



# Commercial Debt Recovery Price Guide

## Initial Action

The first thing that we will do if you instruct us to collect a debt for you is to write a “solicitors letter” giving them 7 days to pay in full failing which we will issue court proceedings against them which will include a claim for our fees, court fees (see below) and interest. If they don’t pay in those 7 days, we will sue them.

We provide this initial service at no charge to you, whether this prompts the debtor to pay or not. If the debtor doesn’t pay we will promptly issue proceedings:

## Court Action

We will issue and serve proceedings for you on an effective “no win no fee” basis:

- If, having issued the proceedings, the debtor pays your debt then they will also have to pay in addition interest, our fees and the court fee. We simply keep those additional items, enabling you to receive the amount that you were owed in full. The amounts which we will invoice and collect from the debtor (excluding the interest which will vary), are set out in the table below
- If the debtor doesn’t pay on receiving the proceedings we won’t charge you any fees. We will just ask you to reimburse us for the fee that we have had to pay the court (set out in the table below)

Debt Owed	Court Fees	Costs (ex. VAT)	Total Costs (ex. VAT)	Debtor Pays
Up to £300	£25	£60	£85	£85
£300 - £500	£35	£60	£95	£95
£500 - £1000	£60	£80	£140	£140
£1000 - £1500	£70	£90	£160	£160
£1500 - £3000	£105	£90	£195	£195
£3000 - £5000	£185	£90	£275	£275
£5000 - £10000	£410	£110	£520	£520
£10000 - £100000	4.5% of the claim	£110	£110 + 4.5% of the value of the claim	£110 + 4.5% of the value of the claim

These costs apply where your claim is in relation to an unpaid invoice which is not disputed and where enforcement action is not needed. If the debtor disputes your claim at any point, we will discuss any further work required and provide you with a revised estimate of our likely costs which will be on a non-contingency basis at an hourly rate (details of which are set out in our Client Guide).

You should note that the VAT element of our fee cannot be reclaimed from your debtor; this is payable by you but can be reclaimed as a VAT input. Interest and compensation may take the debt into a higher banding, with a higher cost, as outlined above.

Our fee includes:

- Taking your instructions and reviewing documentation
- Undertaking appropriate searches
- Sending a letter before action (no charge)
- Receiving payment and sending it on to you or, if the debt is not paid, preparing and issuing a court claim
- If the debtor doesn't pay, despite having received court proceedings, providing you with advice on the next steps (including obtaining judgment in default and enforcing that judgment) and the likely costs.

### Timescale

We will usually send our letter threatening court action to the debtor on the same day that you instruct us. If they haven't paid within the seven day period we will arrange for the court to issue and serve the proceedings on the debtor; this will take seven days. Once served, the debtor has 14 days within which to respond.