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Lawyers were allowed to receive a fee

On March 1, Federal law No. 400-FZ dated 02.12.2019 "on amendments to the Federal law "on advocacy and the bar in the Russian Federation" (hereinafter – Law No. 400-FZ) came into force.

The changes secured the right to a success fee for holders of the status of lawyer. But it's not that simple. To begin with, the Federal chamber of lawyers should specify the rules for success fees. Already, Law No. 400-FZ specifies that this provision will not apply to criminal cases and cases of administrative offenses. It is not yet clear how the Federal chamber of lawyers will clarify the operation of the law.

It is worth noting that success fees were included in contracts earlier, as such, there was no ban. But the constitutional court of the Russian Federation in 2007 expressed its position on this issue, stating that the parties to the contract for the provision of paid services do not have the right to condition the payment of remuneration by making a specific court decision in the case. Courts often refused to collect the fee, referring to the position.

On the other hand, the Supreme court actually legalized the success fee even before the adoption of amendments to Law No. 400 - FZ. In the contract for the provision of legal services between LLC "center for the protection of commercial secrets "Infotain" and LLC "Scientific and production company" Volvek Plus " there was a condition for the payment of remuneration from the amount collected on the basis of a court decision in favor of the customer, or from the amount reflected in the settlement agreement reached. The court determined that such wording does not condition remuneration payments by making a specific court decision, and therefore does not contradict the position of the constitutional court of the Russian Federation. It is quite obvious that if the amount collected or the settlement agreement is not, then there will be no additional payment, this is what makes this condition actually a success fee.

The main advantage of the success fee is considered to be its ability to ensure the availability of legal aid. It is worth considering that it is unlikely that someone will work exclusively for the success fee, because it is almost impossible to be 100% sure of the outcome of the case. In any case, if there is a condition about the success fee, the fixed amount for participation in the process can be reduced, which will allow more people to get qualified legal assistance. This innovation, according to a number of experts, will simplify the work for companies that Finance lawsuits and only enter the Russian market.

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