

CONTINGENCY FEE AGREEMENT

This **Contingency Fee Agreement** (this "Agreement") is made on this _____, 20____, by and between:

Attorney/Law Firm: _____, an individual/entity located at _____, City of _____, State of _____, _____, hereinafter referred to as the "Attorney" and

Client: _____, an individual/entity located at _____, City of _____, State of _____, _____, hereinafter referred to as the "Client".

WHEREAS in consideration of the legal services to be rendered by the Attorney in connection with the legal matter Client may have. Client employs the said Attorney(s) to pursue claims defined under and assigns to Attorneys as Attorneys' fee the amounts mentioned in this agreement.

1. Legal Matter: _____ [Subject/Title of the legal matter]. The Attorney under this agreement is to represent the Client in the matter of Client's claims arising out of _____ [Description of the legal matter) on _____, 20____ ("Legal Matter").

2. Fee and Retainer:

(For all settlements)

- a. ___ percent of the gross amount recovered by settlement prior to the filing of a complaint;
- b. ___ percent of the gross amount recovered by settlement after a complaint is filed but before a trial is commenced;
- c. ___ percent of the gross amount recovered during or immediately after the first trial, by settlement or otherwise; or
- d. ___ percent of the gross amount recovered if an appeal or further action is taken after the first trial.

(i) Except as provided in the next paragraph, our fees will be payable only out of amounts recovered. If no recovery is obtained, no fees will be payable to us. You will, however, remain liable for all costs incurred on your behalf regardless of recovery under the terms mentioned in this agreement.

(ii) The parties understand that these percentages mentioned in section 2(i-iv) are not set by law and are subject to agreement by the parties.

(iii) The contingency rate percentages shall be applied to the gross recovery amount, which shall include any award of attorneys' fees. After attorneys' fees are deducted



from the gross recovery amount, any unreimbursed costs advanced by Attorneys will be repaid. The Client will receive the remainder of the recovery after deductions for attorneys' fees and unreimbursed costs.

b. A retainer fee of \$_____ will be charged at the signing for this fee to cover the costs mentioned in section 5 of this agreement.

(For pre-litigation settlements)

a. A contingency fee of ___ percent of all amounts recovered in the Legal Matter, including but not limited to a pre-litigation settlement or mediation. Client is not presently hiring Attorneys to file a lawsuit or participate in an arbitration, but to engage in pre-litigation settlement negotiations. Should the parties later decide to pursue Client's claims through litigation, a ___ percent contingency fee will apply to all amounts recovered through compromise, arbitration, judgment before trial, or judgment after trial commences.

(i) Except as provided in the next paragraph, our fees will be payable only out of amounts recovered. If no recovery is obtained, no fees will be payable to us. You will, however, remain liable for all costs incurred on your behalf regardless of recovery under the terms mentioned in this agreement.

(ii) The parties understand that these percentages mentioned in section 2(i-iv) are not set by law and are subject to agreement by the parties.

(iii) The contingency rate percentages shall be applied to the gross recovery amount, which shall include any award of attorneys' fees. After attorneys' fees are deducted from the gross recovery amount, any unreimbursed costs advanced by Attorneys will be repaid. The Client will receive the remainder of the recovery after deductions for attorneys' fees and unreimbursed costs.

b. A retainer fee of \$_____ will be charged at the signing for this fee to cover the costs mentioned in clause 5 of this agreement.

3. Settlement.

a. In the event that the Client accepts a settlement prior to Attorneys corresponding the settlement, but after Attorneys have performed over 1 hour of work on Client's case, Client agrees to pay Attorneys for all hours worked at their hourly rate of \$_____.

b. Attorneys may be able to negotiate non-monetary settlement terms. Client understands and agrees that the contingent portion of the Attorneys' fees will include ___ percent of the reasonable value of such non-monetary settlement provisions.

4. Demand Notice. Client acknowledges that he/she has been informed that if he/she is not sure about proceeding with pre-litigation negotiations, he/she should wait to enlist Attorneys' services. If Attorneys commence work on a legal notice or demand letter on client's behalf and client chooses not to proceed with sending the letter and having Attorneys engage in pre-litigation settlement negotiations, client shall pay Attorneys for their time in writing the letter, at their usual hourly rate of \$_____.

5. Client's Responsibilities.



a. Client is responsible for ordinary and necessary pre-litigation costs such as express or certified mail, postage, messenger fees, copying services, and mediation fees if applicable. Should the parties decide to pursue litigation, additional costs may apply and will be covered by a subsequent litigation retainer agreement. Client agrees to reimburse all costs in the case.

b. Client shall be truthful with Attorneys, cooperate with Attorneys, make himself/herself available for meetings and telephone consultations related to this matter, keep Attorneys informed of developments, abide by this Contract, and keep Attorneys advised of Client's address, telephone number and whereabouts.

c. The Client will be responsible for all actual out-of-pocket costs the Attorney incur on his/her behalf. Typical costs include: travel expenses, long-distance telephone calls, outgoing fax at \$_____ per hour.

d. In the event that Client loses the litigation, he/she may be responsible for the opposing party's attorneys' fees and costs.

e. The Attorney cannot effectively represent the Client without his/her cooperation and assistance. The Client agrees to cooperate fully with the Attorneys and to promptly provide all information known or available to the Client that is relevant to the representation. The Client's obligations include timely provision of the requested information and documents, assisting in discovery, disclosure and trial preparation, cooperating in scheduling and related matters, responding timely to telephone calls and correspondence, and informing us of changes in your address and telephone numbers.

6. Termination and Withdrawal.

a. Client may terminate this Agreement by providing reasonable notice of termination to the Attorneys. Upon such termination, Attorneys will have a lien upon Client's recovery to compensate Attorneys for the greater of: (a) Attorneys' time providing legal services to Client in connection with this matter at their hourly rate of \$_____ or (b) If a settlement offer is pending at the time Client terminates the representation, or if Client rejects a settlement offer prior to terminating the representation and later obtains a settlement or judgment in the case through any means, ___ percent of the most recent settlement offer prior to the termination.

b. Attorneys may withdraw from representation at any time upon reasonable notice to Client and Client agrees to sign a substitution of attorney for such withdrawal on written request.

c. Unless previously terminated, the Attorneys' representation will terminate upon the Attorney sending the Client (Check one) a closing letter statement of expenses and providing the Client with an accounting of all funds received and disbursed on Client's behalf.

7. Acknowledgement. Client acknowledges that he/she has received a copy of Attorneys' "Information for New Clients" document, and that he/she has read and understands the information set forth therein.

8. Dispute. Any dispute arising from this Agreement shall be resolved through: (Check one)

Court litigation. Disputes shall be resolved in the courts of the State of _____.



If either Party brings legal action to enforce its rights under this Agreement, the prevailing party will be entitled to recover from the other Party its expenses (including reasonable attorneys' fees and costs) incurred in connection with the action and any appeal.

Binding arbitration. Binding arbitration shall be conducted in accordance with the rules of the American Arbitration Association.

Mediation.

Mediation, then binding arbitration. If the dispute cannot be resolved through mediation, then the dispute will be resolved through binding.

9. Waiver and Integration.

a. This Agreement constitutes the entire agreement between the Parties and supersedes any prior understandings, written or oral in respect of the subject matter of this Agreement, including specifically the Original Agreement if any.

b. If any provision of this Agreement is determined to be invalid or unenforceable, this determination will not affect any other provision of this Agreement and the provision in question shall be modified by the court so as to be rendered enforceable in a manner which is consistent with the intent of the Parties insofar as possible.

10. Disclaimer.

a. Attorneys are not tax attorneys, advisors or consultants. Clients should contact a tax advisor regarding any tax related questions.

b. We are not acting as your counsel with respect to this agreement. If you wish to be advised on whether you should enter into this agreement, we recommend that you consult with independent counsel of your choice.

c. The Attorney retains closed files for one year from the date the representation ends. After at that time, closed files may be destroyed. If the Client would like his/her file, they should contact the Attorney within that time frame to arrange for the pickup.

d. The fees mentioned in this agreement shall not include any appeal, actions in bankruptcy court to collect judgments, or other collection efforts to secure payment of judgments.

11. No Guarantees.

a. It is agreed that Attorneys have made no guarantees regarding the successful termination of this action, and all expressions relative thereto are matters of Attorneys' opinion only.

b. No guarantees have been made as to what amounts, if any, the Client may be entitled to recover in this case or the final outcome of this case.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

Attorney Signature

Attorney Name

Law Firm
Name

Law Firm Representative
Signature

Law Firm Representative
Name and Title

Client Signature

Client Name

Client Entity
Name

Client Representative
Signature

Client Representative
Name and Title

