MINUTES

DAMAGES SPECIAL INTEREST GROUP

Date:	8 February 2017	**Start:**	5:45pm
Location:	London		
Attendees:	Malcolm Underhill – Group Co-Ordinator Ben Posford – Group Secretary / Minutes Shahram Sharghy, APIL EC Member – Speaker 1 Nick Shapland, Affiniti Finance – Speaker 2 James Rowley QC – Speaker 3 *Plus 49 others*		

1. Introduction

The Group Co-Ordinator opened the meeting by thanking everyone for attending and introduced the speakers.

2. Speaker One - Update on Current EC activities within APIL

The EC Officer provided an update on current EC activities within APIL.

3. Speaker Two

Nick Shapland from Affiniti Finance spoke about a product that he has developed aimed purely at personal injury and clinical negligence claimants, which effectively allows claimants, for no admin fee, to apply for a loan to fund crucial healthcare or carer requirements and where an insurer is refusing to make interim payments.

The alternatives in many cases is either issuing proceedings and making an application (but the claim may not be ready for this yet), applying for bank loans or credit cards or 0% credit cards, all of which are impossible if you are not working, or loan sharks which is dangerous and very expensive.

The product has the following benefits:

1. The interest rate is calculated on a simple interest basis, so if the loan is repaid within, say, one week, then only one week of interest is payable. There is no arrangement fee, no admin fee, and no early repayment fee.

2. The loan is to the claimant, not the solicitor, and follows a signed agreement between Affiniti and the claimant. All claimants are seen in person by Affiniti to discuss their needs. The solicitor does not need to endorse or "recommend" the product – it's simply another option to tell the client about when they need money, are seriously injured, and insurers are being difficult.

3. If the loan is agreed, the interest rate is about 30% per annum (calculated on a daily basis as simple interest, which makes it easier to calculate).

4. The loan is an unsecured loan, and the lending criteria is that it only forms a small percentage (say no more than 20-25%) of the value of the claim, to be generally used for something recoverable within the claim.

5. The interest rate includes a self-insurance/ATE element, so that **any shortfall unrecovered in the claim is automatically written off**. There is no debt owed from the claimant's assets etc after the claim has concluded. This aids a claimant's peace of mind enormously. The loan is **not** secured against their property.

6. It is for the claimant's solicitor to place the defendant on sufficient notice about the interest rate etc in order to try and recover as much of it as possible within the claim. In most cases where a claimant in not working due to their injuries, a few quick online applications to their bank and various credit card companies will establish that they cannot borrow significant sums elsewhere for a lower rate.

7. At present, even though insurers are generally making the interim payment sought before the 14 day cooling off period, meaning that the loan is cancelled without being paid, Affiniti are not charging any admin fees.

See the notes which accompanied the talk for further details.

4. <u>Speaker Three – James Rowley QC</u>

James provided a fulsome update on recent quantum decisions.

See the notes which accompanied the talk for further details.

Close: Approx 7:30pm.