



# COMMERCIAL LITIGATION AND DISPUTE RESOLUTION

Funding options and costs information



## FUNDING OPTIONS AND COSTS INFORMATION

Concerns about costs can deter businesses from pursuing or defending a claim, but our clear-cut approach to fees has given our clients greater confidence and opportunities. SA Law have a proven track record in advising clients on litigation funding and putting in place innovative funding arrangements which empowers clients to make informed decisions.

Whichever option works best for you will depend on your individual circumstances. To discuss your situation and the options appropriate for your case, call Tom Lawrence on **020 7183 5683**.

### LEGAL EXPENSES INSURANCE

You should check any insurance policies that you have to see if you have the benefit of legal expenses cover.

Legal expenses cover may be included in the following policies; home insurance, car insurance, credit cards, trade union membership and premium bank accounts. This list is not exhaustive and you should check all of the insurance policies that you have.

If you would like us to review any policies or agreements that you have, please let us know.

If you do have legal expenses cover, then it may be that the costs associated with your case are covered in all or part of the policy.

### CONDITIONAL FEE AGREEMENT (CFA)

A CFA is a type of funding agreement which is sometimes referred to as a “no win, no fee agreement”. The CFA will provide for us to only be paid if we help you achieve compensation or the remedy you are seeking either through negotiation or the courts. If you lose the case, you will not have to pay us the fees that are subject to the CFA.

If you win the case or negotiate a settlement, then you pay us our fees and expenses. You also pay us a success fee. The success fee is an additional amount payable for the legal services over and above the amount that would normally be payable to us if there was no CFA. That element compensates us for taking the risk on your case. The success fee must be expressed as a percentage uplift of the amount that would be payable if there was no CFA.

Please note that the success fee will be payable by you in any event. You cannot recover the success fee from your opponent even if you win the case.

THEIR SOLUTIONS

ARE PRAGMATIC,

SENSIBLE AND

COMMERCIAL.

CHAMBERS & PARTNERS



### DISCOUNTED CFA

This is sometimes referred to as a “no win, lower fee agreement” It would provide for you to pay a discounted rate (on our standard rates) whether you win or lose. If you win, you would pay the difference between the discounted rate and our standard rate (the contingent fee) and you also have to pay us a success fee on the ‘contingent fees’.

For Example, if our standard rate is £300 per hour + VAT, you would pay £150 per hour + VAT as the matter progresses (the discounted rate). If you lose you don’t pay us any additional fees. If you win you would have to pay the contingent element too, i.e. an extra £150 per hour + VAT and a success fee of (say) 100% on the contingent element, in this example £150 + VAT. So in this example, if you win you would pay £450 per hour + VAT.

The success fee will not be recoverable from the other side even if you win your case.

### PRIVATE PAYING (FIXED FEES)

We will assess your case and, if possible, we will provide you with fixed fee quotes in relation to each stage of work you ask us to undertake. At the outset of your matter we may not be able to provide you with fixed fee quotes for all the stages of the litigation. If that is the case then we will provide you with quotes as soon as we are in a position to do so.

### PRIVATE PAYING (HOURLY RATES)

If fixed fees is not appropriate (or if you prefer hourly rates), we can act on a time spent/ hourly rate basis.

### CONTINGENCY AGREEMENTS

A contingency agreement is an agreement between you and us that provides for us to be paid in the event that a specified result is achieved. The sum you pay us is determined as a percentage of the compensation or benefit we negotiate on your behalf. If the specified result is not achieved then we do not receive any payment. It can be entered into in relation to work undertaken before court proceedings are issued, i.e. “non-contentious business”.

### THIRD PARTY FUNDING AND LITIGATION LOANS

A third party may fund your case in return for a share of the winnings. If you lose your case – you do not have to repay the funder.

A Litigation loan is a loan from a specialist lender to help fund the litigation. The sum loaned is repayable at the end of the proceedings (whether you win or lose). You can pay the interest on the loan on a monthly basis – or some cases you can defer the payment of interest for up to two years, by which time your case should have been concluded.

“ A GOOD, SOLID,  
COMMERCIAL AND  
KNOWLEDGEABLE  
FIRM ”

THE LEGAL 500



## INSURING AGAINST LOSING YOUR CASE (AFTER THE EVENT INSURANCE)

If you lose your case, you will probably be ordered to pay your opponents costs. It is possible, in certain circumstances, to insure against that risk by taking out an after the event insurance policy (ATE).

ATE is a form of legal expenses insurance that may be obtained after a dispute has arisen. ATE insurance usually covers your potential liability to pay the winning party's costs if you lose your case. In addition it may be that the ATE policy can cover your own expenses and disbursements (not covered by a CFA) in the event that you lose.

ATE is often used in conjunction with a CFA or a discounted CFA.

Premiums for ATE can be high and are usually payable if the matter is settled before trial or if you win at trial. If you lose at trial, then usually you do not have to pay the premium.

Please note that even if you win your case, the ATE premium is not recoverable from the losing party and you will need to pay that.

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## MEET SOME OF THE TEAM



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## CONTACT DETAILS



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