



Alternative Fee Arrangements: Working for You

In today's legal market, we understand that the pursuit of legal rights in a complex commercial case can cost millions of dollars in legal fees that must be funded on a current basis. For many businesses and individuals, those costs can be prohibitive and otherwise good claims can go unprosecuted. We also understand that there are circumstances where a client owns a valuable asset in the form of a claim or claims but lacks the financial wherewithal or liquidity to monetize that claim.

In appropriate cases, Freeborn is willing to share in the risks and costs of pursuing such claims, affording clients the ability to cost-effectively pursue their rights in circumstances where they might otherwise be forced to forego those rights. In those circumstances, we offer a variety of alternatives to straight fee-for-service billing to accommodate our clients. Those alternative fee arrangements (AFAs) can take several forms:

- 1. Contingency Fees:** Contingency fees typically involve the firm providing legal services for an agreed percentage of any recovery, whether by settlement or judgment. We have handled a wide variety of business disputes through such arrangements including disputes involving breach of contract, intellectual property, antitrust claims, shareholder claims, securities fraud, "whistleblower" cases and judgment enforcement, among numerous others.
- 2. Hybrid or Blended Contingency Fees:** Hybrid or blended arrangements typically involve payment of a reduced hourly fee together with a smaller percentage of any recovery than under a straight contingency AFA. We have handled breach of contract, intellectual property, reinsurance, antitrust and numerous other disputes using blended or hybrid arrangements.
- 3. Fixed Fees:** Fixed fees are where the client agrees to pay an agreed amount for specified legal services. Fixed fees can be attractive for certain types of legal work because they provide clients with predictable costs. We have handled employment disputes, handbook/policy and contract review, and training on a fixed basis.
- 4. Fee Caps:** Fee caps are where the client agrees to pay legal fees on an hourly basis but the firm agrees to cap the fees at a certain amount for specified services. The cap can be for an entire case or phases of a case. Like fixed fees, fee caps provide clients with predictable legal cost for specific matters or groups of matters, which assists them in budgeting. Fee caps are often used for certain stages or phases of litigation, providing clients with the assurance that specified work will not cost more than an agreed amount.
- 5. Other options:** We are open to considering other AFA options, as well.

Freeborn has successfully prosecuted many complex commercial cases under an AFA. Unlike many firms that only utilize AFAs for personal injury, medical malpractice or consumer cases, Freeborn handles some of the most sophisticated commercial cases on an AFA basis.

Those cases have included antitrust, reinsurance, professional malpractice, insurance coverage, patent enforcement, breach of contract, securities fraud, and numerous other types of cases.

For example, we successfully handled the following cases on an AFA basis:

- Served as a Special Assistant Attorney General for the State of Illinois with respect to the State's suit against members of the Tobacco Industry with the State of Illinois receiving the largest settlement in Illinois history (over \$9 billion). (Circuit Court of Cook County, Illinois)
- Represented client in patent enforcement litigation against a large engine manufacturer where the defendant settled for tens of millions of dollars just before closing arguments. (U.S. District Court, C.D. Ill.)
- Represented proposed class of plaintiffs in a price fixing conspiracy claim resulting in \$64 million settlement. (U.S. District Court, N. D. Ill.)
- Obtained a multimillion-dollar jury verdict in favor of four employee "whistleblowers" in a retaliation lawsuit against a large defense contractor. (U.S. District Court, D. Colo.)
- Represented a national automobile dealer group in a case against one of the "Big Three" automobile manufacturers alleging a violation of the Robinson-Patman Act resulting in an eight-figure settlement.
- Represented life insurance company in an arbitration involving claims related to a large book of Long-Term Care and Home Health Care business resulting in multimillion-dollar settlement.
- Successfully represented clients in an insurance coverage dispute resulting in a large settlement.
- Represented the relator-plaintiff on behalf of the United States in a qui tam case under the Federal and State False Claims Acts against a Fortune 500 company resulting in multimillion-dollar settlement. (U.S. District Court, N.D. Ill.)
- Successfully represented multiple bankruptcy trustees and official committees of creditors in the investigation, prosecution and settlement of claims against the directors, officers and owners of bankrupt companies and prosecuted hundreds of preference actions to successful conclusions.

For clients wishing to explore AFAs, our AFA Committee, which consists of senior trial attorneys, will quickly evaluate your claim and advise whether we can handle it on an AFA basis. We then will work with you to arrive at fair and reasonable terms that share the risks in a way that aligns the interests of the firm and you for a successful outcome. This arrangement allows you to receive the highest quality legal services, without having to incur the cash-flow drain from paying substantial legal fees on an hourly basis.

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ABOUT FREEBORN & PETERS LLP



130+ Attorneys.

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Freeborn & Peters LLP is a full-service law firm with international capabilities and offices in Chicago, Ill.; New York, Ny; Richmond, Va.; Springfield, Ill.; and Tampa, Fla. Freeborn is always looking ahead and seeking to find better ways to serve its clients. It takes a proactive approach to ensure its clients are more informed, prepared and able to achieve greater success – not just now, but also in the future. While the firm serves clients across a very broad range of sectors, it has also pioneered an interdisciplinary approach that serves the specific needs of targeted industries.

Freeborn's major achievements in litigation are reflective of the firm's significant growth over the last several years and its established reputation as a Litigation Powerhouse®. Freeborn has one of the largest litigation departments among full-service firms of its size – currently with more than 90 litigators, which represents about two-thirds of the firm's lawyers.

Freeborn is a firm that genuinely lives up to its core values of integrity, effectiveness, teamwork, caring and commitment, and embodies them through high standards of client service and responsive action. Its lawyers build close and lasting relationships with clients and are driven to help them achieve their legal and business objectives.

For more information visit: www.freeborn.com

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