

Pricing Toolkit

Fee Arrangement Matrix

Please note that this is not an exhaustive list of fee structures or the practice areas “ideally suited for” each structure. We hope the examples below will inspire further innovation, and we look forward to adding additional examples to this list as they are identified.

Type	Description	Well-Suited For
Fixed Fee by Task	An attorney charges a specified sum for the completion of a certain task associated with the case or matter (e.g., review of a contract, court appearance, etc).	Most practice areas
Fixed Fee by Phase	An attorney charges a specified sum for the completion of a certain phase associated with the case (e.g., initial case review, discovery, trial, etc.)	Many practice areas, including litigation, landlord/tenant, and domestic relations
Fixed Fee by Case	An attorney charges a specified sum for handling the entire case or matter. This arrangement works best for less complex matters with a higher degree of predictability about the potential range of legal work likely to be involved.	Uncontested divorce, many post-decree domestic relations issues, real estate closings, immigration visas, wills/trusts, less complex estates, landlord/tenant, more modest civil litigation, contract disputes
Recurring Fixed Fee	Recurring fixed fee arrangements can be used both in litigation and transactional settings, and in both instances involve charging a standard fee on a recurring monthly, quarterly, or other time increment basis. Non-litigation recurring fixed fee arrangements are typically used in the context of advising clients. A litigation recurring fixed fee arrangement provides clients with more certainty with respect to their litigation budgets.	Small business (non-litigation), domestic relations (e.g., contested custody cases, contested divorce), condo associations
Contract Recurring Fee	An attorney charges an initial fee for the creation of a document, such as a contract, and earns a fee every time the client uses the document through a licensing agreement or similar arrangement.	Small business (non-litigation)
Pure Contingency	The attorney receives a specified percentage of the amount recovered in the case and either the prospect of recovery and/or the amount that can be recovered is uncertain. The client generally will be charged any hard costs associated with the case, but the attorney does not receive any fee unless the case results in a successful recovery. This structure is a way to share the risk between attorney and client, and works well when the amount at stake and the potential for recovery are sufficient to balance the risk to the lawyer.	Personal injury, breach of contract, debt collection
Reverse Contingency	The attorney receives a percentage of the amount saved for the client. The base amount from which savings are calculated should be agreed upon with the client up front. Reverse contingency fee arrangements work best in cases where liability is an issue but damages are not.	Breach of contract

Fee-Shifting	Hundreds of state and federal statutes provide for attorney fee-shifting when the client prevails in a case, and also provide bargaining leverage to recover fees during settlement.	Consumer Fraud, Security Deposit, domestic relations (statutory fee shifting allowable where the other party can afford to pay fees)
Flat Fee Plus Contingency	The attorney charges an agreed upon flat fee in addition to a specified percentage of the damages awarded, if any. The client is typically also charged hard costs associated with the case. This arrangement works best in cases when there is greater uncertainty of either liability and/or the amount that may be recovered, yet the client still sees value in pursuing the matter.	Breach of contract
Flat Fee Plus Reverse Contingency	Where the attorney charges an agreed upon flat fee up front in addition to recovering a percentage of the amount saved for the client. The client is typically also charged hard costs associated with the case. This arrangement works well in situations when the client can benefit from receiving brief advice from counsel about their rights and responsibilities in the situation, and benefit from having a lawyer as their advocate to negotiate or obtain a better result than the client likely would be able to obtain on their own.	Consumer debt collection
Holdback	Specifies that the lawyer will withhold an agreed upon portion of the core fee arrangement on behalf of the client and return it to the client unless the attorney obtains a particular result, which is usually tied to client satisfaction.	Currently most often used in more sophisticated business litigation, but has broader potential applicability
Success Fees	Similar to the Holdback, in this instance the attorney receives an agreed upon bonus payment in addition to the core fee arrangement if the result meets agreed upon criteria. Aligns incentives for the lawyer and client.	Typically used in more sophisticated business litigation, but has broader potential applicability

Please see the Fee Arrangements section of the Pricing Toolkit for a full description of each fee arrangement.