

URGENT
SDG&E ATTORNEY FEE AGREEMENTS

An **attorney contingency fee agreement** (the attorney takes a percentage of your award) can be very confusing. Read the fee agreement carefully as it may have many hidden costs. Be careful.

CAUTION IF the attorney fees are based on **GROSS** instead of **NET** of your settlement money. Fees based on GROSS will **always** cost you more in attorney fees.

- GROSS means you are also paying attorney fees on the costs (expert and witness fees, valuation reports, photocopy, etc.)
- GROSS means the attorney has no incentive to keep costs down. The attorney gets their percentage on every dollar they spend. The more they spend, the more attorney fees they get.
- **You ONLY want a attorney fee agreement based on the NET award!**
- **Fees on NET mean you get more money! See EXAMPLE below.**

CAUTION IF the attorney asks you for “up front” money in exchange for a fee percentage reduction.

- Asking you for money to litigate your claim could mean the attorney is underfunded or does not have enough confidence in winning your case to use his/her money for your costs.
- **Be sure the law firm has the money and qualified staff to finance and withstand multi-multimillion dollar litigation.**
- **An underfunded attorney can give up a lot of your money to get a quick settlement.**
- **Expert costs can be very high in “valuation” cases like this case against Sempra and SDG&E.**

CAUTION IF the attorney says he will reduce his percentage but then gives you a long attorney fee agreement with confusing clauses that could actually inflate your final legal expenses.

- Attorney fee agreements should be concise and easy to understand.

CAUTION IF the attorney is charging an excessive hourly rate for him/her self and paralegal.

Be sure to:

1. Review and understand any attorney fee agreement before signing it.
2. Check that fees are based on **NET** not **GROSS** fees on your award money.
3. Check on line:
 - Does your attorney and law firm have lots of their own money to fund these very costly cases?
 - Does your attorney have the necessary successful background and experience to go against SDG&E and its gigantic Los Angeles firm, Quinn Emanuel?
 - Have you checked www.quinnemanuel.com to see why you need the biggest and best law firm to protect you from them?
 - What experience did the law firm have **BEFORE** the fires?

TIP: Fees are always negotiable even after an attorney fee agreement has been signed.

EXAMPLE: You win \$500,000, the **GROSS** award. Expert witnesses and costs are \$100,000. Costs subtracted from the award is the **NET** award, \$400,000.

Fees on GROSS	Gross Award	\$500,000
Less 40% attorney fee on GROSS		-\$200,000
Less costs		<u>-\$100,000</u>
After fees and costs, you end up with		\$200,000
Fees on NET	Gross Award	\$500,000
Less costs		<u>-\$100,000</u>
	Net Award	\$400,000
Less 40% attorney fee on NET		<u>-\$160,000</u>
After costs and fees, you end up with \$40,000 more		\$240,000