#### Sample Contingent Fee Agreement

### [LAW FIRM]CONTINGENT FEE AGREEMENT

**SCOPE:** \_\_\_\_\_\_\_\_\_\_\_\_\_ hires **[NAME/LAW FIRM]** to pursue claims he or she may have in connection with [INSERT DESCRIPTION OF REPRESENTATION OF WHAT YOU SPECIFICALLY ANTICIPATE DOING, INCLUDING WHEN THE REPRESENTATION STARTS AND WHEN THE REPRESENTATION CONCLUDES (e.g. DECREE IS ENTERED). ALSO INDICATE WHAT IS NOT INCLUDED IN THIS FEE AGREEMENT, (e.g. APPEAL, MISTRIAL, QUADRO AND IF FURTHER REPRESENTATION IS NEEDED AFTER THAT A SEPARATE FEE AGREEMENT WILL BE DRAFTED).

**COSTS AND EXPENSES:** You will be responsible for all actual out-of-pocket costs and expenses we incur on your behalf. Typical costs and expenses include: travel costs and expenses, long-distance telephone calls, outgoing fax (at INSERT RATE per page), Federal Express, courier services, and delivery charges, photocopying (at INSERT RATE per page), online database retrieval charges (Lexis, Westlaw, etc.), filing fees, wire transfers and other litigation related expenses. We anticipate making advances to cover out-of-pocket costs and expenses incurred but reserve the right to forward to you any larger items (such as expert witness fees or deposition costs and expenses) with the request that you pay them directly to the service providers. We will not incur costs and expenses in excess of $[XXX] on your behalf without first obtaining your consent. Costs and expenses advanced by us are taken out of your portion of any settlement proceeds after the contingency amount has been calculated.

**FEE:** You have retained us on a contingent fee basis and agree to pay us:

1. Twenty-five (25) percent of the gross amount recovered by settlement prior to the filing of a complaint;
2. Thirty-three and a third (33⅓) percent of the gross amount recovered by settlement after a complaint is filed but before a trial is commenced;
3. Forty (40) percent of the gross amount recovered during or immediately after the first trial, by settlement or otherwise; or
4. Forty-five (45) percent of the gross amount recovered if an appeal or further action is taken after the first trial.

For example, if the case settles for $100.00 prior to the filing of a complaint and you owe your health-care provider $10.00, we receive $25.00, the health-care provider receives $10.00, and you receive $65.00. If the case settles for $100.00 after the filing of a complaint and you owe your health-care provider $10.00, we receive $33.34, the health-care provider receives $10.00, and you receive $56.66.

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.

**TERMINATION OF REPRESENTATION AND POST-REPRESENTATION MATTERS:** Either party may terminate the representation at any time, subject to our obligations under the Rules of Professional Conduct and the approval of the court if the matter is in litigation.

In the event this agreement is terminated by us before settlement or ultimate recovery, no contingent fees shall be payable to us, but you shall remain responsible for payment of all costs and expenses advanced by us.

In the event this agreement is terminated by you before settlement or ultimate recovery, and should you settle and recover funds after the termination of this agreement, you agree to pay us our fees at the hourly rates customarily charged by us for the time we reasonably spent on your behalf before your termination of this agreement, plus any costs and expenses advanced. Our hourly rate for lawyer [NAME] is $\_\_\_\_\_.

Unless previously terminated, our representation will terminate upon completion of the legal services described in this agreement.

**CLIENT’S RESPONSIBILITIES:** We cannot effectively represent you without your cooperation and assistance. You agree to cooperate fully with us and to promptly provide all information known or available to you that is relevant to the representation. Your obligations include timely providing 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, telephone numbers and e-mail address. It is important that you retain all communications from and to us, including e-mails and attachments to e-mails.

**SETTLEMENT:** We will not enter into a settlement without your consent.

**DISBURSEMENTS:** The Ethical Rules place certain limitations upon the disbursement of funds from client trust accounts. In some cases, this may require us to wait 10 business days after depositing a financial instrument before disbursing the funds to you or a third party.

**DOCUMENT RETENTION:** At the end of our engagement, we will turn over the hard copy or electronic version of the file to you. If you do not want the file, you agree that the file may be destroyed in accordance with our document retention policy. Currently, it is our policy to destroy files five years after the termination of the representation.

[NOTE TO LAWYER: You may need to modify the retention term depending on the type of representation and whether you have accepted original documents from the client. *See* Ariz. Ethics Op. 08-02]

**ARBITRATION OF FEE DISPUTES:** If a dispute arises between us and you regarding our fees, the parties agree to resolve that dispute through the State Bar’s Fee Arbitration Program. Either party may initiate fee arbitration by contacting the State Bar’s Fee Arbitration Coordinator at 602.340.7379.

**NO ADVICE REGARDING THIS FEE AGREEMENT:** 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.

**NO GUARANTEES HAVE BEEN MADE AS TO WHAT AMOUNTS, IF ANY, YOU MAY BE ENTITLED TO RECOVER IN THIS CASE OR THE FINAL OUTCOME IN THIS CASE.**

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| **DATED** this day of , 20\_\_. | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Client’s Name |
| **DATED** this day of , 20\_\_. | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Lawyer’s Name |