



Case Study

Cécile Law Firm

Cécile owns a law firm in Belgium, and rewards Junior and Senior Advocates' long term collaboration using the FlexUp system.

Highlights

- Type: **Simulated case study**
- Country: Belgium
- Project type: Law Firm
- Team size: 4 – **Cécile + 2 junior associates + 1 senior associate**
- Associates: *same*
- Legal structure: **Dedicated legal entity owned by Cécile**
- Simulation Start date and Horizon: 1st January 2022, 3 years

In Belgium's legal sector, junior lawyers typically undergo a three-year training period during which they handle substantial workloads but receive relatively low compensation. While this system is widely accepted, it often leads to growing financial and emotional dissatisfaction. As soon as this period ends, many associates leave for better-paying opportunities, creating a recurring cycle of talent loss just as they reach peak productivity.

For Cecile, this presents a structural challenge. To address it, she explores the use of the FlexUp system to introduce a strong long-term financial incentive. By linking part of the associates' value creation to future upside, the model encourages junior employees to stay beyond the initial three years—aligning their interests with the firm's long-term growth.

Context

Cécile runs an established law firm in Belgium, built over several years into a stable and reputable private practice. The firm operates with a small, focused team composed of three associates: Pierre, a senior advocate, and two junior associates, Saurabh and Julia.

Like many law firms in Belgium, Cécile's firm follows the traditional structure of the legal profession, where junior lawyers go through a multi-year training period. During these first three years, associates take on significant workloads, contribute directly to client delivery, and build critical expertise—yet receive relatively low compensation compared to their market value.

This situation is not unique to Cécile's firm; it reflects a broader structural trend across the Belgian legal industry. As a result, junior associates often develop both financial and emotional frustration. On one hand, they are aware that competing firms are willing to offer significantly higher salaries after this initial period. On the other, they feel undervalued for the effort and contribution they have already made.

After completing their training phase, many associates choose to leave—not necessarily because of the firm itself, but due to a combination of better financial opportunities and a lingering perception of unfair compensation during their early years.

For Cécile, this creates a recurring challenge: just as associates become fully trained, productive, and valuable to the firm, they exit. This leads to a continuous cycle of recruitment, training, and knowledge loss—limiting the firm's ability to build long-term cohesion, retain expertise, and scale sustainably.

Deal structure

Initial Valuation (January 2022)

- Total valuation: €900,000 (cost-based)
- Allocated to: **Cécile**
- Form: 100% in credits (reflecting past investment and costs incurred)

Cécile (Founder)

- Start date: January 2022
- Monthly remuneration: €15,000
 - Firm: 50%
 - Flex: 25%
 - Credits: 25%

Pierre (Senior Associate)

- Start date: January 2022
- Upfront allocation: €50,000 in credits
- Monthly remuneration: €8,000
 - Firm: 50%
 - Flex: 25%
 - Credits: 25%

Charles (Junior Associate) and Juliette (Junior Associate)

- Monthly base salary: €2,000 (firm)
- Credit allocation:
 - Year 1: €1,000 / month
 - Year 2: €2,000 / month
 - Year 3: €3,000 / month
- Vesting: 3 years (credits become liquid after vesting period)

Outcome

Over the course of the simulation, all team members are remunerated according to the defined payment structure, combining firm income, flexible components, and long-term credits. This creates differentiated outcomes based on individual decisions and time commitment.

Juliet chooses to leave the firm before completing the full three-year cycle, following the traditional market pattern. As a result, she does not fully benefit from the long-term incentives embedded in the FlexUp system, particularly the vesting of credits.

In contrast, Charles remains with the firm throughout the three years. Through his accumulated credits and their conversion into tokens, he builds a meaningful ownership stake of approximately 5% in the company. Given the firm's growth and increasing valuation over this period, this represents significant financial upside—far beyond what a traditional salary progression would offer.

This outcome illustrates the core dynamic of the model: long-term commitment is directly rewarded. While short-term opportunities may still attract some profiles, those who stay benefit from both financial participation and alignment with the firm's success.

% Equity ?

As of Date

Token Index 13.30 € /token

Associate	Credits (nominal)	Credit %	Tokens (nominal)	Tokens (outstanding)	Token %	Equity (nominal)	Equity (outstanding)	Equity %
Cecile Founder	1 170 000.00 €	83.57%	1 004 526.00 €	1 285 675.40 €	78.91%	2 174 526.00 €	2 455 675.40 €	81.35%
Charles Employee (Junior)	72 000.00 €	5.14%	72 000.00 €	80 453.43 €	5.66%	144 000.00 €	152 453.43 €	5.39%
Juliette Employee (Junior)	36 000.00 €	2.57%	36 000.00 €	42 789.45 €	2.83%	72 000.00 €	78 789.45 €	2.69%
Pierre Employee	122 000.00 €	8.71%	160 484.00 €	193 986.75 €	12.61%	282 484.00 €	315 986.75 €	10.57%
Total	1 400 000.00 €	100%	1 273 010.00 €	1 602 905.03 €	100%	2 673 010.00 €	3 002 905.03 €	100%

Based on the equity structure, Juliet accumulates approximately **2.6%–2.7% ownership** in the firm over the first two years. However, since she leaves before completing the full three-year vesting period, this equity is not retained. As a result, she forfeits the long-term value she helped create.

Equity, after 36 months			36 months					
By Contract								
	Third party	Contract	Credits		Tokens		Total equity	
			Eur	%	Eur	%	Eur	%
1	Clients	Y1 Monthly legal servi	-	-	-	-	-	-
2	Clients	Y2 Monthly legal servi	-	-	-	-	-	-
3	Clients	Y3 Monthly legal servi	-	-	-	-	-	-
4	Cecile	Work	190 766	22%	267 942	20%	458 708	21%
5	Pierre	Work	51 481	6%	80 413	6%	131 895	6%
6	Charles	Work	52 559	6%	61 059	5%	113 618	5%
7	Juliette	Work	-	-	-	-	-	-
8	Office	General Expenses	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-
11	Cecile	Initial valuation	549 384	63%	873 030	66%	1 422 414	64%
12	Pierre	Sign-up Bonus	30 521	3%	48 502	4%	79 023	4%
13	-	-	-	-	-	-	-	-
Total			874 712	100%	1 330 946	100%	2 205 658	100%

In contrast, Charles remains with the firm for the full duration. As shown in the adjusted equity structure, he retains approximately **5% ownership** in the company. This reflects the full vesting of his credits into equity, rewarding his long-term commitment.

This comparison highlights the core mechanism of the model: **equity is earned through both contribution and duration**. Charles is rewarded for staying and aligning with the firm’s long-term growth, while Juliet, despite her contributions, does not benefit from the same upside due to her early departure.



Conclusion

This case study illustrates how the FlexUp system enables a fair and transparent way to structure remuneration and equity within a law firm. By linking ownership to actual contributions over time, the model ensures that equity is calculated dynamically and reflects real value creation.

The system is inherently non-discriminatory: the same framework applies to all participants—whether founder, senior associate, or junior lawyer. Everyone operates under a unified structure, where remuneration is split across firm, flex, and credit components, and where long-term contribution is consistently rewarded.

As a result, junior associates are no longer just temporary trainees but become true partners in the firm’s growth. By staying beyond the initial training period, they can build meaningful ownership, aligning their personal success with the long-term development of the firm.

Explore further

-  Download the financial model – [Cecile Law Firm BP 2026-03-19.xlsx](#)
-  Log into our demo site to view this use case in the FlexUp app:
- - Link: <https://sandbox.flexup.app/login/>
 - Email: **cecile@example.com**
 - Password: **demo**

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