

Lawsuit Cash Advances

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Lawsuit cash advances, also called pre-settlement cash loans, are non-recourse in nature. Whenever a plaintiff files a lawsuit, the lawsuit financing company investigates the type of lawsuit, studies its strength and chances of success, and provides a cash advance in return for a promise by the plaintiff to pay a share or part of the verdict or monetary settlement. This pre-settlement cash advance is called as non-recourse in nature because this cash advance is not a loan but an advance, which the plaintiff has to repay to the lawsuit financing company only after the final settlement from the court.

In case the lawsuit fails, the plaintiff need not pay any amount to the lawsuit financing company. If the final verdict results in an amount less than the advance, the plaintiff need not pay the difference. The plaintiff has to pay only a share of what he receives even if the amount is smaller than the advance he received from the lawsuit financing company.

The amount of cash advance available from the lawsuit company will depend on the nature of the lawsuit, the company and the strength and chances of success of the lawsuit. Depending on the above said factors a lawsuit financing company may pay a cash advance of \$500 to \$25,000. There are incidents when the lawsuit financing company even provides a cash advance of \$100,000.

Usually the company would be interested to pay a cash advance only when it feels that the claimant can receive a higher verdict than the advance made by the lawsuit financing company. The financing companies can collect the advance they made after the verdict is known. This fee is called the flat fee, while a monthly fee can be charged on the plaintiff until the settlement.

Cash advances and pre-settlement advances can be used by plaintiffs to meet their requirements like rent, medical bills, or extending their business. Lawsuit Financing provides detailed information on Commercial Lawsuit Financing, Lawsuit Cash Advances, Lawsuit Financing, Lawsuit Financing Companies and more. Lawsuit Financing is affiliated with Litigation Financing Companies.