

Payment of your legal costs in a claim against the Fidelity Fund

This fact sheet explains how the costs of engaging a lawyer in a claim against the Fidelity Fund are treated.

INFORMATION FOR CONSUMERS

What is the Fidelity Fund?

The Fidelity fund is a statutory compensation scheme maintained by the Victorian Legal Services Board. Its purpose is to provide compensation to clients who have lost money or property due to the dishonest or fraudulent behaviour of a lawyer, law clerk, approved barrister's clerk or law practice.

If you have suffered such a loss, you may make a claim against the Fidelity Fund for compensation. You may wish to engage a lawyer to help you make your claim, however it is not compulsory.

Will costs be paid?

There is no certainty that the Board will pay your legal costs for engaging a lawyer to help you make your claim. If the Board wholly or partly allows your claim then the Board may agree to pay all or part of your legal costs.

Special circumstances may cause the Board to allow a claim but decide not to pay any legal costs, or to pay only part of the legal costs. Where this occurs the Board will advise you of the reasons for its decision.

The Board can also disallow a claim but decide to pay part or all of your legal costs if it considers it appropriate to do so.

If costs are paid, how much will be paid?

If the Board determines to pay in part or full the legal costs you incurred to make your claim, the costs will be assessed on a 'solicitor and client' basis. This means that if the Board pays the full solicitor and client costs, you may still have to pay the difference between those costs and the total costs charged to you by your lawyer.

The costs disclosure agreement you signed with your lawyer should detail how your costs are charged. If you are unsure, you should ask your lawyer to explain the breakdown of their costs. Please note that if the Board determines to pay legal costs then the costs will be paid directly to your lawyer.

What steps should you take before you ask a lawyer to help you make your claim?

If you are engaging a lawyer for your claim, you should:

- ask your lawyer how much they will charge for the work involved in making the claim
- discuss with your lawyer which of their costs might be paid by the Board;
- ask your lawyer how much the Board might pay towards costs
- ask your lawyer what would happen if the Board determined to pay only part of the costs
- ask your lawyer what would happen if the Board determined not to pay costs, and
- read the fact sheet *Working with your lawyer*.

Further information:

Contact the Assistant Investigator, Fidelity Fund at the Victorian Legal Services Board + Commissioner:

Tel: 1300 796 344 (cost of a local call)

Email: admin@lsbc.vic.gov.au