

Article published on February 24th 2012 | Business

When you are injured in a car accident, getting treatment is expensive. Pain medication as well as physical therapy is costly. The bills add up and you are in a condition that even insurance is not coming through. Knowing that this accident was the other person's blunder, you case a lawsuit to be compensated fairly for what happened.

It is a very common situation. It usually takes many years to know what happened after this part of the story. Under these circumstances, you are still in agony, both physically and mentally and are still footing the bill. What can you expect people to do in these situations? They simply don't know what to do next as their bank accounts are dwindling. Credit is a common solution to this. Since you can easily visualize the situation, this can lead to further financial issues. There can be changes in the rates and lenders may often turn wicked.

The lenders will normally fund a wider range of lawsuits, such as medical malpractice, negligence, wage and hour disputes, wrongful death, infant injuries, court appointed fees, class actions, employment discrimination.

This legal funding can help resolve your cash flow issues, if you are stressed with debt due to the delayed payment of a lawsuit award. The secret behind today's fastest growing law practices is not only how they manage their cases, but also on how they manage their cash. It's how they manage their cash. Settlement funding is a method to access one's verdict cash prior to the distribution of the compensation cash.

The companies funding post settlement will provide cash to a plaintiff, which will be somewhat lesser in comparison to the verdict amount. These companies provide non-recourse cash advances for attorneys and/or their clients based on the settled case. These funding companies buy the fee at a concession and earn from this discount when the fee is paid later after a few months. Cash advance on lawsuits post settlement of the case is a simple and fast procedure as compared to Pre Funding procedure, in which advance cash is given anticipating the verdict to be in favor of the client.

Cash Advance on lawsuits post settlement is mainly done for fees that will be collected in less than a year, but many companies offer cash advance for a much longer period, even for two or more years. Dissimilar to cash advance prior case settlement, funding post settlement does not influence settlement incentives, as the resolution is already final. Most of these companies grant funds in all compensation cases. In funding post settlement the money can be used up at the plaintiff's own will, which is almost not viable in funding prior case settlement, where companies will limit the items on which funds can be used up.

Cash Advance on lawsuits post settlement is of use to attorneys who will obtain their fee almost immediately after the verdict, minimizing the delay and attorney-client issues, and also for clients who need funds urgently to overcome their debt or for medical treatment. Unlike cash advance prior case settlement, which is still unlawful in a few states like Ohio, funding post settlement is legal and can be carried out in at all the states. Settlement Funding companies are not keen on funding post settlement due to the low commission they earn from this settlement as a result of reduction in risk factor, compared to funding prior case settlement.

## Article Source:

http://www.articleside.com/business-articles/settlement-funding-a-credit-to-lawsuit.htm - Article Side

## **Presettlement** - About Author:

Joshua S. Smith has extensive experience in the legal finance field including a <u>Settlement funding</u> and other related areas. For more information please visit the Author Page of the bio a <u>Presettlement Funding</u>

## Article Keywords:

pre settlement funding, pre settlement lawsuit funding, presettlement funding, settlement funding

You can find more free articles on Article Side. Sign up today and share your knowledge to the community! It is completely FREE!