

Fixed Fee Small Claims Business Debt Recovery Service

FOR USE **BY CLAIMANTS** IN CONNECTION WITH **UNDISPUTED** BUSINESS DEBTS

This service is available only if your claim is (a) for an undisputed business debt (b) arising out of unpaid invoices (c) for a sum of up to £10,000 (excluding interest).

If you are aware that the debt is disputed you can make use of our “Small Claims Proceedings Fixed Fee Service” – which provides for fixed fee services up to proceedings being issued.

1. Charge for issuing 7-day letter (per letter)

£75 plus VAT*

This will be a simple ‘pay-up-within-7-days-or-face-further-action’ letter on Eric Robinson letterhead with which will be enclosed copies of the unpaid invoices in question.

What then?

Debtor pays in full	No further action required	No additional fees
Debtor wants to negotiate payment plan	We can act for you in those negotiations if you choose to instruct us to do so	Any work completed by us in relation to negotiations will be charged at commercial rates
Debtor disputes payment	We will notify you that your claim is disputed. You can make use of our “Small Claims Proceedings Fixed Fee Service” to pursue further	Fixed fee rates available <u>up to</u> proceedings being issued
Debtor ignores letter	We can proceed to issue ‘pre-action letter’ (see below)	Fixed fee rates available (see 2 below)

* Charge to include receiving your initial instructions by telephone, receiving from you copies of unpaid invoices, issuing letter.

2. Charge for issuing Pre-Action letter (per letter)

£200 plus VAT**

This option is available if you prefer a rather more robust approach to that of issuing a 7-day letter, or in the event we have previously issued a 7-day letter, but received no reply. This will be a Pre-Action Protocol compliant final letter before action on Eric Robinson letterhead and will go into more detail in relation to how the debt accrued. Importantly, it will contain a threat of legal proceedings if after 14 days your claim remains unsatisfied.

What then?

Debtor pays in full	No further action required	No additional fees
Debtor wants to negotiate payment plan	We can act for you in those negotiations if you choose to instruct us to do so	Any work completed by us in relation to negotiations will be charged at commercial rates
Debtor disputes payment	We will notify you that your claim is disputed. You can make use of our “Small Claims Proceedings Fixed Fee Service” to pursue further	Fixed fee rates available <u>up to</u> proceedings being issued
Debtor ignores letter	Issuing Court Proceedings	Fixed fee rates available (see 3 below)

** Charge to include receiving your initial instructions and discussing with you background to claim either by telephone or during 30 minute consultation, receiving from you copies of unpaid invoices plus any additional paperwork, issuing letter.

3. Charge for (and up to) issuing Proceedings (per Claim)

£500 plus VAT plus Court Fee

If pre-action correspondence has gone unanswered next steps will involve issuing proceedings. We would not issue proceedings without first having sent a pre-action letter to the debtor. Charge to include preparing Court papers, lodging at Court for issue together with Court fee and receiving notice of issue.

N.B. Using solicitors in connection with Court proceedings involving debts of less than £2,000 is unlikely to be cost effective even on a fixed-fee basis.

What then?

Debtor admits claim and pays	No further action required	No additional fees
Debtor admits claim, but does not pay	Apply for judgment on admission	Additional fixed fee of £50 plus VAT up to filing Request for Judgment and obtaining Judgment
Debtor admits claim, but wants to negotiate payment plan	We will notify you that debtor has asked the Court for time to pay. We can act for you in negotiations up to agreeing payment plan, or objecting to the debtor's request for time to pay	Any work completed by us in relation to negotiations or objecting to request for time to pay will be charged at commercial rates
Debtor ignores claim	Apply for judgment in default	Additional fixed fee of £50 plus VAT up to filing Request for Judgment and obtaining Judgement.
Debtor defends claim / and issues counterclaim	We will notify you that your claim is disputed. It is likely that we shall then suggest the court record be amended to show you acting in person. We can assist you in terms of how to manage your claim through to trial	Any additional work completed by us will be charged at commercial rates. We cannot provide fixed fee rates in relation to contested claims beyond issue stage

Important Note:

- i) In the event of obtaining judgment on admission or judgment in default you will be entitled to recover fixed solicitors costs, however the amounts are negligible and will not provide full reimbursement of actual costs incurred
- ii) Ordinarily, parties in small claims track proceedings are expected to bear their own costs. This means that in circumstances where the debtor files a defence to your claim such that it proceeds to trial, you are unlikely to recover from your opponent at trial any fees paid to us, other than fixed commencement costs
- iii) The fixed fee amounts above are exclusive of any disbursements which we might incur, but you will be given advance notice of any need by us to incur disbursements
- iv) Our fees for acting for you in any enforcement proceedings that become necessary will be charged at commercial rates
- v) Enforcement proceedings are subject to fixed costs rules and again, the amounts recoverable are negligible and will not provide reimbursement of actual costs incurred