



<Mr A B Sample>
<Any Street>
<Any Place>
<Any Town>
<Any County>
<AB1 2CD>

Your Reference: <Your ref>
<Date>

Reclaim what is due to you - Contact us today:
Call: +44 20 8153 0033
Email: contactus@bluelionclaims.co.uk
www.bluelionclaims.co.uk

YOUR MIS-SOLD CAR FINANCE CLAIM

Dear <Personalised>

Welcome to BlueLion Claims. We are the market's leading specialist legal consumer claims group with over 15 years' experience in helping consumers claim back money owed to them from bank and finance companies. Our job is to make the process simple, fair and stress-free for you.

You will be instructing us to investigate and pursue a claim for compensation against your car finance lender as you may have paid your car dealer a hidden commission which they did not tell you about when your car finance agreement was arranged. This hidden commission meant that your car dealer was not acting fully in your best interests and could have caused you to overpay on your car finance. This may have given rise to an unfair relationship under consumer credit law, giving you a legal right to compensation.

Where you instruct us to investigate and pursue your claim against a lender, we will seek to identify all car finance agreements which may have been mis-sold to you by obtaining information from credit reference agencies and submitting formal information requests to your lender. Where we identify additional claims, we will submit a claim for each agreement where there is merit to do so and you agree to instruct us regarding the same.

Starting your claim

This letter, together with the other information referred to below, is your 'PCP Claim Pack' which explains the terms on which we, BlueLion Claims, will act for you should you decide to instruct us. Please read these documents carefully as they contain important information about key aspects of our relationship.

If you are content to instruct us on the basis set out in your PCP Claim Pack, please sign and return the documents enclosed, so we can start your claim(s) for compensation.

Other alternatives

In the event you opt not to instruct us to pursue your claim(s), you are able to pursue your claim(s) directly with your lender free of charge. The Financial Conduct Authority (FCA) has now formally launched its industry-wide motor finance consumer redress scheme, which requires lenders to review affected car finance agreements and pay compensation where appropriate. You are entitled to participate in this scheme directly, without instructing a representative, and at no cost to you. If you are dissatisfied with your lender's response under the scheme, you can escalate the matter to the Financial Ombudsman Service, also free of charge.

Who will deal with your claim

The person with overall responsibility for your claim(s) is Negar Yazdani, Managing Partner of BlueLion Claims, with over 25 years' legal experience. Whilst she will oversee your claim(s), we have a dedicated team of specialist lawyers and paralegals who will be managing your matter on a day-to-day basis. The manager of the department who will process your claim(s) is Rebecca Riches (Solicitor). Sometimes we instruct other companies to do work for us, such as making telephone calls, file auditing or other work. We will always ensure these outsourced providers keep your information safe.

Next steps - Pursuing your compensation

Once we have received your signed documents, we intend to pursue your lender for the secret commission and statutory interest which is owed to you. This may be via the compensation scheme that is set up by the FCA (as referred to below) or by way of court proceedings.

The FCA has now formally announced its industry-wide motor finance consumer redress scheme. The scheme requires lenders to review affected car finance agreements and, where appropriate, pay compensation to consumers. A summary of the scheme is available on the FCA's website at www.fca.org.uk. The FCA has confirmed that the deadline for lenders to respond to complaints submitted prior to the launch of the scheme will be lifted on 31 May 2026. Lenders are now in an implementation period during which they must put in place the necessary systems and processes to apply the scheme. For agreements entered into between 1 April 2014 and 1 November 2024, this implementation period is three months. For agreements entered into between 6 April 2007 and 31 March 2014, this implementation period is five months. Once the relevant implementation period ends, lenders must begin progressing complaints without delay.

Our Fees - Damages Based Agreement

We agree to act for you under a form of 'no win, no fee' agreement called a 'damages-based agreement' (DBA). The DBA is set out in Schedule One of the PCP Claim Pack and we both agree to be bound by its terms. If we are successful in obtaining a payment of compensation, then you agree to pay us a success fee (a 'DBA Fee') based on the amount of compensation paid for each car finance agreement. We only charge you if we are successful in obtaining your compensation. In the unlikely event that we lose, we will not charge you anything.

We will limit our charges to a proportion of the compensation we recover for you in line with the SRA Claims Management Fees Rules i.e., the lowest sum possible. This fee may vary between 15%-30% based on the exact sum that we recover for you. The table below sets out the percentage applicable to different bands of compensation, which is the lower of the maximum percentage rate of charge with reference to the redress awarded for a claim or the maximum total fee charge, together with VAT (at the prevailing rate).

| Compensation | DBA Fee Percentage | Maximum Fee Charge (including VAT) |
|-------------------|--------------------|------------------------------------|
| £1 - £1,499 | 30% | £504 |
| £1,500 - £9,999 | 28% | £3,000 |
| £10,000 - £24,999 | 25% | £6,000 |
| £25,000 - £49,999 | 20% | £9,000 |
| £50,000 or more | 15% | £12,000 |

If the FCA imposes the consumer redress scheme (as set out above), and we are successful in obtaining compensation for you, our DBA Fee will still be payable to us in consideration of the work we have completed on your behalf.

Please review the terms of the DBA carefully for further details of, amongst other things, the fees payable. If you have outstanding finance with the lender, the lender may use all, or part of the proceeds of any compensation by way of a set-off from your compensation meaning that you may not receive any 'cash in hand.' In this event, our charges will still be payable.

Example one: If your lender makes an offer of £1,000 compensation and you have no outstanding balance to the lender, your lender will pay us £1,000. Of this, £360 will be deducted from your compensation for our charges (inclusive of VAT), and £640 will be paid to you.

Example two: If your lender makes an offer of £1,000 compensation and you have an outstanding balance of £800 with the lender for the PCP agreement in question, your lender may use the compensation offered to pay the outstanding balance meaning that they will only pay us £200. We would use this £200 towards our charges together with VAT, which would leave a balance of £160 payable by you. Please read our Terms of Engagement carefully as these contain further information about our fees.

Our Fees – Conditional Fee Agreement

It is possible that pursuing your claim through the courts, rather than via the FCA's proposed consumer redress scheme, may achieve the most successful outcome for you.

If we determine that this approach is likely to achieve the most successful outcome for you, then it would be necessary for us to put in place with you a type of 'no win no fee' agreement called a 'conditional fee agreement' (CFA). This is because if court proceedings become necessary, the amount of work we will be required to undertake will be significantly higher than that required to resolve your claim(s) through a consumer redress scheme. Accordingly, it would not be economically feasible to pursue your claim(s) through the courts, as opposed to through the compensation scheme. The CFA would allow us to pursue your claim(s) by way of court proceedings. In such a situation, we would write to you notifying you that you are no longer bound by the terms of the DBA and obtain your agreement to the same, and instead we would both be bound by the terms of the CFA which is set out at Schedule Two of the Claim Pack.

Under the terms of the CFA, you will not be required to pay us any fees unless and until your claim succeeds. If your claim succeeds, we will be entitled to recover our basic charges from the lender, and we shall charge you a "Success Fee" which is set at 100% of our basic charges. The Success Fee is payable by you out of the damages, but will be capped at 40% (plus VAT) of the amount recovered. Please review the terms of the CFA carefully for further details of, amongst other things, the fees payable.

Multiple Claims

A car finance claim can currently be made for car finance agreements from 2007 onwards. While carrying out our investigations, which will include a soft credit check of your credit history or by submitting an information request (commonly known as a subject access request), we may discover that you have more than one claim against the same lender or against different lenders relating to the sale of motor vehicle finance to you. The subject access request is made directly to the lender by us and any soft credit check is conducted by a third party provider, Valid8 Limited, and you agree to its current privacy policy. Where we discover multiple claims, we will write to you explaining that we have found multiple claims and that we intend to pursue each of these claims on your behalf. Where additional claims are identified, you instruct us to submit those potential claims by entering into this agreement.

If you do not wish for us to pursue any or all of these additional potential claims, you must inform us within 14 days of us telling you about the claims. We will write to you at the time providing you with an option of whether you wish us to pursue the claims or not. If you do not respond to inform us that you do not wish us to pursue any or all of the claims, we will continue to pursue all of them. There will be nothing further for you to do. We will pursue each claim on the same terms as set out in this letter and we will act pursuant to a DBA (or CFA, as applicable) in the form attached to this letter. Your agreement to this letter will be treated as your agreement to the terms of the DBA (or CFA, as applicable) in respect of each claim.

Timescales

Now that the FCA has formally announced its industry-wide motor finance consumer redress scheme, we are able to provide you with greater clarity on the expected timescales for your claim(s). The timetable that applies to your claim(s) will depend on when your finance agreement was entered into, and we will write to you separately with a personalised update setting out the position for each of your agreements. We will keep you updated at each stage of the scheme process and will write to you as soon as we receive any communication from your lender in respect of your claim(s). Under the scheme, lenders are required to issue a provisional redress decision within three months of the end of the relevant implementation period. Where we receive a provisional decision on your behalf, we will review it carefully and present it to you with our advice before you are required to respond. If your claim(s) cannot be resolved satisfactorily through the scheme, or where we consider that litigation is likely to achieve a better outcome for you, we will discuss that with you at the appropriate stage. Where court proceedings become necessary, we anticipate that such a claim will take up to 12 months to complete from the date of issue.

Keeping you updated and authority to settle

You will receive updates by text and email at each stage of the claim process and we will be in touch when we receive a final response from your lender with the outcome. During this process, your lender may request further information regarding your account. Therefore, we may be in touch to obtain information required to progress your case. It is important that you co-operate generally with us in the conduct of your claim. In the event that we are unable to contact you within a reasonable period (within 21 days of an offer being made), we may accept an offer of settlement on your behalf upon the basis set out in the DBA or CFA, as applicable.

Right of cancellation

Once you accept the terms set out in this Claim Pack, you have a right to cancel the agreement between us within 14 days. To exercise this right, please print, sign and send the cancellation notice in this Claim Pack to us at The Centro Buildings, 20-23 Mandela Street, London NW1 0DU and/ or by email to contactus@bluelionclaims.co.uk. In the event that you cancel the DBA or the CFA outside of the cooling-off period or we have no option but to terminate the DBA or CFA due to you providing misleading or inaccurate information or if you have breached a term of the DBA or CFA, as applicable, then you are liable for our fees which are further set out in clause 11 of the DBA (up to a maximum of £300 excluding VAT) or clause 12 of the CFA. Please also see clause 9 of the Terms of Engagement for information about cancelling your Agreement with us both during and outside of the cooling-off period.

Referral details and funding

If you have been introduced to us by a third party, we may pay them for their supporting work in this matter. This payment is usually calculated as a percentage of our charges should your claim(s) be successful. The maximum payment we would make to any third party would be 50% of our charges for each successful claim(s). For the avoidance of doubt, this payment will be made at no cost to you and you will not be required to pay any third party anything in relation to your claim(s). We may also work with a third party funder that may receive fees or recoveries arising from your case. We are happy to provide further details on your request. This will not affect our independence in the conduct of your claim(s), the fee payable by you, nor the amount you receive.

Complaints

If, for any reason you become unhappy with the service you receive, you can make a complaint by email to our Managing Partner at negar.yazdani@bluelionlaw.co.uk.

Your personal information

We will handle your personal information in accordance with our Privacy Policy which can be found online on our website at: www.bluelionclaims.co.uk/privacy. A copy of this policy can also be made available on request.

If you have any queries about how we will handle your personal information, you can contact us via email at contactus@bluelionclaims.co.uk.

Contacting us

We are open Monday to Friday, 9am to 6pm. Please do not hesitate to contact us by sending an email to contactus@bluelionclaims.co.uk or call us on **+44 20 8153 0033**.

If you are contacted by another firm of solicitors or someone claiming to represent your opponent, please tell them you have already instructed BlueLion Claims to act on your behalf. You can only appoint one firm to act for you as you may risk incurring unnecessary fees.

Please do not hesitate to contact us if there is anything you do not understand in this Claim Pack, if you have any questions or if you are unsure how and when we receive a fee for the services we undertake on your behalf. We look forward to acting for you and reclaiming the monies that are due to you.

Yours sincerely



NEGAR YAZDANI
MANAGING PARTNER
BLUELION CLAIMS

Reclaim what is due to you - Contact us today:

Call: +44 20 8153 0033

Email: contactus@bluelionclaims.co.uk

www.bluelionclaims.co.uk