



Can an Attorney take a Referral Fee for a Personal Injury Case?

Question: Can an attorney take a referral fee on a personal injury claim? Will it take away from the client's recovery?

Answer: Yes, referral fees are allowed and no, the client WILL NOT lose any of their recovery.

So, how does that work exactly?

Lets start with a hypothetical, yet common, scenario.

Potential client is injured in a car accident when they are rammed from behind at a stop sign. The potential client calls up Attorney Joe for a free consultation on their case.

Client speaks with Attorney Joe about their personal injury claim. Attorney Joe believes client has a good case, but he cannot handle the case personally. He may not have the expertise needed, or he may not have the time to properly handle the case, or simply, he may just not do personal injury cases.

So, Attorney Joe REFERS the case to Attorney Sally. Attorney Joe then receives a fee for referring the case to Attorney Sally. Usually, the fee is 25% of any monies recovered by Attorney Sally in her attorney fees on the case.

In our little scenario, Attorney Joe refers the personal injury claim to Attorney Sally. Attorney Sally secures a \$100,000.00 settlement for the client. Attorney Sally, working on a contingency fee basis, recovers her standard 1/3rd fee for the case, we will call it \$33,000.00. (Easier math without the decimals)

Now, Attorney Sally sends a check for the remaining \$67,000.00 to the client. Attorney Sally then takes 25% of her attorney fees (\$33,000.00) and gives it to Attorney Joe as his referral fee. So, $\$33,000.00 \times .25 = \$8,250$. Attorney Joe receives a check from Attorney Sally in the amount of \$8,250 as his referral fee!

This is really a great system for all parties involved. Most importantly, the client loses absolutely nothing! The referral fee has absolutely no effect on the client's recovery for their case.

The attorney who referred the work receives a percentage of the recovery for finding the claim and the attorney who litigates still receives just compensation for their work on the case.

King & Huffines: Attorneys at Law PLLC are always open for referrals from other attorneys within the state of Pennsylvania. King & Huffines: Attorneys at Law PLLC helps clients get the personal injury settlements that they deserve! If you are a potential client, you can put your trust in King & Huffines: Attorneys at Law PLLC.

If you have any questions, please do not hesitate to call King & Huffines: Attorneys at Law PLLC for a free consultation (724-242-0230).

Disclaimer: None of the above information is to be interpreted as legal advice. This advice does not in any way create an attorney-client relationship.