

What You Should Know about Attorney Fees

Q.: I'm thinking about hiring an attorney to do some legal work for me, but I'm worried about the expense. Can I find out ahead of time how much it will cost?

A.: Yes. You should ask your attorney about fees before asking him or her to represent you. In most instances, a written fee agreement spelling out information about payment of fees and expenses as well as billing procedures should be signed by both you and your attorney. This is especially important where the matter is complex or the representation is for an ongoing matter. Such an agreement should set forth the specific legal services to be provided by the attorney and the amount of legal fees to be paid by you, the client, for those services. The fee agreement should also set forth how expenses, such as court filing fees, photocopying, long distance telephone charges, investigators, etc., are to be paid. Before signing a fee agreement, you should read it carefully and ask questions about any provision you don't understand. You also should ask for an estimate of the total charges that will be billed, and ask for monthly billing statements and written receipts for all amounts paid to the attorney.

Q.: How do attorneys charge for their services?

A.: Attorneys may charge for their services in one of several ways. Most legal work is billed at an hourly rate. Attorneys generally keep daily billing logs to record the time they spend working on behalf of their clients.

Sometimes, attorneys may charge a flat fee for a particular service. This method of billing is generally chosen for short-term legal matters such as a real estate closing or a matter involving a specific service, such as preparation of a will.

In certain types of cases, a lawyer may work on a "contingent" fee. In this type of arrangement, the lawyer gets paid for his or her time only if the client is successful in recovering money from a lawsuit. The payment, in this case, would be a percentage of the recovery. Your attorney must tell you ahead of time what that percentage will be. Contingent fee arrangements are made most

often in cases where the client brings suit to recover for damages, such as a personal injury caused by a negligent driver in a traffic accident. If the client is not successful in recovering any money, then the lawyer agrees not to take a fee for his or her services. However, the client may still be responsible for costs and expenses associated with prosecuting a case regardless of whether or not any money is recovered. The attorneys' ethics rules, however, also allow payment of costs and expenses to also be made payable "contingent" upon the recovery of money from the suit. The question of expenses is also a matter which should be clearly set forth in the fee agreement. In addition, the fee agreement should clearly set forth whether the contingent fee is deducted before or after payment of expenses.

Q.: I called an attorney, who said she was unable to tell me exactly what it would cost for her services. Why couldn't she?

A.: Often lawyers are able to estimate how much time a particular legal matter will take to complete and, thus, are able to provide relatively accurate fee estimates. However, because each person's legal situation is unique, what appears on the surface to be a simple legal matter may prove more complex and time-consuming once the work has begun. Therefore, often it may be difficult for an attorney who charges an hourly rate to tell you exactly how much the work will cost.

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Law You Can Use is a weekly consumer legal information column provided by the Ohio State Bar Association (OSBA).

Articles appearing in this column are intended to provide broad, general information about the law. Before applying this information to a specific legal problem, readers are urged to seek advice from an attorney.

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