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**Public Consultation on Conditional Fee Agreements in Singapore
Submission on Behalf of Woodsford Litigation Funding**

1. Woodsford Litigation Funding Limited (Woodsford) welcomes the introduction of Conditional Fee Agreements (CFA) in Singapore to align the CFA Framework with the recently implemented Third Party Funding (TPF) Framework. Woodsford's Response to the MinLaw Public Consultation on the CFA Framework, together with some background information about Woodsford, is set out below.

Woodsford

2. Since its foundation in London in 2010, Woodsford has developed a reputation as a leading litigation and arbitration funder. Woodsford is a founder member of the Association of Litigation Funders of England & Wales (the ALF), an independent body that has been charged by the UK Ministry of Justice with delivering self-regulation of litigation funding in England & Wales. Woodsford's Chief Operating Officer, Jonathan Barnes, is a member of the board of the ALF. Woodsford has presence in London, Philadelphia, San Francisco, New York, Tel Aviv, Brisbane and Singapore. Our focus on the latter of course grew in October 2017 following the introduction of the TPF Framework.
3. Woodsford's [executive team](#) blends extensive business experience with legal expertise, and includes lawyers admitted to practise in England & Wales, the United States, Ireland, Israel and

Australia, and accountants admitted into the Chartered Institute of Management Accountants and the Institute of Chartered Accountants of England & Wales. Woodsford's Chairman, Yves Bonavero, has a track record of success at the highest level of international commerce. Yves was Group Chief Executive Officer at ED&F Man, after which he held key positions in a number of successful businesses, including hedge fund managers in Asia, commercial property investors in the UK, a start-up mortgage bank, which was successfully floated on the LSE in November 2000 and two major businesses in Poland. Woodsford's Chief Executive Officer, Steven Friel, is a solicitor and formerly partner at two major international law firms. Steven has been recognized by every annual edition of the *Legal 500* published in the last eight years up to when he left private practice. For commercial litigation work, he is praised as having "*the sort of knowledge that one only gets with years of accumulated experience in heavy or complex litigation*" and a "*strong commercial grip on the relevant legal provisions and financial aspects of cases.*" For his work in international arbitration, the *Legal 500* ranked Steven as "*outstanding*". Woodsford's Managing Director for the Asia Pacific region, Charlie Morris, is a senior lawyer formerly of leading UK disputes boutique law firm Enyo Law and international law firm Addleshaw Goddard.

4. Woodsford has an Investment Advisory Panel (IAP) that brings together senior figures from the world of both litigation and international arbitration, with direct experience spanning many areas of law. Our IAP includes John Beechey, a past President of the International Court of Arbitration of the ICC, Fidelma Macken, the first female judge to be appointed to the Court of Justice of the European Union and Shira A. Scheindlin, a former United States District Court Judge.
5. Our in-house team of legal specialists reviews many hundreds of cases coming from all parts of the globe every year. Often within our funding arrangements with clients and lawyers, there will be an agreement that lawyers defer a component of their fees until a successful outcome. As such Woodsford considers that the introduction of the CFA Framework in Singapore, following the recently introduced TPF Framework, is an important step in further promoting Singapore's status as a leading hub for dispute resolution and will be beneficial for Woodsford's business.

The scope of the CFA Framework

6. Woodsford considers the introduction of a CFA Framework as a positive step by the Singaporean Ministry of Law. It will positively influence Woodsford's ability to identify, and our willingness to fund, more meritorious claims in Singapore. In our experience in a number of other jurisdictions, the additional layers of diligence and scrutiny brought to bear on cases by litigation funders, and sophisticated lawyers whose remuneration depends largely or wholly on success, is ultimately in the best interests of clients and the Courts. Risk sharing among sophisticated claimants, lawyers and funders promotes the expeditious resolution of meritorious claims.
7. Woodsford, however, considers there is merit in extending the scope of proceedings in which CFAs will be allowed, beyond international arbitration and proceedings in the SICC, to other

high-value, commercial proceedings. Woodsford's business focuses on high-value, commercial disputes where the parties involved are represented by sophisticated, highly-experienced lawyers, often at major international law firms. Just as we see no reason why litigation funding should not be available to these types of cases in both litigation and arbitration, we see no reason why CFA should not be also extended to these types of cases. To do so would be eminently sensible, and would bring Singapore more in line with leading commercial dispute resolution centres elsewhere in the world. A failure to do so would leave Singapore at a competitive disadvantage in this field.

The level of Uplift or Success Fee

8. Woodsford considers that the level of uplift should be capped at a maximum of 100% of the lawyers' deferred fees. The calculation of the uplift should be limited by reference to the deferred fees only, as any remuneration tied to the deferral reflects the level of risk the lawyers have assumed in bringing the proceedings on behalf of their clients. By incentivizing lawyers to defer their fees, CFAs provide avenues for impecunious claimants to bring meritorious claims, who otherwise might not be afforded justice. An uplift of 100% reflects sufficient incentivization for lawyers, and adequately remunerates them for the level of risk they are assuming.

Conduct Rules and CFA Requirements

9. In relation to the imposition of requirements and conduct rules in order to regulate the use of CFAs, Woodsford is of the view that Singapore should adopt the England & Wales CFA model as a ready-made blueprint for regulation, with the following exceptions:
 - a. The uplift allowed pursuant to a CFA should be calculated by reference to the lawyers' deferred fees only; and,
 - b. The cooling-off period should be shortened to less than 14 days.
10. CFAs have been a prominent part of the litigation landscape in England & Wales for a number of years and the CFA framework has adapted over time to respond to industry and regulatory concerns about their use. As such, it provides a good framework which Singapore may adopt for the implementation, subject to the exceptions referred to above.
11. In England & Wales, CFA regulations allow lawyers to charge an uplift fee by reference to their base rates, not just the portion of those rates they have deferred over the course of the dispute. In Woodsford's view, this remunerates lawyers beyond what is appropriate given the level of risk they have assumed. By tying the uplift to the deferred fees, lawyers are incentivised to carry more risk and it remunerates lawyers only for that portion of the risk they have assumed.
12. In relation to the proposal to include a cooling-off period, Woodsford considers that this should be short. Woodsford considers that the 14-day period in CFAs provided for in England & Wales causes unnecessary delay and puts lawyers at risk of not being able to recover fees incurred in the cooling-off period in the event the agreement is terminated during the period. This is

especially relevant in circumstances where a client's limitation period may be approaching, and a lawyer is duty-bound to advance the matter vigorously as soon as the CFA is executed. Further, the cooling-off period begins to run after the client has executed the agreement. The client has time prior to executing the agreement to consider the terms and seek independent advice if necessary.

13. In Australia, regulations impose minimum cooling-off periods in CFAs of 5 clear business days. Woodsford submits that this is a more suitable cooling-off period.

Conclusion

14. The CFA Framework acknowledges the importance and prevalence of conditional fee agreements in international arbitration and sends a message to the international legal market that Singapore is embracing the concept of access to justice. Singapore now has an opportunity to extend the ambit of the CFA Framework and further promote Singapore as a centre for international dispute resolution, in both litigation and arbitration. Woodsford stands ready, willing, and able to lend support to MinLaw in these endeavors.

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