

MORTGAGE PRISONERS

Claim summary

Signing up to the Claim

Everyone who wishes to become a Claimant must agree to the same documents. These are:

- a Litigation Management Agreement ('LMA');
- a Damages-Based Agreement ('DBA') with Harcus Parker;
- our Terms of Business; and
- an Authority Document, through which you will signal your agreement to the documents listed above.

You can find all of the documents [here](#). The purpose of this summary, which is not a substitute for your reading the documents in detail, is to help you understand what the documents say.

The Claim

Many people, principally as a result of the nationalisation of Northern Rock and Bradford & Bingley and the subsequent re-structuring of those companies, have been trapped paying high rates on their mortgages. But, if they happened to have had their mortgage with a different lender, they would as matter of course have been offered a product transfer and would generally have been treated more favourably. These people, of whom you may be one, are often referred to as 'Mortgage Prisoners'.

The Claim will allege that your treatment has been unfair and that your lender's actions have been in breach of the terms, or of the implied terms, of your mortgage deed, as well as various financial regulations. In addition, if the facts support such claims, we will claim on your behalf in respect of any other breaches of your mortgage contract we are able to identify.

Based on the information available to us now, it is impossible to give an indication of the average value of a claim. These factors on which the size of your claim will depend include (and this is not an exhaustive list):

- a. the amount you borrowed;
- b. how long your mortgage has remained outstanding;
- c. whether it was an interest-only or repayment mortgage;
- d. whether you took out a 'Together' mortgage;
- e. whether you were ever in arrears or took a payment holiday;
- f. your relevant Loan to Value Ratio; and
- g. what parts, if any, of your claim succeed.

Your expectations

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As with most large-scale litigation against corporate defendants, the Claim is likely to be aggressively defended and take over two years to reach a conclusion. You should also be aware of the risks set out below.

We are taking significant risks in order to bring the claim. We will be working hard to win whilst also trying to keep the administrative burden on you as light as possible. We hope to be able to secure some compensation for your trouble and set a strong precedent for to ensure that other borrowers are not exploited. We want to stress, however, that we cannot guarantee a result for you and do not want to offer you false hope that we will be able to do more than try to help you.

Running the case

You agree to instruct us to issue a claim against your mortgage provider in the High Court. You understand that this means becoming a claimant in litigation, and that this is a formal and serious undertaking from which you cannot easily withdraw.

Before joining the claim, you must indicate that you authorise Damon Parker of Harcus Parker to sign a statement of truth on your behalf in relation to a Schedule of Information summarising the information you provide to us through the Questionnaire you will complete. We explain that a statement of truth is a serious statement akin to an oath and that you must only proceed if you are happy that the facts to which you can speak are true.

The claim will be run, as far as possible, as a group claim, meaning that many Claimants will claim together at the same time. This brings with it a number of advantages for the Claimants, including costs savings and a stronger position from which to conduct negotiations.

Becoming a Claimant is a commitment to us, the claim and to the other Claimants. There may be costs consequences for you if you drop out of the claim early. These costs will not be covered by funding or insurance.

We will only advise you about specific claims arising from the mortgage prisoner issue and any breaches of contract we may identify. We do not take on any responsibility to advise you about other claims you may have against lender or anyone else.

A claimant steering Committee will take day to day decisions about the case on your behalf. The Committee's duties will include overseeing the legal team, directing how the case should be run, and making settlement decisions on your behalf.

We and the Committee must run the case in a cost-effective way for it to be successful. This extends to the way in which settlement proceeds may be distributed. If (as is possible) the Committee accept a global settlement for all of the Claimants, they / we will not look closely at how good individual Claimants' claims are in deciding how to divide the pot (because that will probably be too expensive and time-consuming); they will distribute it as they think best. If the Committee is unable to agree how to distribute the claim proceeds, they will

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refer the matter to be arbitrated by a retired High Court Judge. The cost of distributing the claim proceeds will be paid from the claim proceeds.

You have duties toward us and the Court. You must respond promptly to requests for information. You should keep and not destroy any documents in your possession or control which might be relevant to the case.

'After The Event' ('ATE') insurance

Usually in litigation the losing party is ordered to pay the winning party's costs.

We will, through the committee, arrange for a policy of ATE insurance to be taken out on your behalf against the risk of having to pay the defendants' costs if you lose.

Funding and your potential liability for our costs: The Damages-Based Agreement

When you decide to instruct us as your solicitors, we ask you to agree to a damages-based agreement, known as a 'DBA'. This is a form of 'no win, no fee' contract between you and us. It covers how the proceedings will be funded and managed.

We will be your solicitors and will issue a Claim on your behalf.

In addition, Harcus Parker will pay disbursements on your behalf. The disbursements in these cases will include the cost of court fees, barristers, experts, scanning services and electronic document review facilities, as well as the costs of due diligence, the creation and maintenance of a website and all of the administrative costs of the claim, to the extent that we have to pay other people to help us. The disbursements we incur on your behalf may also include any up-front ATE insurance premiums that are payable. The service providers we retain on your behalf will include Legl (a trading name of The Justice Platform Limited) and Audit Intelligence Limited.

If you lose your claim, you will pay nothing for the time and money Harcus Parker has spent on the case.

If you win:

- a. we will deduct 35% (+VAT) of the money you recover as our fee; and
- b. we will also deduct an amount equal to the disbursements we have paid on your behalf; and
- c. in addition, any deferred ATE insurance premiums payable will be payable from your damages; and
- d. as explained above, there may be a further cost associated with the administration and distribution of any money you recover.

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Out of the 35% + VAT we receive, we will:

- a. pay a fee to Audit Intelligence Limited; and
- b. make a donation of 2% to a charity whose aims are: providing practical help and debt management counselling to people in financial difficulties; and addressing the mental health impact of financial difficulty. We may establish a new charity for this purpose.

Overall purpose of the DBA and insurance arrangements

The purpose of the funding and indemnity arrangements is to prevent you from having to pay anything to participate in the claim.

However, it is possible that you may have to pay costs in exceptional and extremely unlikely circumstances. If so, then the litigation management agreement provides that each claimant will be responsible for a proportionate share of the total costs, based on the initial size of their mortgage.

For example, if the total level of borrowing across the group was £200,000,000 and each Claimant's mortgage was £100,000 then each claimant would be required to pay 0.05% (1/2,000) of the total. We advise you that the risk of any personal liability is remote and have provided you with a more detailed note on risk below.

Professional Standards

We are professionally required to confirm that you are who you say you are. We will check your identity electronically using public databases (this means we do not need to ask for a copy of your passport and utility bills).

The person in charge of the case at Harcus Parker will be Damon Parker.

Harcus Parker is authorised and regulated by the Solicitors Regulation Authority. The rules of the Solicitors Regulations Authority can be accessed at: <http://www.sra.org.uk/solicitors/code-of-conduct.page>.

If you are not happy with any aspect of our work or have a complaint, please contact us and we will try to deal with any problem quickly through our internal complaints procedure. If, for any reason, at the conclusion of the complaints process you are not satisfied with the outcome then you can involve the Legal Ombudsman (enquiries@legalombudsman.org.uk).

Alternatives to bringing this claim

Please bear in mind that you will be joining a structure that is already in place. Your co-Claimants have already agreed to the terms on which you will join and the only basis on which Harcus Parker is offering potential Claimants the opportunity to join the claim is on the basis described under 'Funding' and elsewhere in the documents to which you will agree through the Authority Document. There may be alternative ways of bringing and funding

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your claim through other solicitors, who may offer other ways of funding the claim, including: a) by allowing you to pay fees as you go, b) by offering you a Conditional Fee Agreement; or c) on the basis of alternative third party funding on different terms. Similarly, you could consider instructing solicitors personally.

Practical points

About us

Harcus Parker is focused on litigation and specialises in bringing group action cases on behalf of large numbers of claimants who share the same essential complaint. The founders of the firm have a strong track record of delivering successful outcomes both in the UK and internationally.

Website: www.harcusparker.co.uk

Address: 7th Floor, Melbourne House, 44-46 Aldwych, London WC2B 4LL

Telephone: 02071646144

Publicity

You should be aware that if you join the case, your name and address will appear on a claim form and will be a matter of public record. If the case goes to trial, any member of the public will be entitled to attend court to watch the case being heard.

Confidentiality

As your solicitors, we are obliged to keep your affairs confidential. However, if we are to run the case effectively, it will be necessary for us to disclose the facts underlying your claim to the Committee (and in limited circumstances to other claimants) and to the professional advisers (principally experts and counsel) we engage. The LMA allows us to do that.

We and/or the Committee will report to you on a regular basis as the case progresses. It is very important that you ensure that all communications and documents you receive from us (including the LMA and the document pack) remain confidential because it could damage the case if they were seen by the defendants. The LMA requires you to keep all the information you receive during the course of the case confidential, even after you cease to be our client.

About disclosure and documents

As a party to the legal case you have a duty to disclose (that is, tell the other side about) documents which might be relevant to the claim regardless of whether they are harmful or helpful to your own case. This means that whilst you are a claimant you will have to keep such documents safe, and be prepared to produce them if required.

In addition, as part of the sign-up process, you will have agreed to make a Data Subject Access Request and to send us the documents. You also give us permission to request documents from other third parties to help with the case.

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Test cases

There is a possibility that you might be selected by the Court as a 'sample' or 'test claimant', in which case you will have to spend time talking to or meeting us with a view to preparing a witness statement and you may be asked to attend court to give evidence. This is unlikely because there will be thousands of claimants and only a few will be selected, but if you are required to give evidence, you will be treated with courtesy by the Defendants and the Judge. All you would be required to do would be to tell the truth.

Household insurance

You may have legal insurance which would pay your legal costs, typically as part of the household insurance policy. This is known as 'Before The Event' (or BTE) insurance. We regret that unfortunately you will not be able to use your BTE insurance for this claim; that is mainly because all claimants are protected equally under the funder's indemnity and insurance, and we do not think that it will be economically viable to assist claimants with individual insurance claims.

Information about risk

Claimants who become involved in a court case put themselves at risk of having to pay the defendants' costs if they lose.

In this case, we will take a significant step to protect all of the claimants from that risk by obtaining an indemnity from the litigation funder (who will in turn obtain insurance), so that if the case is lost, it will be the funder or their insurers who will pay the other side's costs up to the level of the amount insured.

In addition, we will seek an order from the Court which will ensure that the risk will be shared proportionately between the claimants. This means that if the case was not successful, and there was no, or insufficient, insurance in place, your liability will be limited to your share of the defendants' costs.

It is our duty to minimise the risk to you as far as possible. The funder's indemnity and insurance should mean that the risk will be negligible.

Nevertheless, there are some remaining risks. We describe the main risks and what we will do to mitigate them here.

The risk that the cost of insurance cover is high

The cost of disbursements and particularly insurance has a significant impact on your recovery.

ATE insurance is expensive and on a deferred basis may cost as much as £1 for each £1 of risk that it is necessary to cover. If we are suing more than one well-resourced defendant then the overall cost of insurance could comfortably exceed £20 million.

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Insufficient insurance cover

One of the risks is that the defendants' costs are higher than the level of insurance. It is our job to make sure that the level of the indemnity is sufficient. The Court's case management processes mean that the defendants will be obliged to update us regularly about their costs, which will increase as the case progresses, so that we can take steps to increase the insurance cover if it is necessary to do so. If that was not possible, we would have alternative options available to claimants (such as discontinuing) rather than running up uninsured costs.

The insurer refuses to pay out

The insurer may deny or seek to withdraw cover, either:

- (a) after the unsuccessful conclusion of the case; or
- (b) while the case is continuing.

It is our responsibility to ensure that the insurers are fully informed about all aspects of the case so that it is not open to them to refuse to honour a claim if the case is lost.

The insurer goes out of business

There is a possibility that the insurer fails so that they are unable to pay. There is nothing we can do about this risk, other than to seek to ensure that the committee refuses offers of insurance from insurers whose rating is not sufficient to give us comfort that they will be able to pay.

The group does not attract enough claimants

There is also a further risk: that the case is successful but any recoveries for the claimants are limited.

It is possible (but unlikely) that the group will not attract enough claimants. If the total claim value is below a certain level, the damages that the Claimants are awarded may not be sufficient for there to be very much to distribute to claimants after the payment of the funding costs. (Similarly, if there is a low settlement, the Claimants may achieve only a limited recovery.)

You succeed in your claim but other claimants fail in theirs

The insurance will be on the basis of the group claim, so that the insurance will respond only if the Claimants' claims as a whole fail. If some claimants succeed and others fail, they will pay out only to the extent that the costs payable to the defendants in respect of failed claims cannot be paid from the amount recovered for successful claimants.

There is not enough value in the defendants to satisfy the claim

This appears to be unlikely.

Our Advice on the Risks

In view of what we have done and intend to do to limit the risks, it is our advice to potential

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claimants that the risk of personal liability falling on any claimant is extremely low.

Cancellation

If you change your mind after signing up, you can cancel within 14 days without any reason. To do so, please contact Marcus Parker by email at: cancellations@mortgageprisoners.com. We will email a cancellation form to you once you have completed the registration process. You may use this to cancel, but you do not have to. This agreement is governed by the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013.

Warning: this is only a summary

This document is intended to be a helpful summary for the benefit of clients. It does not replace or change in any way the terms of any agreement (including any damages-based agreement) you may enter into with us in this matter. You should read and consider the terms of any such agreement for a fuller picture.

Frequently asked questions

These FAQs are intended to offer quick answers to some of the most frequently asked questions about the claim. They are not intended to be a substitute for the documents attached to the questionnaire. It is important that you read those documents thoroughly.

Background to the claim

What is a 'Mortgage Prisoner'?

Mortgage Prisoners are people who are trapped paying excessive interest rates on their domestic mortgages without the opportunity to switch lender. Many of the group originally took out mortgages with Northern Rock or Bradford & Bingley. In some cases, the new owner of the mortgages treats Mortgage Prisoners differently from its other customers. For example, TSB operates an inactive subsidiary called Whistletree, which administers a book of former Northern Rock mortgages, and The Co-operative Bank operates a series of inactive subsidiaries called Mortgage Agency Services Numbers 1-7 which now own mortgages which were originated by GMAC RFC.

What is the claim about?

The claim we will bring on your behalf will allege that your treatment by your lender has been unfair and that your lender's actions have been in breach of the terms, or the implied terms of your mortgage deed.

In addition, if the facts support such claims, we will claim on your behalf in respect of other breaches of your mortgage contract we are able to identify. We will contact you if you are eligible for any of these additional claims.

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What are Northern Rock, Bradford & Bingley and others doing about this?

In short, very little. The mortgages of many of our clients have now been sold to other lenders, so we expect a) the original lenders to deny any responsibility for our clients' treatment and b) that the present holders of the mortgages will deny that there is anything wrong with the rates they have charged their customers.

What is the Government and / or the Financial Conduct Authority doing about this?

The Financial Conduct Authority has consulted and published the results of a review of the Mortgage Prisoners issue (which you can read by clicking here: <https://www.fca.org.uk/publications/consultation-papers/cp19-14-mortgage-customers-proposed-changes-responsible-lending-rules-and-guidance>), and a number of MPs are lobbying the Government to act. In our view, these are valuable and useful initiatives, but they are unlikely to result in financial compensation for borrowers' past treatment.

What is the basis of the claim?

Our clients will say that, although the rate at which banks lend money is discretionary, that discretion must not be exercised in a way which is unfair. This assertion is supported by a number of parts of the Financial Conduct Authority's 'MCOB' rules, which require customers to be treated fairly.

What do you say Northern Rock, Bradford & Bingley and others did wrong?

As above, our clients will allege that the rates they have been charged were so excessive that it was unreasonable and unfair for their lenders to have charged them.

What are the rules governing mortgages?

The Financial Conduct Authority's 'Mortgage Conduct of Business Sourcebook' contains a number of rules with which lenders must comply. You can read the rules in full here:

<https://www.handbook.fca.org.uk/handbook/MCOB/1/?view=chapter>.

Of particular importance for our clients are:

- MCOB 2.5A which requires that firms must 'act honestly, fairly and professionally in accordance with the best interests of [their] customer[s]'; and
- MCOB 11.8 which says: 'Where a customer is unable to:

(1) enter into a new regulated mortgage contract or home purchase plan or vary the terms of an existing regulated mortgage contract or home purchase plan with the existing mortgage lender or home purchase provider; or

(2) enter into a new regulated mortgage contract or home purchase plan with a new mortgage lender or home purchase provider;

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the existing mortgage lender or home purchase provider should not (for example, by offering less favourable interest rates or other terms) take advantage of the customer's situation or treat the customer any less favourably than it would treat other customers with similar characteristics. To do so may be relied on as tending to show contravention of Principle 6 (Customers' interests).'

Who will be the defendants?

The defendants we have identified at this early stage are:

- a) Northern Rock and Bradford & Bingley in their current forms;
- b) NRAM Limited; and
- c) Mortgage Agency Services Numbers 1-7 Limited.

The old Northern Rock Company is now called Landmark Mortgages Limited and is owned by an American private equity firm called Cerberus Capital Management.

Bradford & Bingley (and its subsidiary, Mortgage Express) and NRAM Limited are still ultimately in Government ownership.

We understand that Mortgage Agency Services Numbers 1-7 are ultimately owned by The Co-operative Bank.

As we further develop our ideas about the most effective way of bringing the claims and as the claimant group grows it is likely that we will identify other defendants.

Joining the group

How do I join the claim?

You can apply to join the claim by visiting www.mortgageprisoners.com. You will need to complete a short registration questionnaire and agree to instruct Harcus Parker to act as your solicitors. We will then begin to investigate your claim including requesting from your lender that they provide us with all relevant documents relating to your mortgage.

Why should I join the claim?

Accountability

The new owner of your mortgage has overcharged you and not given you a proper service, because they have not had to compete with the wider market for your business. Hold them to account for their mistakes and their having taken advantage of you.

Fairness

The new owners of your mortgage have profited at your expense. We intend to put a stop to that.

Finance

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We believe that this litigation offers the best chance that you and other Mortgage Prisoners have of being compensated for nearly twelve years of overcharging and mismanagement.

What are you asking me to do? In the first instance, we ask you simply to fill out our questionnaire. You can do so by visiting www.mortgageprisoners.com. Afterwards, we will write to your lender on your behalf to request that they provide us with relevant documents about your mortgage, following which we may get in touch to ask a few further questions.

What will it cost me? We are acting pursuant to a DBA (that is, a 'damages-based agreement') which is a form of 'no-win, no-fee' agreement and which provides that we will be paid 35% of any damages awarded to you, plus your proportionate share of the money we spend on your behalf on third party services, plus the cost of insuring the risk that you may have to pay the costs of your lender if you lose in Court. It is important, if you join the claim, that you read the DBA, the explanations of the terms of the DBA and the other agreements carefully.

Can I pay the costs of this action with my before the event (BTE) legal expenses insurance? It may be possible for you to find another firm of solicitors who is prepared to act for you on this basis.

We cannot act for you on this basis because, from our previous experience, the cost of dealing with individuals with unique funding arrangements in group claims is disproportionately expensive. Time and costs are incurred by us in administering these arrangements which would not otherwise be incurred.

What are disbursements? Disbursements are expenses that we will need to pay in order to bring the claim as defined in the Damages-Based Agreement which we ask you to agree to as part of the sign-up process. Disbursements include:

- a) fees for experts;
- b) court fees;
- c) the payment of an insurance premium or premiums;
- d) costs and fees associated with the provision of third-party funding;
- e) the costs of data rooms, disclosure platforms and electronic bundling systems;

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How much will the disbursements be?

- f) photocopying charges;
- g) the costs of marketing and PR and the costs of establishing and maintaining a case website; and
- h) any other expense which Marcus Parker incurs in order to bring the claim.

We expect the disbursements we will fund will run into many millions of pounds.

One of the reasons for the high level of our charge on any damages awarded to you is that we will be paying disbursements in the first instance and running the risk that we will not be reimbursed if the litigation is unsuccessful.

Even though we expect the overall disbursements to run into many millions of pounds, the cost of these will be shared between the claimant group if the claim is successful. We expect that your own liability to pay disbursements out of the damages you are awarded if we are successful will be relatively small.

Who can bring a claim?

You can claim if you took out a mortgage with:

- a) Northern Rock, before it was taken into Government ownership in 2009,
- b) Bradford & Bingley or its subsidiary Mortgage Express, before it was taken into Government ownership in 2008, or
- c) GMAC RFC before your mortgage was sold or transferred to Mortgage Agency Services Numbers 1-7.

You will not be able to claim if your Northern Rock mortgage was sold to Virgin Money. This is because Virgin Money is what is often called an 'active lender' which offers new mortgage products to their customers. Virgin Money customers have not become Mortgage Prisoners.

We cannot bring your claim if your GMAC RFC mortgage was sold or transferred to a lender other than Mortgage Agency Services Number 1-7.

If you believe you are a Mortgage Prisoner and you originally took out a mortgage with Northern Rock, Bradford & Bingley, Mortgage Express or GMAC RFC and have subsequently become trapped on higher than normal rates, you may be able to claim.

Please feel free to contact us to discuss your situation.

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How do I find out who has bought my mortgage if it has been sold?

Your mortgage provider may have notified you that your mortgage has been sold.

Alternatively, your mortgage statements should state who your mortgage is with. If the name of the firm on your mortgage statements has changed, your mortgage may have been sold to the new firm printed on your statements.

Who are the members of the committee?

It is not possible practically to take instructions from each claimant in the same case in group actions with many thousands of claimants without us incurring excessive time and expense. We have therefore established a small committee of claimants to make decisions on behalf of the larger claimant group.

The initial members of the committee are:

- a) Valarie Bell;
- b) Jill Hulme;
- c) Ann Jennings;
- d) Maurice Latimer;
- e) Catherine Lee;
- f) Graham Miles;
- g) Rachel Neale;
- h) Juliet Peddle;
- i) Nicole Renehan.

You can read about each of the committee members on our website at www.mortgageprisoners.com.

How it works

In which Court will the case be brought?

The cases will be brought in the Chancery Division of the High Court in London.

What is a Group Action?

A Group Action is the English term for what is frequently referred to as a 'class action' in America and elsewhere. In England and Wales each individual who wishes to make a claim has to sign up and ask that their name be added to a claim form. If you do not 'opt in' to the claim, you may not be able to bring a claim at a later date, and you may not be able to benefit from any compensation paid by defendants.

We use the terms 'Group Action' to mean collective action which is managed by the Court, whether or not the relevant case management orders technically amount to Group Litigation Orders under the Civil Procedure Rules.

What documents / information do I need to keep or have

Everything related to your mortgage, although in the first instance there is no need to share them with us, as we will make a Subject Access Request* on your behalf to your lender, which should provide us with all the documents we need for now.

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to be part of the claim?

You can find out more about what a Subject Access Request is on the website of the Information Commissioner's Office: <https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/individual-rights/right-of-access/>.

As a claimant in litigation, you have a duty to preserve all of the documents (including electronic documents) that are relevant to your claim.

*Please note that it is our intention to make Subject Access Requests on behalf of the initial group of claimants. It is possible that as the matter progresses, we will agree with the defendants that they should instead produce more limited disclosure.

Will I have to go to Court to sue my mortgage lender?

There are likely to be a number of 'test claimants' who may need to give evidence at Court in early hearings, but you are unlikely to be one of these. If you feel you would not be able to do this, please do let us know, but as a claimant you should be prepared to give evidence if the Court requires it. It is unlikely that you will be subject to hostile questioning (as opposed to questioning that simply tests what you are saying).

Who are Audit Intelligence Limited?

Audit Intelligence Limited is a separate company with expertise in data analysis. We are contracting with them on your behalf to carry out the following work:

- receiving your Subject Access Requests*;
- ordering and scanning the documents in your Subject Access Requests; and
- analysing and producing reports and calculations based on the documents in your Subject Access Requests.

In return for Audit Intelligence Limited carrying out this work, we

*or such more limited disclosure we may agree with the defendants.

Who are the members of the barrister team?

The barrister team is made up of William Hibbert and Adam Heppinstall of Henderson Chambers.

William is as a leading barrister in the areas of banking and finance (including consumer credit), consumer protection law, and financial services. He has previously acted for borrowers alleging breaches of a lender's duties. His profile can be found here: <https://www.hendersonchambers.co.uk/barristers/william-hibbert/>

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Adam has a wealth of experience of acting for claimants and defendants in group actions, including for the claimants in the ongoing VW emissions group litigation. His profile can be found here: <https://www.hendersonchambers.co.uk/barristers/adam-heppinstall/>

Financial matters

Are the proposed terms 'no-win, no-fee'

Yes. We are acting pursuant to a DBA (that is, a 'damages-based agreement') which provides that we will be paid 35% of any damages awarded to you, plus your proportionate share of the money we spend on your behalf on third party services, plus the cost of insuring the risk that you may have to pay the costs of your lender if you lose in Court. It is important, if you join the claim, that you read the DBA, the explanations of the terms of the DBA and the other agreements carefully.

How much compensation will I get?

At this stage it is very difficult to say. The amount we will claim on your behalf will depend on factors including: i) the size of your mortgage; ii) the term of your mortgage; and iii) the interest rate you are and have been charged on your mortgage. The amount of any compensation you may be awarded is a matter for the Court.

What is the loss that is being claimed for?

In very general terms, our clients will claim that they ought to be paid the difference between the interest they have paid and the interest that they would have been charged, had their lenders treated them fairly. In some cases this could be very significant.

How much of the compensation I am awarded will I get to keep?

Approximately 60%. Our fee will be 35% (inclusive of counsel's professional fees and payments made to Audit Intelligence), added to which will be disbursements and VAT, as explained elsewhere in these FAQs and in the other documents relating to the proposed charges.

Do I still need to pay my mortgage each month if I join the claim?

Yes. You should not stop paying your mortgage as a result of joining the claim.

It is vital that, by joining the claim, you do not think you will solve any debt issues you might have. There is no guarantee that the claim will be successful. You must continue to manage your debt diligently and carefully, and take advice where possible. Organisations such as StepChange (<https://www.stepchange.org/>) and Citizens Advice (<https://www.citizensadvice.org.uk/>) may be able to offer you some guidance about how best to manage your money.

How will Marcus Parker and the other professionals involved get paid?

Harcus Parker's fee will be deducted from any damages you receive. If the claims fail and claimants do not receive any money, then we will not be paid.

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In addition, Marcus Parker will receive an amount equal to the amount it has paid out to other professionals and other third parties involved in your claim. These other professionals, such as barristers and experts, will be paid by Marcus Parker as they do the work on your behalf.

Audit Intelligence Limited will be paid during the claim and in addition will be paid by us out of the success fee we earn.

Marcus Parker

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Who are Marcus Parker? We started Marcus Parker so we could take on projects in which we believe. We are prepared to work at our own risk and fight for the rights of consumers, pensioners, shareholders and the victims of financial mis-selling.

Damon Parker is the firm's senior partner and is a recognised market leader in the areas of Group Actions, case management and litigation funding. Damon is consistently ranked as a leading lawyer in the legal directories. He has been ranked as a leading individual in Chambers and Partners since 2002. In 2016 he was included in the Lawyer's Hot 100, and in 2018 he was named in the Legal 500 Hall of Fame.

Damon is assisted by a team which includes Edward Parkes and Jennifer Morrissey, who are also partners in the firm. Edward acts for investors and for financial advisers bringing or defending Group Actions in relation to the mis-selling of investments (particularly with a taxation angle), and Jennifer's practice combines High Court Litigation and Arbitration on behalf of clients including international and domestic investment funds, investment banks, private trust companies and high-net worth individuals.

Have you run claims like this before? Most recently we have acted in the Lloyds-HBOS Group Litigation on behalf of 6,000 shareholders in Lloyds TSB, and also for over 50,000 people in the VW Emissions Group Litigation. Before that, Damon and the team have run a variety of other large financial services group actions.

You can find out more about our current projects on our website: www.harcusparker.co.uk.

Further information

For more information about the case and the background to the mortgage prisoner scandal, you may wish to use the following resources.

Resource	Link
BBC Panorama programme about mortgage prisoners called 'Tapped by My Mortgage' broadcast on 22 October 2018	https://www.bbc.co.uk/programmes/b0bp2dsj
House of Commons Library debate pack on 'Mortgage Prisoners and Vulture Funds' published on 30 May 2019	https://researchbriefings.parliament.uk/ResearchBriefing/Summary/CDP-2019-0134

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Debate in the House of Commons on mortgage prisoners on 6 June 2019	https://parliamentlive.tv/event/index/5ef93c1a-758d-4359-9e64-69f96844ec9d And https://hansard.parliament.uk/Commons/2019-06-06/debates/029457C4-5BC6-49F3-91BC-3A8127A373E6/MortgagePrisoners
Final Report of the Financial Conduct Authority's Mortgages Market Study published in March 2019	https://www.fca.org.uk/publication/market-studies/ms16-2-3-final-report.pdf
Financial Conduct Authority's consultation paper on proposed changes to responsible lending rules and guidance	https://www.fca.org.uk/publication/consultation/cp19-14.pdf
National Audit Office report on 'The creation and sale of Northern Rock plc' published on 18 May 2012	https://www.nao.org.uk/report/the-creation-and-sale-of-northern-rock-plc/
House of Commons Committee of Public Accounts report on 'The creation and sale of Northern Rock plc' published on 5 November 2012	https://publications.parliament.uk/pa/cm201213/cmselect/cmpublicacc/552/552.pdf
National Audit Office report on 'The £13 billion sale of former Northern Rock assets' published on 19 July 2016	https://www.nao.org.uk/report/the-13-billion-sale-of-former-northern-rock-assets/
House of Commons Committee of Public Accounts report on 'The sale of former Northern Rock assets' published on 2 November 2016	https://publications.parliament.uk/pa/cm201617/cmselect/cmpublicacc/632/632.pdf

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House of Commons Library debate pack on the 'Purchase of Distressed Assets by Cerberus' published on 17 February 2017

<https://researchbriefings.parliament.uk/ResearchBriefing/Summary/CDP-2017-0052>

The Financial Conduct Authority's 'Mortgages and Home Finance: Conduct of Business Sourcebook'

<https://www.handbook.fca.org.uk/handbook/MCOB.pdf>