

1 **Rule 14. Settlement offers.**

2 (a) Unless otherwise specified, an offer made under this rule is an offer to resolve all claims in the
3 action between the parties to the date of the offer, including costs, interest and, if attorney fees are
4 permitted by law or contract, attorney fees.

5 (b) If the adjusted award is not more favorable than the offer, the offeror is not liable for costs,
6 prejudgment interest or attorney fees incurred by the offeree after the offer, and the offeree must pay the
7 offeror's costs incurred after the offer. The court may suspend the application of this rule to prevent
8 manifest injustice.

9 (c) An offer made under this rule must:

10 (c)(1) be in writing;

11 (c)(2) expressly refer to this rule;

12 (c)(3) be made more than 10 days before trial;

13 (c)(4) remain open for at least 10 days; and

14 (c)(5) be served on the offeree under Rule 5 of the Rules of Civil Procedure.

15 (d) Acceptance of the offer must be in writing and served on the offeror under Rule 5 of the Rules of
16 Civil Procedure. Upon acceptance, either party may file the offer and acceptance with a proposed
17 judgment.

18 (e) "Adjusted award" means the amount awarded by the judge and, unless excluded by the offer, the
19 offeree's costs and interest incurred before the offer, and, if attorney fees are permitted by law or contract
20 and not excluded by the offer, the offeree's reasonable attorney fees incurred before the offer. If the
21 offeree's attorney fees are subject to a contingency fee agreement, the court shall determine a
22 reasonable attorney fee for the period preceding the offer.

23 (f) The offeror's costs includes the filing fee and other costs for an appeal to a trial de novo.

24 Advisory Committee Notes

25 The filing fee for the trial de novo is a cost occurring after the offer, but, to avoid liability for costs, the
26 judgment creditor-offeree's judgment after trial de novo only has to be more favorable than the offer. The
27 judgment creditor does not have to improve upon the original judgment in order to avoid liability for costs.
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