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## DEBT RECOVERY (UP TO £100,000) – COSTS INFORMATION

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Morgan Phelps Solicitors offer a service to insolvency practitioners in respect of their appointments for the recovery of unsecured debts. Whilst we do not generally accept instructions from non-insolvency practitioner clients (whether individual or corporate), exceptions can be made in certain circumstances.

Morgan Phelps Solicitors interprets debt recovery as carrying out all necessary steps up to, but not including, issuing and case managing formal litigation. The conduct of litigation is a reserved legal activity and as such, in our view, does not come within the general definition of 'debt recovery'. The costs of acting on behalf of a client in respect of the conduct of litigation would depend on the nature of the enquiry and as such are not capable of being estimated without review of the matter (although they would normally be charged under our general terms of business at our hourly rates in line with any initial and ongoing costs estimate(s), details of which can be explored on a case-by-case basis).

The extent of debt recovery services distinct from the reserved legal activity of conducting litigation which are provided by this firm are limited to reviewing a client's case, advising on the same and then drafting / sending out letters before action and/or statutory demands (together with general case management and ongoing communications with the client / third parties).

The costs of the above limited debt recovery services will usually be charged at hourly rates, to be determined on a case-by-case basis, subject to the complexity of the matter. The very nature of debt recovery usually entails matters being quite straightforward and simple, in which case one would usually expect the time necessary to carry out the potential services as follows (although this is just a rough estimate with costs to be confirmed separately on each instruction in advance of any work being carried out):

Review and initial advice of case	1 – 2 hours
Drafting letter before action	1 – 2 hours
Drafting statutory demand	1 – 2 hours
General case management	1 – 2 hours

Details of this firm's hourly rates (which we reserve the right to amend from time to time) are set out below:

	<b>Discounted Rate</b>	<b>Standard Rate</b>	<b>Enhanced Rate</b>
Partner	£200/ hour	£250/ hour	£300/ hour
Consultant Solicitor	£200/ hour	£250/ hour	£300/ hour
Senior Associate Solicitor	£175/ hour	£200/ hour	£225/ hour
Associate Solicitor	£150/ hour	£175/ hour	£200/ hour
Paralegal	£100/ hour	£125/ hour	£150/ hour

Whether discounted, standard or enhanced rates are applied to debt recovery services will be determined by us at our ultimate discretion on a case-by-case basis.

The experience and qualifications of the fee earners at Morgan Phelps Solicitors who would carry out any such work are as follows:

Jim Phelps	Partner/Principal, Solicitor, admitted as a solicitor on 15 August 2008
Tim Willis	Consultant Solicitor, admitted as a solicitor on 17 April 2000
Sarah Hopwood	Associate Solicitor, admitted as a solicitor on 1 October 2015

Disbursements-wise, whilst letters before action do not tend to attract any disbursements, statutory demands will likely require a process server fee of between £100 to £150 on average.

Both our fees and any disbursements / expenses which we incur on a client's behalf attract VAT at the relevant rate applicable from time to time.

In terms of timescales, it will depend on the complexity of the case as to how long it will take to turn around the work necessary for a letter before action and/or statutory demand. As noted above, debt recovery matters tend to be straightforward and simple, in which case it is estimated that it would take (depending on prior commitments) between 14 to 21 days from receipt of signed client care paperwork, anti-money laundering ID and payment of monies on account from the client in order to review and advise on a case and then prepare either a letter before action or a statutory demand (such estimated timescale applying in addition to, and distinctly, in each case).

In all circumstances, and regardless of any sums actually recovered, clients will have to make payment for Morgan Phelps Solicitors' services regardless of whether the matter is successful or not. Accordingly, there is no guarantee that debt recovery services may actually result in a recovery from the debtor such that we are unable to estimate the likely timescale to receipt of payments (if at all). However, a letter before action generally has a deadline of between 7 to 28 days from its date for payment of any outstanding debt and a statutory demand has a further 21 day timeframe in which to be satisfied (with action on the statutory demand possible, where the circumstances permit, 7 days thereafter).