## Florida Bar Assoc. ---Rule 4.5

## Contingency Fees

- (3) A <u>lawyer</u> shall not enter into an arrangement for, charge, or collect:
  - (A) any fee in a domestic relations matter, the payment or amount of which is contingent upon the securing of a divorce or upon the amount of alimony or support, or property settlement in lieu thereof; or
  - (B) a contingent fee for representing a defendant in a criminal case.
- (4) A <u>lawyer</u> who enters into an arrangement for, charges, or collects any fee in an action or claim for personal injury or for property damages or for death or loss of services resulting from personal injuries based upon tortious conduct of another, including products liability claims, whereby the compensation is to be dependent or contingent in whole or in part upon the successful prosecution or settlement thereof shall do so only under the following requirements:
  - (A) The contract shall contain the following provisions:
    - (i) "The undersigned client has, before signing this contract, received and read the statement of client's rights and understands each of the rights set forth therein. The undersigned client has signed the statement and received a signed copy to refer to while being represented by the undersigned attorney(s)."
    - (ii) "This contract may be cancelled by written notification to the attorney at any time within 3 business days of the date the contract was signed, as shown below, and if cancelled the client shall not be obligated to pay any fees to the attorney for the work performed during that time. If the attorney has advanced funds to others in representation of the client, the attorney is entitled to be reimbursed for such amounts as the attorney has <u>reasonably</u> advanced on behalf of the client."
  - (B) The contract for representation of a client in a matter set forth in subdivision (f)(4) may provide for a contingent fee arrangement as agreed upon by the client and thelawyer, except as limited by the following provisions:
    - (i) Without prior court approval as specified below, any contingent fee that exceeds the following standards shall be presumed, unless rebutted, to be clearly excessive:

- a. Before the filing of an answer or the demand for appointment of arbitrators or, if no answer is filed or no demand for appointment of arbitrators is made, the expiration of the time period provided for such action:
- 1. 33 1/3% of any recovery up to \$1 million; plus
- 2. 30% of any portion of the recovery between \$1 million and \$2 million; plus
- 3. 20% of any portion of the recovery exceeding \$2 million.
- b. After the filing of an answer or the demand for appointment of arbitrators or, if no answer is filed or no demand for appointment of arbitrators is made, the expiration of the time period provided for such action, through the entry of judgment:
- 1. 40% of any recovery up to \$1 million; plus
- 2. 30% of any portion of the recovery between \$1 million and \$2 million; plus
- 3. 20% of any portion of the recovery exceeding \$2 million.
- c. If all defendants admit liability at the time of filing their answers and request a trial only on damages:
- 1. 33 1/3% of any recovery up to \$1 million; plus
- 2. 20% of any portion of the recovery between \$1 million and \$2 million; plus
- 3. 15% of any portion of the recovery exceeding \$2 million.