

Laughable Quotes from
Funding Companies Feigning Transparency

Funding companies love to boast transparency in their fee structures and procedures; but are they? Below are our favorite outrageous quotes from our competitor's websites. Their attempts to feign transparency are quite shocking.

Funding Company Website Laughable Quote #1

"We're just friendly group of people that really enjoys what we do every day and we are affiliated with many reputable law organizations, both nationally and locally"

So...what you are really saying is that you are not attorneys, but not to worry, because you're friend with attorneys? Funding a case improperly can do more harm then good. It's important to work with an experienced funding company that is attorney operated. Preferably an attorney with experience actually litigating the types of cases they are approving for funding.

Funding Company Website Laughable Quote #2

"We do not charge interest on the lawsuit funding. We charge a monthly usage fee"

A "monthly usage fee"? Seriously!?! It sounds like a distinction without a difference. Whether they call it "interest" or "fees", the funding company charges hefty "fees", compounded monthly, for the use of their money.

When a client enters into a contract without knowing and understanding all the facts, they are more likely to feel deceived and despondent upon settlement. To avoid these situations, create a relationship with a trusted funding company that you know will tell your client the whole truth about their process, fees and interest.

Funding Company Website Laughable Quote #3

"There are no fees or monthly payments. You must pay the application fee, the amount of the advance, and any accrued monthly usage fees only if you win or settle your case. If you lose your case, you owe us nothing."

I'm confused. Didn't they just say there are no fees, but then mentioned an application fee and usage fees that accrue monthly? In these situations, typically, the "fees" are around 20-60% of the funded amount and rolled into the contract, so the client pays the "monthly usage fee" (usually called interest by real people) on the fees as well. Instead of paying interest on the \$5,000 in your client's pocket, your client pays interest on \$7,000, \$2,000 of which went right back to the company in fees. Suddenly those "monthly usage fees" aren't so low. Not to mention (again) they compound monthly.....or maybe they call that the "continuous monthly usage fee" compounded upon the "monthly usage fee".

It's important that your client knows proper questions to ask when calling funding companies for rates. Typically, if they don't ask if fees are rolled into the contract or if the interest is compounding monthly, the company will not tell them. We have heard many clients tell us they didn't find out about the fees until they sat down to sign the contract; not very transparent.

Funding Company Website Laughable Quote #4

"Once approved for legal funding, the amount that may be offered is usually 10% to 15% of the expected settlement or judgment value of your personal injury lawsuit"

Why "offer" money that the client doesn't need immediately? If you are honest with the client, he/she can make an informed decision on how much money to request, based on their actual need. A client should never be offered or provided money he/she didn't need or ask for.

Litigation funding advances are expensive if the case is successful. Clients should be counseled and strongly encouraged to take the lowest amount necessary; any funding company that does not make this a part of its process, is not acting responsibly, professionally or in the best interest of the client or attorney.

At Lawsuit Financial we constantly strive to raise the bar on the standard of client care in our industry. We don't just take an application; we spend time discussing and evaluating a client's financial situation; assessing economic *need* (not desires). Sometimes we talk a client down from a lofty funding request and sometimes we dissuade them completely. While funding the case may be in *our* best interest, it is not always in the client's and at Lawsuit Financial, the client comes first.

Next, we determine which of the client's needs can be satisfied through our FREE Client Resource Center; a program that connects your client to a counselor who will help find national and local assistance options. The goal of the Resource Center is to supply as much free or discounted aid as possible.

We provide a very transparent, easy to understand profit formula. Lawsuit funding is expensive in a successful case; we don't sugar coat or disguise this cold, hard, fact. However, we fund need not greed and offer industry exclusives like our guaranteed recovery appropriate compromise and Free Client Resource Center. Nobody in the lawsuit funding industry values transparency, honesty, and ethical treatment of clients more than Lawsuit Financial.

Building trust with you and your clients is our priority. Let us help get the justice they deserve! For more information, please do not hesitate to contact me.