with any insurance premium and barristers' fees. The overall cap will not apply unless you subsequently win. If you win, you must also pay our success fee. You will still owe the 35% of damages if you win so that we can meet your liabilities to the Funder under the Litigation Funding Agreement.

(b) Paying us if we end this agreement

8. We can end this agreement if (i) you do not keep to your responsibilities or (ii) if you reject our reasonable advice about accepting a settlement offer. In these circumstances, the payment terms in clause 7 above will also apply.
9. In the event of a dispute about our entitlement to end this agreement under clause 8 above, the dispute resolution procedure in schedule 1 shall apply, with any necessary modifications.
10. We can also end this agreement if we believe you are unlikely to win. If this happens, you only have to pay our discounted charges (including discounted barristers' fees) and disbursements to the extent that they are covered by the Funder. However, if you continue your claim and go on to win, you must then pay the difference between our basic charges and discounted charges (including in respect of barristers' fees) to the extent that they are recovered from your opponent.

(c) Death or Incapacity

11. If you die or become incapable of giving us instructions (or are found without our prior knowledge to have been incapable of giving us instructions), this agreement does not end automatically. We may either agree with your personal representatives that they will continue to instruct us under the terms of this agreement as if they were you, or we may decide to end this agreement, in which case the payment terms in clause 10 will apply.

(d) Attaining capacity

12. Where this agreement has been entered by a person other than the person for whose benefit the claim is primarily brought [the '**beneficiary**'] because the beneficiary did not have the capacity to enter the agreement him or herself, then if the beneficiary thereafter attains capacity they may, where we agree, ratify and adopt this agreement, and will thereafter be bound by it as if they had been a party to the agreement with capacity from the start.

What happens after this agreement ends

13. We may apply to have our name removed from the court record, and charge you for any work done in performing our final obligations to the court. We may exercise a lien unless you pay our costs or give us satisfactory security in lieu of payment.

Definitions

Compensation

Damages or other money payable as a result of your claim, excluding legal costs.

Counterclaim

A claim that your opponent makes against you in response to your claim.

Disbursements

Payments we make on your behalf such as court fees, experts' fees, or travelling expenses.

Formal Offer to Settle

A written offer to settle your claim which the court takes into account when making decisions about legal costs.

Interim application

An application made to the court in the course of your claim.

Lien

Our right to keep all papers, documents, money or other property held on your behalf until all money due to us is paid.

Opponent

Any party to proceedings or proposed proceedings against whom you seek relief. Where this agreement identifies an opponent, it is not limited to claims against that opponent, and will also apply to claims against any other opponent arising out of the same or similar subject matter.

Personal injury claim

A claim which includes a claim for damages in respect of personal injuries to you or any other person, or in respect of a person's death, and 'personal injuries' includes any disease and any impairment of a person's physical or mental condition.

Trial

The final contested hearing or the contested hearing of any issue to be tried separately. Where there is a reference to the date a trial is due to commence, that date shall be deemed to be (a) where there is a trial window or period, the first day of that period; and (b) where the trial or trial window is subsequently adjourned, the day on which the trial or trial window would have commenced but for the adjournment. Where as part of a trial there is a pre-reading day, the trial will be deemed to be due to commence on the first such day.

Win

Your claim is finally decided in your favour, whether by a court decision or an agreement to pay you compensation (including provisional damages). 'Finally' means that your opponent is not allowed to appeal against the court decision; or has not appealed in time; or has lost any appeal.