



Candidate Number _____

Unit 1 Examination Paper

5 August 2017

Time allowed: 3 hours

To pass this examination candidates must obtain a mark of 50% or above. **You must answer ALL of the questions.**

Write in full sentences – a yes or no answer will not earn any marks. The mark allocation for each question and part question is given and you are advised to take this into account in planning your work. Write in blue or black ink or ballpoint pen.

Please put your candidate identification number at the top right corner of each sheet of paper (NOT your name) and number the pages. At the end of the examination, attach your answers to the examination papers and put your paper in proper order in the envelope. Please hand the envelope to the invigilator and sign the registration form to confirm that you have handed in the paper.

Please write legibly, on one side of the paper only: **Marks may be lost if the examiners cannot read your answers.**

Do not turn over this page until instructed by the Invigilator.

Section A

1. Explain what is meant by the indemnity principle.
(5 marks)
2. In what circumstances would it be appropriate to apply for a default costs certificate?
(5 marks)
3. When may summary assessment take place? Outline the procedure.
(10 marks)
4. Explain what is meant by basis of assessment.
(10 marks)
5. Outline a costs lawyer's duty to the court.
(10 marks)

Total for Section A: 40 Marks

Section B

6. You work for Dodgem Costs Consultants in Bradford. You are a trainee costs draftsman and are due to attend a one to one meeting with the director responsible for training and development. You want to study to become a costs lawyer, but you know that it may take a little persuasion for the director to approve the funding for this. You therefore decide to prepare for the meeting by producing some notes on how the qualification may improve your performance and what benefits it would bring to the firm for you to qualify. You are adamant that completing the course will be beneficial to the business; being regulated will ensure compliance with rules on professional conduct and allow you to undertake reserved legal activities. The first step in your preparation has been to consider the CLSB Code of Conduct for Costs Lawyers.

Outline the principles of the code of conduct and give examples of when those principles may be applicable within your role as a costs draftsman.

(10 marks)

7. You work for Costs Recovery Consultants Ltd in Cambridge and have been instructed by the paying party on a matter listed for detailed assessment before a deputy district judge. The receiving party has instructed a costs draftsman from Newmarket. You are finding him difficult to deal with and you do not consider him to be at all professional. He has sent what you consider to be an unreasonable and unnecessary amount of correspondence with the majority of communications being protracted. On a number of occasions, he has also raised petty points and you are of the opinion that he is dealing with the matter in a way which you believe to be wrong. Yesterday, he sent you an email (which was also sent by fax and received by hard copy this morning) threatening you with a wasted costs order if you do not respond by the end of the week.

Prepare a **summary** on what is meant by a wasted costs order and when the court may be minded to make such an order.

(10 marks)

8. You work for Abacus Costs Solutions, a large, reputable costing firm in Bristol. You qualified as a costs lawyer 3 years ago and have extensive experience working on behalf of both paying and receiving parties. You have received an email from Mr Henry Biggs, a solicitor within a small high street firm. He acted on behalf of Barry Bright who unsuccessfully defended a breach of contract claim brought by Sally Simms valued at £100,000. He has received a bill of costs from Miss Simms' representatives totaling £83,796.02. Mr Biggs has no prior experience of detailed assessment and he has asked you to explain the general procedure as well as the next steps he needs to take.

Prepare the **body** of an email to Mr Biggs in response to his request.

(20 marks)

9. You are a costs lawyer and work in-house for a small high street firm of

solicitors based in Nottingham. You have been asked by a junior fee earner, Ms Martha Tydfil, to draft the bill of costs on the file of Havanon. Ms Tydfil successfully settled the claim for damages for her client after proceedings were issued, but without the need for a trial. You have received the file of papers in the internal post and have considered the letter of instruction which provides details of specific charging rates which are to be utilised in the bill of costs. Upon perusal of the file, you have found a client care letter showing much lower rates.

Prepare the **body** of a memo to Ms Tydfil explaining what you think you should do about this situation, giving reasons for your answer.

(20 marks)

Total for Section B: 60 Marks

END OF PAPER