

Beware of Hidden Legal Costs

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A common misconception of many people facing legal disputes relates to costs.

The misconception arises from many people thinking that if they get what they want, and they “win” they also get their costs paid by the other side. This is not always the case.

Costs can include not only the professional fees payable to your solicitor according to the scope of work you instruct them to perform, but can also include costs payable to a third party (for example, to commence an action in a court of law you usually have to pay a filing fee to the court).

While some disputes most certainly attract a “costs component” within a settlement or court decision, there are also various legal disputes which fall within what your solicitor may call a “non costs jurisdiction”.

What this means is that the costs you pay are entirely your own. If you make the decision to engage a solicitor, it is up to you to pay the bills, not the person with whom you are fighting.

It is not my place to tell you what I believe is “fair and just” when it comes to costs.

What I am here to tell you though is that before you embark upon any journey which involves legal costs, it is imperative that you don’t presume that such costs are “claimable” from the other party at the end of your matter.

Have the discussion about costs with your solicitor at the outset. Then you will have a much clearer understanding of what you are going to be charged and whether you can claim those costs back if you are successful.

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