



# Counsel Financial

The power of attorney funding.®

LAW FIRM FUNDING APPLICATION



Dear Counselor:

I want to welcome you to our lending program exclusively for lawyers. As a former New York State Judge for over 38 years (Surrogate, Supreme, County and City Court), I have been an impartial observer of the demanding economic needs of today's law firms in an increasingly competitive litigation world. Counsel Financial was created specifically to assist plaintiffs' litigators with those challenges. Now, I am proud to announce that the American Association for Justice, formerly ATLA, has exclusively endorsed our Law Firm Financing Programs for its litigators.

Our program offers a four-year line of credit. The maximum amount of borrowing is based upon a mutual valuation of the firm's contingent and fixed (if any) receivables. We require a guaranty by the name partners and the execution of a collateral assignment of life insurance in the amount of the credit line for each guarantor. Our interest rate of 18% per annum is fully tax-deductible, as is our closing fee of 3% of the credit line—payable from the proceeds of the first draw. We charge no other fees during the course of the loan; there is no pre-payment penalty. Our only fee prior to closing is a \$500 application fee.

If you have any questions or need any further clarification on our lending programs, please do not hesitate to contact me, Paul Cody (President) or Megan Payne (Chief Operating Officer) at 1-800-820-4430.

Very truly yours,

Judge Joseph S. Mattina (Ret.)  
Chief Underwriting Officer



**Solutions only other attorneys could offer**

Counsel Financial was created to provide plaintiffs' counsel with revolving credit lines utilizing contingent fees as collateral. Because we're lawyers too, we know the realities of running a practice. That unique understanding is why we are the largest provider of attorney funding in the United States today.

**Borrowing power from \$50,000 up to \$5 million**

The maximum credit line is based upon the total value of your contingent fee case portfolio, not personal assets. This amount is determined by you and our staff attorneys, all of whom have substantial experience in contingent fee litigation.

**Effectively interest-free loans to your law firm**

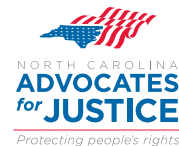
Loan interest is 100% tax-deductible as a "necessary and ordinary" business expense. Also, in most states, financing charges on behalf of client expenses can be charged back to the client. As a result, loans for client expenses are virtually interest-free!

**All contingent fee cases considered**

**We provide attorney loans for virtually every kind of contingent fee case, including:**

- |                           |   |
|---------------------------|---|
| Aviation                  | Mesothelioma / Asbestos                 |
| Breach of Contract        | Motor Vehicle Injury                    |
| Civil Rights              | Nursing Home Malpractice                |
| Class Actions             | Patent Claims                           |
| Construction Negligence   | Pedestrian Injury                       |
| Employment Discrimination | Pharmaceutical Litigation               |
| Environmental Litigation  | Premises Negligence (slip & fall)       |
| FELA                      | Primary Pulmonary Hypertension (PPH)    |
| Fraud                     | Product Liability                       |
| General Negligence        | Securities Fraud / Shareholder Lawsuits |
| Jones Act                 | Trucking                                |
| Legal Malpractice         | Whistleblower                           |
| Mass Torts                | Wrongful Death                          |
| Medical Malpractice       |   |

**Exclusively endorsed by AAJ, NTL, CAOC, KJA and NCAJ**



## **Use the proceeds for any law firm purpose**

The working capital credit line can be used for all business related expenses, such as case costs, expert witnesses, additional staff, advertising and other office, case, or trial expenses.

## **We do what banks can't**

If your law firm needs a loan, banks are always a good place to start. However, most banks require collateral equal to or greater than the loan, in the form of personal assets, such as stocks, bonds, real estate or retirement funds. Your choice is to accept substantially less money from the bank or pledge personal assets to obtain a larger loan. Banks can't loan against contingent fees. As attorneys, we understand that contingent litigation makes great collateral. We make a realistic assessment of the dollar amount you will collect in all of your current and future cases and offer a four-year credit line based on that amount.

## **Obtaining the loan is quick and easy**

We know you're busy, which is why we provide hassle-free litigation lending. Your collateral is analyzed by a team of legal experts who have hands-on experience—they understand contingent case collateral. Our goal is to create loans that make sense to your law firm and allow stress-free short- and long-term financial planning.

## **The Counsel Financial Advantage**

### **Borrow what you need**

Up to \$5 million, based upon the total value of your contingent fees. Our in-house staff of attorneys and legal professionals is skilled at evaluating the borrowing power of contingent fee case portfolios.

### **Take your time to pay**

Up to 4 years to repay.

### **Expedited application process**

Counsel Financial has appointed a team of legal specialists to personally assist you in the application process.

### **Significant tax advantages**

Monthly interest payments to Counsel Financial are tax-deductible—your disbursements are not. Compare: you receive no tax advantages when you finance your own cases—unless you lose!

### **Ethical considerations**

We are particularly sensitive to the needs of attorneys to assure compliance with all Rules of Professional Conduct and the Canons of Ethics. Our procedures are designed to maintain the strictest adherence to the rules of client confidentiality and case control. While ethical rulings vary from state to state, we invite our attorneys to request further information from us concerning ethics opinions in their particular jurisdiction of practice.



**While every case is unique, our approach to reviewing and servicing them is not. We pride ourselves in our consistent responsiveness, understanding and insight. We value every client relationship and are grateful for each opportunity.**

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*“The credit Counsel Financial provides us allows us to litigate against large corporations and large law firms without a concern as to the basic law firm expenses that must be maintained during the process of these long-term litigations.”*

**Jeffrey C. Zwerling, Esq., Zwerling, Schachter & Zwerling, New York, NY**

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*“Counsel Financial has helped me see that attorney funding is key to my firm’s financial security and professional success. They provided expert, skilled, and expeditious service—and it’s great to talk to people who truly comprehend the connection between lending and litigation.”*

**Martin W. Edelman, Esq., Edelman & Edelman, New York, NY**

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*“With the help of Counsel Financial, we’ve expanded our practice to 15 offices in Texas, four in Florida, and two in Missouri. Counsel Financial recognizes that contingency fees make the best collateral and have substantial value prior to case resolution.”*

**Phillip Galyen, Esq., Bailey & Galyen, Dallas, TX**

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*“Responsive, dedicated, and knowledgeable are words that come to mind when I think of Counsel Financial. I send an email or make a phone a call and I get a response back almost immediately. I highly recommend Counsel Financial.”*

**Gregory A. Yates, Esq., Gregory A. Yates, P.C., Encino, CA**

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*“Meeting with Counsel Financial was a great experience because they had financial and accounting experts who reviewed our case inventory, our projected financials, and our needs. They made sure that we didn’t over- or under-borrow to meet our capital requirements.”*

**Maya S. Saxena, Esq., Saxena White P.A., Boca Raton, FL**

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*“The flexibility of this line of credit allows us to use the funding for any law firm expense, whether it’s payroll, advertising, or even general case expenses. I have the freedom to see my cases through to the end.”*

**Marc J. Bern, Esq., Napoli Bern Ripka LLP, New York, NY**

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*“Someone at Counsel Financial is always available to speak with us when we need access to our line or have questions about enhancing our financing as our practice grows. It’s obvious they are all experts in the field and it’s a pleasure doing business with them.”*

**Todd B. Denenberg, Esq., Denenberg & Tuffley, Bloomfield Hills, MI**

# APPLICATION INSTRUCTIONS

Please complete and submit the attached forms.

CHECK BOX WHEN COMPLETED

**1 Law Firm Funding Application**

Please complete all applicable information; signature and date.

**2 Credit Authorization Statement(s)**

Complete top section; signature and date. (one per partner, please make copies of form as needed)

**! Please note:**

For your convenience, you may choose to submit only the Law Firm Funding Application and Credit Authorization Statement. We will be able to begin the approval process with the information on these two forms. When needed, we will request the remaining forms.

**3 Confidential Attorney Financial Statement(s)**

Complete top section; all assets and liabilities; Schedules A through E; bottom section of Page 2; signature and date. (one per partner, please make copies of form as needed)

**4 Confidential Law Firm Financial Statement**

Complete all sections; sign and date.

**5 Case List**

Please complete the attached spreadsheet on CD or by e-mail ([apply@counselfin.com](mailto:apply@counselfin.com)). **The Case List should include:** Case Name (Plaintiff v. Defendant); Law Firm Name on Retainer; Date retainer signed; Name of co-counsel or referring attorney; Date of Injury; Venue; Docket Number (if filed); Type of case & factual summary; Injury Summary; Stage of case; Medicals to Date / Current Specials; Outstanding Disbursements; Est. Gross Settlement; Est. Net Legal Fees; Est. Qtr. of Settlement; Insurance carrier & coverage..

**6 In addition to the attached forms, please include the following documentation:\***

1. Copy of the firm's certificate of incorporation of the professional corporation and/or partnership agreement.
2. Standard form of Retainer Agreement for the firm.
3. Copies of any co-counsel agreements.
4. Copy of any other loan agreement involving the firm.
5. Declarations page from malpractice insurance for the firm.
6. Copies of individual and firm tax returns for current and previous three years (for each partner).
7. Profit and loss and balance sheet statements for current and previous three years.
8. List of aged accounts payable of the firm at latest available date.
9. Budget / projections for upcoming 24 months.
10. Copy of driver's license. (one per partner)

\*Additional information (e.g., life insurance information) may be required.



If you have any questions regarding this application, please feel free to call us at 1-800-420-4430.



**Please note:** Due to the sensitive nature of the information contained within this application, any edits made within the document are not able to be saved electronically. Please **print** your completed application and submit to Counsel Financial by fax or scan-to-email.

Law firm name		Contact name	
Address (number; street; city or town; state; ZIP code)		Suite	
Telephone	Fax	E-mail	

**Please answer the following questions:** (check boxes where applicable)

1. Our law firm is a:
 

<input type="checkbox"/> Corporation	<input type="checkbox"/> Professional Corporation	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Partnership	<input type="checkbox"/> Sole Proprietorship
<input type="checkbox"/> Other: _____		
2. The firm has been in practice since \_\_\_\_\_ .
3. Number of employees:
 

___ Partners / Members	___ Associates	___ Paralegals
___ Controllers / Bookkeepers	___ Other	
4. Description of practice areas: \_\_\_\_\_
5. Approximate number of cases pending: \_\_\_\_\_
6. Total amount of money outstanding, as of current date, for case costs advanced by the law firm for its plaintiffs:  
\$ \_\_\_\_\_
7. Approximate amount of total contingent fees due to law firm: \$ \_\_\_\_\_
8. Does any other attorney or law firm have a financial interest in any of your cases?  No  Yes (please explain)  
\_\_\_\_\_
9. Does the firm have either duly executed retainer agreements or an OCA filed for each of its cases?  No  Yes
10. Does the firm represent any clients in which the agreed upon contingent fee is less than one-third of the recovery (after deducting disbursements)?  No  Yes
11. Does the firm currently maintain a line of credit or other borrowing?  No  Yes (please complete below)  
Financial institution name: \_\_\_\_\_ Amount outstanding: \$ \_\_\_\_\_
12. Amount of financing requested: \$ \_\_\_\_\_
13. Use of funds: \_\_\_\_\_
14. Do you, or does the law firm, maintain any life insurance?  No  Yes (please complete below)  
Amount of insurance: \$ \_\_\_\_\_ Name of beneficiary: \_\_\_\_\_
15. Is the law firm currently the defendant in any lawsuit?  No  Yes (please explain)  
\_\_\_\_\_
16. Has the law firm, any partner or member ever declared bankruptcy?  No  Yes
17. Are all partners / members of the law firm in good standing?  No  Yes
18. How did you hear about Counsel Financial?  Internet  Direct Mail  Conference  Print Ad  
 Other: \_\_\_\_\_

SIGN  
HERE

Signature of applicant	Date
Name of applicant (please print)	



Law firm name		Contact name	
Address (number; street; city or town; state; ZIP code)		Suite	
Telephone	Fax	E-mail	

Applicant name	
Home address (number; street; city or town; state; ZIP code)	
Apt.	
Date of birth	Social Security Number

This form authorizes the procurement of a consumer report (credit report) by Counsel Financial II, LLC.

In connection with this request, I authorize all credit agencies to release information they may have about the individual listed above, to the person or company with which this statement has been filed, or their agents.

This authorization, in original or copy form, shall be valid for this and any future reports or updates that may be requested.

I understand that I have the right to request additional disclosure as to the nature and scope of the credit review, upon written request, within a reasonable period of time.

Counsel Financial may rely upon the information contained in this application the attachments in all respects.

SIGN HERE	Signature of applicant	Date
	Name of applicant (please print)	

***Please complete one copy of this form for each partner.***

**!** For your convenience, you may choose to submit *only* the Law Firm Funding Application and Credit Authorization Statement. We will be able to begin the approval process with the information on these two forms. When needed, we will request the remaining forms.



Partner name \_\_\_\_\_

Home address (number; street; city or town; state; ZIP code) \_\_\_\_\_ Apt. \_\_\_\_\_

Date of birth \_\_\_\_\_ Social Security Number \_\_\_\_\_

ASSETS	AMOUNT
Cash, Savings, CDs	
Marketable Securities (Schedule A)	
Retirement Plans	
Notes Receivable	
Cash Value of Life Insurance (Schedule B)	
Vehicles (year; make; model)	
Real Estate (Schedule C)	
Homestead	
Other	
Other Assets (please detail)	
<b>Total Assets</b>	

LIABILITIES	AMOUNT
Notes Payable (Schedule D)	
Secured	
Unsecured	
Credit Card Balances	
Taxes Payable	
Life Insurance Policy Loans	
Mortgages	
Homestead	
Other	
Second Mortgage	
Contingent Liabilities (Schedule E)	
Other Liabilities (please detail)	
<b>Total Liabilities</b>	
<b>Net Worth</b> (assets less liabilities)	
<b>Total Liabilities &amp; Net Worth</b>	

**Schedule A**

**Stocks & Bonds**

NAME OF ISSUE AND TYPE OF SECURITY	WHERE TRADED	TOTAL VALUE	PLEGDED	REGISTERED IN NAME OF
			<input type="radio"/> No <input type="radio"/> Yes	
			<input type="radio"/> No <input type="radio"/> Yes	
			<input type="radio"/> No <input type="radio"/> Yes	

**Schedule B**

**Cash Value of Life Insurance**

COMPANY	POLICY #	FACE AMT.	CASH VALUE	POLICY LOANS	PLEGDED	BENEFICIARY
					<input type="radio"/> No <input type="radio"/> Yes	
					<input type="radio"/> No <input type="radio"/> Yes	
					<input type="radio"/> No <input type="radio"/> Yes	

(continued on next page)



**Schedule C**

**Real Estate**

LOCATION	PRESENT VALUE	MONTHLY INCOME*	NAME ON TITLE	CREDITOR	OUTSTANDING BALANCE

\*If applicable

**Schedule D**

**Notes Payable**

LENDER	ORIGINAL AMOUNT	PRESENT BALANCE	MATURITY	INTEREST RATE	COLLATERAL

**Schedule E**

**Contingent Liabilities**

OTHER COMPANIES YOU HAVE AN EQUITY INTEREST IN	CURRENT INDEBTEDNESS OF ENTITY

**Do you currently, or have you ever had:** (if yes, please explain)

- Judgment(s)  No  Yes \_\_\_\_\_
- Tax liens  No  Yes \_\_\_\_\_
- Pending lawsuits  No  Yes \_\_\_\_\_
- Bankruptcy  No  Yes \_\_\_\_\_
- Other liens  No  Yes \_\_\_\_\_
- Alimony / child support / property settlement obligations  No  Yes \_\_\_\_\_

Please list the jurisdictions in which you are licensed to practice: \_\_\_\_\_

\_\_\_\_\_

SIGN HERE

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Signature of applicant

Date

--

Name of applicant (please print)

*Please complete one copy of this form for each partner.*



<b>Law firm name</b>	<b>Contact name</b>
<hr/>	
<b>Address</b> (number; street; city or town; state; ZIP code)	
<hr/>	
<b>Suite</b>	
<hr/>	
<b>Telephone</b>	<b>Fax</b>
<hr/>	<hr/>
<b>E-mail</b>	
<hr/>	

ASSETS	AMOUNT
Cash	
Cash - IOLTA	
Fees Receivable	
Client Expenses Receivable	
(other)	
(other)	
<b>CURRENT ASSETS</b>	

Due from Equity Holder	
Real Estate	
Leasehold Improvements	
Fixed Assets (Schedule A)	
Depreciation	
(other)	
(other)	
<b>NET FIXED ASSETS</b>	

<b>TOTAL ASSETS</b>	
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LIABILITIES	AMOUNT
Accounts Payable (case costs)	
Accounts Payable (other)	
Accrued Liabilities	
Client Trust Liability	
Notes Payable (other)	
Bank Loans (Schedule B)	
Bank Lines of Credit (Schedule B)	
<b>CURRENT LIABILITIES</b>	

Long-term Debt	
Due to Equity Holder	
(other)	
<b>LONG-TERM LIABILITIES</b>	

<b>TOTAL LIABILITIES</b>	
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Accounts Receivable (due within)		
	30 days	
	60 days	
	90 days	
	120 days	

Contingent Accounts Receivable (expected within)		
	30 days	
	60 days	
	90 days	
	120 days	
	6-12 months	
	over 12 months	

Stock	
New Paid-in Capital	
Equity Holder Distributions (Schedule C)	
YTD Profit / Loss	
Retained Earnings	
<b>TOTAL EQUITY</b>	

<b>TOTAL LIABILITY &amp; EQUITY</b>	
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**Schedule A**

**Fixed Assets** (equipment, furnishings, etc.)


(continued on next page)



**Schedule B**

**Bank Loans / Lines of Credit**

LENDER	ORIGINAL AMOUNT	PRESENT BALANCE	MATURITY	INTEREST RATE	COLLATERAL / GUARANTEES	TO BE PAID AT CLOSING?
						<input type="radio"/> No <input type="radio"/> Yes
						<input type="radio"/> No <input type="radio"/> Yes
						<input type="radio"/> No <input type="radio"/> Yes
						<input type="radio"/> No <input type="radio"/> Yes

**Schedule C**

**Partner Distributions**

NAME OF PARTNER	AMOUNT

**Does the law firm currently have, or ever had pending:** (if yes, please explain)

- Judgment(s)       No  Yes \_\_\_\_\_
- Tax liens             No  Yes \_\_\_\_\_
- Pending lawsuits    No  Yes \_\_\_\_\_
- Bankruptcy          No  Yes \_\_\_\_\_
- Other liens           No  Yes \_\_\_\_\_

SIGN  
HERE

Signature of applicant	Date
Name of applicant (please print)	



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