



COSTS AGREEMENT DOS AND DON'TS

MAXIMISE YOUR COSTS RECOVERY AND CAPTURE ALL ENTITLEMENTS

Costs Agreement Dos

- Do** have a written agreement with the client's dated acceptance by writing or conduct.
- Do** have an agreement in a separate document from the retainer letter.
- Do** ensure the agreement is understood by the client, taking into account the client's education, literacy levels and commercial experience.
- Do** advise your client to seek independent legal advice.
- Do** nominate an hourly rate (if applicable) that takes into account what the norm is and which makes allowance for your expertise and location.
- Do** specify if normal costing principles should not apply in relation to time spent reviewing a file, keeping a file in order, supervising staff etc.
- Do** provide the client with a separate cost agreement for each and every matter.
- Do** provide the client with updates.
- Do** provide a client with an itemized bill of costs 21 days after the date on which the request is made

Costs Agreements Don'ts

- Do not** treat the disclosure statement as a costs agreement.
- Do not** enter into contingency fee agreements.
- Do not** seek to enter a costs agreement in the middle of proceedings.
- Do not** have a flat hourly rate (if applicable) which does not take into account the work actually done or by whom the work is performed.
- Do not** seek to deny your client receipt of an itemized bill of costs (provided a request is made within time)
- Do not** seek to deny your client having costs assessed by the Taxing Master.

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