

B Corp Certification - Disclosure Questionnaire Documentation	
COMPANY:	HM3 Legal
UPDATED AS OF:	May-16-2024
DISCLOSURE QUESTIONNAIRE CATEGORY	Litigation, Arbitration, and/or Penalties
ISSUE DATE	Data taken from the company Claims Report covering FY18 to FY23.
TOPIC	Arbitration and penalties for voluntary service and complaint reviews, and contract disputes, with improvements enacted.
SUMMARY OF ISSUE	<p>The company has been involved in 5 cases relating to client service, contracts and procedure. 1: A domestic conveyancing matter regarding surveyor notes (Penalty: £6,580). 2: A Buyer Funded Development matter (Penalty: £227,000). 3: A contract drafting matter (£15,000). 4. A failure to serve a notice on a contract (£48,500). 5: A client complaint about the perceived slow response to a complaint (the Legal Ombudsman awarded the lowest amount of £210). Stakeholders affected by these matters include clients, employees, and third party suppliers and organisations.</p> <p>- All are settled and closed.</p>
SIZE/SCOPE OF ISSUE (e.g. \$ financial implication, # of individuals affected)	The total value was £297,290
IMPACT ON STAKEHOLDER(S)	Potential impact on clients, employees, and third parties.
RESOLUTION	The cases were settled and closed

MANAGEMENT PRACTICES	<p>- Actions to address any issues raised are taken promptly and seriously. The company has in place clear and thorough processes including an escalating scale of steps from an informal complaint through to litigation. Examples are documented on a comprehensive Claims Report as reference, for Professional Indemnity and the Solicitors Regulation Authority as part of the company's annual renewal, and to improve service levels and mitigate risk. The company realises that occasional errors can happen, and at such times the senior management team takes an active part in reviewing any issues raised, working closely with the dedicated Practice Manager and Risk and Operations Director, clients, third-parties and any lawyers involved in the matter to better understand, respond to and learn from each situation as it arises. This process informs actions and drives improvements.</p> <p>- New practices to help mitigate similar issues from arising in the future include implementing dedicated training to address each specific problem, and reviewing existing processes. For example, completing further training for the conveyancing team, no longer accepting instructions on Buyer Funded Developments due to the inherent risk to both the company and the client from the fragility of these schemes, and introducing a requirement for more than one point of contact for cross-checking contracts.</p>
RELATED INCIDENTS (YES/NO)	No