

Lawsuit Financing Companies

Article by: Ken Marlborough

Attorneys, law firms, lawyers, beneficiaries or clients usually form lawsuit-financing companies. Lawsuit financing companies can also provide appeal finance, firm finance, custom finance or estate finance.

Many lawyers and attorneys create lawsuit financing companies based on their experience and the types of cases they encounter the most. Attorneys and lawyers with expertise in personal injury lawsuits or patent lawsuits help by providing cash advances and support in their fields.

Lawsuit financing companies provide many financing options. With a significant monthly fee, a few lawsuit financing companies may help to settle the case faster. Though a large variety of options are available, the plaintiff has to discuss with the attorney which option is best suited to him.

The lawsuit financing company and the plaintiff can make an agreement of the amount of share the lawsuit financers would obtain after the settlement or the verdict is known. This is called "flat fee". Apart from the flat fees, the plaintiff has to pay a minimum fee every month, called "recurring fees", to the lawsuit financing company. This recurring fee can be as low as 2.9% in the case of a few lawsuit financing companies, or could be as high as 15% with other companies.

It is the financing company's decision as to how much to pay as the cash advance. Lawsuit financing companies pay from \$1000 to about a million dollars depending on the case.

Every lawsuit financing company would have a team of lawyers to assess the strength of the case. The key is to avoid funding frivolous complaints. Thus the financing companies will scrutinize the complaint and decide the chances of success of the case.

Lawsuit financing companies do not term their cash advances as loans but as investments. The applicant has to repay after the verdict. Usually the monetary settlement that is obtained after the settlement by the court is larger than the company's advance. The lawsuit financing company should be paid the principal and the predetermined share of the monetary verdict.

Many lawsuit financing companies can be approached through the Internet. Companies like legalcashnow.com, legalfundingnetwork.com and lawsuitcash.com are available on the Internet. Websites like these are flooded with information and instructions regarding lawsuit financing. 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.