

**Private & Confidential**

[DATE]

Dear [CLIENT NAME]:

**Ref: Your potential GAP Insurance Mis-Selling Complaint**

Reference Number: [CLIENT REFERENCE NUMBER]

We would like to welcome you to **Heirloom Fair Legal** a trading style of FD Law Limited, a Solicitors Regulation Authority (“SRA”) regulated law firm (SRA No. 632067). Thank you for instructing us to act on your behalf.

This pack explains how we will support you in pursuing your potential Guaranteed Asset Protection (“GAP”) insurance mis-selling complaint.

We specialise in pursuing mis-sold GAP insurance complaints, which we aim to do in a clear, efficient, and fair manner. Attached to this letter are critical documents detailing how our relationship will work, including the terms of business and how much you will be charged.

We have assumed that you wish to proceed on a “no win no fee” basis under a Non-Contentious Business Agreement, governed by the Solicitors Act 1974, which is the arrangement most clients prefer. If, however, you would like to pay for our services by making an upfront fixed fee of £500 per complaint (per insurer, dealer, or finance provider, not per policy or vehicle purchase), we can accommodate this. Please note that this upfront payment option would require a separate set of documents.

This Agreement covers pursuing your complaint through the insurer, dealership, or finance company that arranged your GAP policy, and via the Financial Ombudsman Service (“FOS”) if needed. We expect that most complaints will be resolved directly with the insurer, dealership, or finance company without needing to escalate to the FOS, but we include this stage in the scope of our service to ensure full protection if escalation becomes necessary.

We think it’s important to let you know that the Financial Conduct Authority (“FCA”) has introduced an application fee of £250 per complaint for claimants who use professional representation to bring complaints to the FOS. If your complaint is successful, £175 of the fee is refunded.

Given the high cost of this application fee, and that this would not be charged if you submit your own application to the FOS, our advice is that it would be better for you if we prepare your submission for you, provide you with detailed instructions on how to submit, and then you submit on your own. This would eliminate the need to pay for the £250 per complaint FOS application fee.

If you did wish us to submit on your behalf, the FOS application fee is treated as a “Disbursement”, which means you are responsible for paying it. You can either pay it directly, or we can arrange non-recourse funding (meaning you don’t have to repay it if your complaint is unsuccessful) to cover it on your behalf.

If you choose the funding option, Heirloom UK Motor Vehicle Finance Claim SPV (“the Funder”), a specialist funding company affiliated with us, will charge £900 plus VAT per successful complaint. This would be deducted from your compensation. The Funder would also keep the £175 refund from the FOS application fee. You would owe nothing if your complaint were not successful.

We would never enter into any funding arrangement on your behalf without your explicit consent, and we will contact you to confirm your preference if, or when this becomes relevant.

**Please note that you do not have to instruct us, or any representative to bring a complaint to the FOS. If you choose to represent yourself to FOS, you will not pay our fees related to FOS and you will not be charged the FOS application fee, if that is the route your complaint takes. That said, we believe our service may add real value by reducing your administrative burden and by potentially achieving a faster or higher settlement on your behalf.**

By signing this letter, you agree to our Terms and Conditions of Business and to the Non-Contentious Business Agreement (our “No Win No Fee Agreement”), both of which are enclosed. You also authorise us to act on your behalf to obtain information related to your GAP insurance policy or related motor finance agreements, as further described below.

By signing this letter, you are confirming certain statements to us. If any of these turn out not to be true, or if they’re broken later, you could become responsible for paying a fee, as explained in the Termination and Costs Liability section of the attached No Win, No Fee Agreement (NCBA).

We are really pleased to be working with you and to help you pursue the justice you deserve. If you have any questions at any time, please email us at [mygapclaim@fairlegal.com](mailto:mygapclaim@fairlegal.com) or phone us on 0161 518 4966.

You have 14 days to cancel this Agreement if you change your mind, without any charge. To cancel, just email us at the address above or complete and return the attached Cancellation Form.

Yours sincerely,

TBC

TBC

Heirloom Fair Legal

## Acceptance of Terms, Declaration of Truth and Provision of Consent

I, **[CLIENT NAME]**, confirm that I have read, understood, and agree to the Terms of Business as set out by Heirloom Fair Legal (a trading style of FD Law Limited) in the attached No Win, No Fee Non-Contentious Business Agreement (“NCBA”).

## Scope of Representation

Heirloom Fair Legal will represent me in relation to my mis-sold GAP insurance complaint against the insurer, dealership, or finance company that arranged the policy through any non-court process, including attempts at direct resolution with the insurer, dealership, or finance provider that arranged the policy, and at my option either preparing me to submit a complaint to the Financial Ombudsman Service (“FOS”), or submitting it on my behalf.

If my complaint needs to go to court, I understand that I will need to enter into a separate agreement with Heirloom Fair Legal.

## Fees

### 1. Success-based Fee

Heirloom Fair Legal will charge a fee based on the amount of compensation (“Redress”) awarded, in accordance with the table below:

Fees That Heirloom Fair Legal Will Charge Me Per Successful Complaint			
Band	Redress	Heirloom Fair Legal Fee as a Percentage of the Redress Awarded	Maximum Heirloom Fair Legal Fee
1	£1 to £1,499.99	30%	£420
2	£1,500 to £9,999.99	28%	£2,500
3	£10,000 to £24,999.99	25%	£5,000
4	£25,000 to £49,999.99	20%	£7,500
5	£50,000 or above	15%	£10,000

### 2. Value Added Tax (VAT)

VAT will be added to all fees at the prevailing rate.

### 3. Preparation and FOS Submission

The fees above include preparation of the complaint to FOS, together with detailed instructions on how I may submit it directly. If I choose this option, I will not incur the £250 FOS application fee.

### 4. Disbursements

I am responsible for paying any disbursements (expenses other than Heirloom Fair Legal’s fees). The only potential expected disbursement at this stage is a £250 FOS application fee, which will apply only if I instruct Heirloom Fair Legal to submit my complaint.

### 5. Funding Option for Disbursements

If I choose to instruct Heirloom Fair Legal to submit the FOS complaint on my behalf, I understand that

Heirloom Fair Legal expects to offer, via an affiliated company, a non-recourse funding option (meaning I only pay if my complaint succeeds) for any disbursements. **If I choose this option, the Funder will charge £900 plus VAT per successful complaint, in addition to the amount refunded by FOS from the application fee.** Heirloom Fair Legal will not enter into any agreement for funding on my behalf, and if I choose this option, it will be clearly detailed to me and explicitly agreed to by me.

## 6. Cancellation Fee

If I cancel this agreement after the 14-day cancellation period, I may be charged a cancellation fee of up to £150 plus VAT per Complaint (per lender, not per finance agreement), or a lower amount if less work has been done.

## Declaration of Truth

I confirm the following to be true and will remain true throughout my complaint. I will inform Heirloom Fair Legal immediately if anything changes:

1. I confirm that I purchased GAP insurance as part of a motor finance or vehicle purchase, and I believe it may have been mis-sold (for example, not explained properly, unsuitable, or poor value).
2. Any GAP insurance policies or related finance agreements included in my complaint were taken for personal use only, not for business or commercial purposes .
3. All the information I have given, and will give, to Heirloom Fair Legal or to the FOS is true, accurate and complete to the best of my knowledge.
4. I will co-operate with Heirloom Fair Legal in pursuing my complaint, including providing any information or documents they reasonably request.
5. I have not instructed, and will not instruct, any other law firm or claims management company to act for me in relation to the same or similar insurance mis-selling complaint.

## Consent and Data Authorisation

I give Heirloom Fair Legal permission to:

1. Contact me by email or by phone unless I ask them in writing not to.
2. Contact third parties (such as insurers, dealerships, or finance providers) to obtain information or documents relevant to my complaint, including using subject access requests under UK GDPR or the Data Protection Act 2018 (as may be amended);
3. Share only the minimum personal information necessary with such third parties to identify me and confirm Heirloom Fair Legal's authority to act for me.
4. Retain my personal data for up to six years after my complaint concludes, if necessary for legal, regulatory or compliance purposes.
5. Contact me in the future about other legal or financial claims that may be relevant to me.



By signing below, I confirm that I agree to the above terms and have had the opportunity to read and understand the attached Non-Contentious Business Agreement.

[CLIENT SIGNATURE]

[CLIENT NAME]

## Non-Contentious Business Agreement

### Parties

This Agreement is between:

**Heirloom Fair Legal** (a trading style of FD Law Limited), of 3-7 Temple Avenue, Temple Chambers, Suites 208-209, London, EC4Y 0DA, United Kingdom ("**the Firm**"),

and

[Client Name], of [Client Address] ("**the Client**"),

The agreement starts on the date it is signed by both parties.

### What this agreement covers

This agreement covers the provision of legal services by the Firm to act for the Client in making a Complaint about mis-sold GAP insurance ("the Complaint") against an insurer, dealership, or finance provider who sold or arranged your GAP policy ("the Respondent").

The Firm's services include:

- a) Advising the Client on the merits of the GAP mis-selling Complaint;
- b) Preparing and submitting Complaints to the Respondent;
- c) Preparing the Client to submit their Complaint to the Financial Ombudsman Service ("FOS") or other alternative dispute resolution scheme, including completed (except for Client signature) Complaint letters to be filed and detailed instructions on how to file;
- d) At Client's instruction, filing the Complaint with the FOS or other alternative dispute resolution scheme on the Client's behalf;
- e) Advising the Client on offers made by the Respondent or redress decisions by the FOS.
- f) Arranging possible funding for any costs ("Disbursements"); and
- g) Speaking with relevant third parties on the Client's behalf.

### Nature of the agreement

This is a non-contentious business agreement governed by the Solicitors Act 1974. It does not cover the conduct of litigation or the issuing of Court proceedings. If court action becomes necessary, and the Client confirms they wish to proceed, the Firm will provide proposed alternative terms for such representation.

### Fees and Charges

Except as detailed in the Termination, Cancellation and Cost Liability section, the Firm's fees under this agreement are only payable if compensation is recovered ("the Redress"). Redress includes any interest or statutory awards but excludes any costs or disbursement recovery.

All fees are exclusive of VAT, which will be added at the prevailing rate.

The Firm's fee will be calculated as a percentage of the total Redress (including any interest awarded thereon), subject to the applicable maximum charge shown below:

Heirloom Fair Legal Fee			
Band	Redress	Fee Percentage	Maximum Charge
1	£1 to £1,499.99	30%	£420
2	£1,500 to £9,999.99	28%	£2,500
3	£10,000 to £24,999.99	25%	£5,000
4	£25,000 to £49,999.99	20%	£7,500
5	£50,000 or above	15%	£10,000

### Disbursements and Funding

The Client is responsible for any third-party costs ("Disbursements") reasonably incurred in pursuing the Complaint such as fees for reports, records, or credit information.

Before incurring any such disbursement, the Firm will discuss the nature and estimated costs with the Client. The Firm may, but is not obliged to, offer a non-recourse funding option, the cost of which will be deducted from any Redress awarded.

### Termination, Cancellation and Cost Liability

Either the Client or the Firm may terminate this Agreement at any time by written notice.

#### a) Cooling-Off Period

The Client may cancel this agreement within 14 days of signing, without cost or liability by emailing [mygapclaim@fairlegal.com](mailto:mygapclaim@fairlegal.com) and by completing a Cancellation Form.

#### b) Termination After 14 Days

If the Client terminates this Agreement after 14 days, or if the Firm terminates it due to the Client's lack of co-operation, provision of false or misleading information, or unreasonable conduct, the Client will be liable to pay:

- The reasonable time costs incurred by the Firm up to the termination date, capped at £150 + VAT per Complaint ("the Cancellation Fee"); and
- Any disbursements incurred on the Client's behalf.

#### c) Additional Fixed Fee Misconduct

If the termination arises because the Client has:

- Failed to co-operate.
- Provided false or misleading information.
- Rejected reasonable settlement advice.
- Instructed another representative in respect of the same Complaint; or
- Exaggerated the Complaint.

The Firm may charge an additional £150 + VAT per Complaint to cover administrative costs.

#### **d) Payment of Fees**

The Client authorises the Firm to deduct any fees payable under this Agreement from the Redress (including interest) received, by transferring the relevant amount from the Client Account to the Firm's Office Account.

The Firm's Office Account is held with NatWest Bank, Account 15870847 ("the Firm's Bank Account").

Any other sums owed by the Client to the Firm must be paid directly to this account upon request.

#### **Responsibilities**

The Firm and the Client agree to act reasonably and co-operatively to achieve the best outcome for the Complaint.

The Firm's responsibilities include:

- Acting in the Client's best interests (subject to any legal or regulatory duties);
- Explaining the risks and benefits, and likely timescales for the Complaint;
- Keeping the Client informed of material developments and any settlement offers; and
- Advising whether continued pursuit of the Complaint remains proportionate and worthwhile.

The Client's responsibilities include:

- Providing clear, accurate and honest instructions;
- Co-operating fully and responding promptly to requests for information;
- Not misleading the Firm, regulators, or any third-party;
- Attending hearings if required;
- Directing all contact about the Complaint to the Firm;
- Ensuring any Redress is paid to the Firm's Client Account; and
- Following the Firm's reasonable advice.



### **Limitation of liability**

Unless expressly agreed otherwise in writing, the Firm owes duties only to the Client and accepts no responsibility to any other party.

The Firm is not liable for consequential or indirect loss, including but not limited to loss of profit, opportunity, or business, or for any loss arising from matters outside the agreed scope of this Agreement.

Nothing in this Agreement excludes or limits the Firm's liability for death or personal injury caused by negligence, fraud or any other liability which cannot be excluded by law.

### **Equality and inclusion**

The Firm is committed to promoting equality, diversity, and inclusion in all its dealings with clients, third parties, and employees. It will make reasonable adjustments upon written request by the Client.

### **Confidentiality**

The Firm will keep Client's information confidential, unless:

- The Client consents to the disclosure; or
- Disclosure is required by law, regulation, or a professional obligation.

All outsourced or associated service providers (such as marketing partners or funders) are bound by equivalent confidentiality obligations.

Further details are set out in the Firm's Privacy Policy, available at <https://fairlegal.com/privacy-policy> or upon request.

Regulatory or auditing bodies such as the Solicitors Regulation Authority (SRA), Lexcel Auditors or the Information Commissioner's Office may review Client files for audit or compliance purposes, and they too are bound by confidentiality.

### **Complaints**

The Firm is authorised and regulated by the Solicitors Regulation Authority (SRA No. 632067).

Any concerns or complaints can be raised directly with the Firm by contacting your case representative, calling the Firm, or emailing [Complaints@fairlegal.com](mailto:Complaints@fairlegal.com).

If a complaint cannot be resolved internally, it may be referred to the Legal Ombudsman.

### **Cancellation rights**

The Client has the right to cancel this agreement within 14 days of signing, without any charge or obligation. To cancel, please email [mygapclaim@fairlegal.com](mailto:mygapclaim@fairlegal.com)

or write to us at our office address. You may use the Cancellation Form, which can be found in the document titled "Notice of the Right to Cancel", although use of the form is not obligatory.

### **Entire agreement**

This document represents the entire agreement between the Firm and the Client in respect of the services described.

It supersedes all previous discussions or agreements and should be read in conjunction with the Engagement Letter and the Acceptance of Terms, Declaration of Truth, and Provision of Consent.

### **Personal data**

The Firm will process the Client's personal data as necessary to perform this Agreement, in accordance with its Privacy Policy and Terms of Business.

The Client is encouraged to seek independent legal advice before signing this Agreement.

### **Signatures**

Signed by the Client:

[Client Signature]

Name: [Client Name]

Signed on behalf of the Firm:

Name: