# Firms Offer Litigation Insurance So Clients Can Hedge Bets in Court



*Image by Pictures of Money*

Some American law firms trying to collect on big contingency claims are starting to use  form of litigation insurance to hedge against the possibility that the judgment could be wiped away on appeal, according to **Bloomberg Law**.

Reporter **Gabe Friedman** describes one case in which a firm used the process when it was trying to resolve one of its biggest cases: a $300 million trial judgment for a client, which would yield a 10 percent fee for the firm.

The lawyer "negotiated for a type of 'insurance' with Credit Suisse that was acceptable to the court," Friedman explains. "Under the deal, his firm paid Credit Suisse what was akin to an insurance premium. And if his firm was unable to collect its 10 percent fee award, Credit Suisse would pay it an undisclosed sum; and if the firm did collect, which it eventually did, the firm had only paid the bank the premium, an amount equal to a portion of its fee award … ."

**Read the Bloomberg article**.