

Preparing for the Arbitration Hearing

I. INTRODUCTION

A request has been made to arbitrate a fee dispute between you and your attorney. This information is to help you prepare for the arbitration hearing by answering some commonly asked questions about the process. For answers to other general questions about the fee arbitration program see the pamphlet, "What Can The Mandatory Fee Arbitration Program Do For Me?"

What will be decided in the fee arbitration?

The issues to be decided in the fee arbitration are limited. The arbitrator will decide the amount of fees and costs, if any, you owe the lawyer, or, whether you should receive a refund from the lawyer.

Who can answer my questions?

Questions should be directed to the administrator of the fee arbitration program you are using to arbitrate your dispute. The Beverly Hills Bar Association [Rules of Procedure for Fee Arbitrations](#) set for the rules for the fee arbitration process. The Rules provide guidance on the arbitration process. You should familiarize yourself with the Rules. Unless the matter is urgent, the arbitrator assigned to hear your dispute should not be called. (See below on how to communicate with the arbitrators.)

Are we allowed to settle the fee dispute before the arbitration hearing?

Yes. Parties are encouraged to discuss the dispute prior to arbitration and to try to settle it informally. Fee disputes sometimes occur because the lawyer and client have stopped communicating with each other. Sometimes, discussing the dispute may lead to early settlement. Some fee arbitration programs will refund a portion of the arbitration filing fee if the dispute is settled early in the process. (Check the rules of the program you are using.)

What does the arbitrator use as a basis for making a decision?

The arbitrator makes a decision based on any documents and testimony presented. The arbitrator's decision will be based on a number of factors. These include, among other things, how difficult the case was and the skill needed by the lawyer to handle it; whether the lawyer was prevented from taking other cases because he or she was hired by you; how much the case was worth and what the final results were; any circumstances or time limitations that may have required that the lawyer

spend additional hours; the lawyer's experience and ability; the time the lawyer spent on the case; and, whether you understood and agreed to the fee arrangement.

What evidence does the arbitrator use to make a decision?

One of the first things the arbitrator will look at is whether there is a written fee agreement. If there is, the parties should submit a copy of the agreement to the arbitrator. In most instances, lawyers are required to use written fee agreements. If they do not, however, they are still entitled to a reasonable fee. The arbitrator will also consider the testimony of the parties, the billing statements, and other relevant evidence presented.

II. FEE AGREEMENTS

What does the arbitrator look at if there is a written fee agreement?

If there is a written fee agreement, the arbitrator may consider whether the agreement is valid and whether the terms of the agreement (for example, the hourly fee) should be upheld. You should review the fee agreement before the hearing to determine if it answers your questions about the lawyer's charges. If the arbitrator determines the agreement to be valid and that you understood the agreement, the arbitrator will generally use the terms of the agreement as a basis for making the decision.

The arbitrator also looks at the lawyer's "performance" in deciding the amount of the fee. For example, did the lawyer spend too much time on a specific task, or did the lawyer make mistakes that required extra time to fix? You should review the lawyer's bills and performance and decide whether, based on these factors, you believe the fee is too high. You should be prepared to point out specific items that support your belief.

What if a written fee agreement was required but there isn't one?

If the lawyer did not use a written fee agreement, but was required to by law, the arbitrator will consider the terms of any oral agreement and whether they were reasonable. For example, if you orally agreed to pay the lawyer \$300 per hour, but the arbitrator believes that \$300 is not reasonable, the arbitrator may assess a reduced hourly fee. Or, if you orally agreed to a minimum fee per telephone call, even if the actual time spent on the call was less, and the arbitrator believes this is a reasonable practice, those charges will be enforced.

What if the fee agreement was oral and a written agreement was not required?

If the fee agreement was oral, and a written fee agreement was not required, the arbitrator will decide what you and the attorney intended as the terms of your agreement. For example, the arbitrator will determine the agreed upon hourly rate and any other fees or costs. You should be prepared to present any evidence that supports your claim, whether that evidence is in the form of written documents or a witness who was present when you discussed the fee with your attorney.

What if the fee agreement does not comply with the law?

If the fee agreement fails to comply with the law, you may "void" or reject it, but the lawyer may still be entitled to receive a reasonable fee. So, as discussed below, you must still be prepared to present a case to the arbitrator with the specific reasons why you believe the fee charged is not reasonable. You may present evidence of what a reasonable fee should be.

III. PREPARING FOR THE HEARING

What is the role of the arbitrator?

The arbitrator is a neutral decision maker, who considers the evidence presented by all parties and makes a decision on the lawyer's fees. The arbitrator cannot represent either the lawyer or the client in the dispute. Nor does the arbitrator typically independently investigate or gather evidence to support either side's position. The arbitrator must make the decision based on the evidence given by the parties.

What does the arbitrator expect from the parties?

The arbitrator will expect the parties to be fully prepared to explain and support their positions on the value of the lawyer's services and to have all documents and witnesses organized and ready at the hearing. The arbitrator will not expect you to act like a lawyer, but he or she will expect your case to be presented in an organized and efficient manner. If you have documents to submit, provide copies to the arbitrator and the attorney whose fees you are disputing before the hearing.

May I communicate with the arbitrator?

You should not communicate with the arbitrator before or after the hearing, except on procedural issues such as scheduling the hearing and issuing subpoenas. Never discuss the merits of your case with the arbitrator outside of the hearing. You will be given a chance to explain your side of the story at the hearing while the lawyer is present so that the lawyer may respond to each issue you raise.

If you have to communicate in writing with the arbitrator, you must send copies of any communications with the arbitrator to the other party or parties to the arbitration.

What documents should I submit and how should I organize them?

You may want to consider submitting the lawyer's billing statements, evidence of your payments to the lawyer (for example, copies of cancelled checks), the written fee agreement (if there was one), and any other letters or documents that support your claim. You should have your documents organized in the order in which you plan to present them. Putting them in order by date is one common way to do this. You should also plan to have additional copies of the documents you intend to present so that you can give the copies to the arbitrator and the attorney whose fees you are disputing.

What if I have witnesses?

First, you should decide whether the witnesses have important information related directly to your fee dispute with the lawyer. For example, if the witness was with you when you and the lawyer made or changed your agreement, then the witness may have important information relevant to your fee dispute, and you might want to have that person available to testify at the hearing. You should tell the arbitrator and the attorney whose fees you are disputing that you expect to call witnesses and arrange your presentation so that the witnesses can be easily included.

If you have an important witness who does not want to come to the hearing, you may be able to order that person to attend with a subpoena. You should contact the administrator of the fee arbitration program to find out how this is done. You should also contact the administrator if you have any problems scheduling a witness. While it is always better to bring witnesses to the hearing, you may present their testimony and evidence in writing instead. It is up to the arbitrator to decide how much weight to give a witness's testimony.

How do I organize my presentation?

You should think carefully about why you believe the lawyer's fees are too high and focus your presentation on specific reasons for this belief. For example, if you think the lawyer charged more for telephone calls than the fee agreement allowed, you should be prepared to refer to the clause in the agreement that was violated. If you believe the lawyer did not effectively provide services, you should refer to specific examples that show how the lawyer failed to do what was promised. You may want to put your arguments and reasons in writing to refer to at the hearing to be sure that you do not leave out any important points.

IV. THE ARBITRATION HEARING

Who can come with me to the hearing?

You should check the program rules to see if non-parties and non-witnesses may attend with you and, if so, whether that person may speak on your behalf. If allowed, that person will be bound by the same rules of confidentiality as everyone else.

How formal is the hearing?

The arbitration hearing is typically informal, although evidence is usually taken under oath. Arbitration hearings may be held in a conference room in the arbitrator's office or at the bar association. Generally, only the arbitrator, you, the lawyer, and maybe witnesses will be in the room. You do not need to be represented by a lawyer. However, you may choose to have a lawyer represent you if you wish.

What happens at the hearing?

The arbitrator has the authority to decide how the arbitration hearing should proceed. You may be asked to present your case first. You will be allowed to discuss the fee agreement and the reasons why you dispute the lawyer's fees. You may also introduce relevant documents, such as written fee agreements and copies of the lawyer's bills. Your presentation should be simple, factual, and directly related to the issue of lawyer's fees. Usually, this is also the time when you would present any witnesses to help prove your case.

After you have fully presented your case, the lawyer will have a chance to ask you questions.

The lawyer may also make his or her presentation and present any witnesses. You will have an opportunity to ask relevant questions after the lawyer has fully presented his or her case. To avoid interrupting the lawyer's presentation, you may want to take notes so that you can remember any points with which you disagree.

Will the arbitrator ask questions?

The arbitrator may ask questions at any time. Sometimes the arbitrator will ask questions while you (or the lawyer) are presenting your case if clarification is needed.

What happens next?

After all the evidence has been presented, you and the lawyer are permitted to summarize your case. Comments during your summary should focus on why the lawyer's fees may be reasonable or unreasonable under the circumstances of your particular case. They should address only the evidence presented.

At all times during the hearing, both sides should avoid making personal attacks, making references to anything outside the lawyer-client relationship, or discussing matters based only on speculation or assumption.

What is the award?

The award is the decision of the arbitrator and specifies whether you owe money to the lawyer, whether the lawyer owes money to you or whether neither of you owes any money.

When will I receive the award?

You should expect to receive an award in the mail about 30 days after the hearing. Please don't call the local program or State Bar, because the award will be sent to you automatically.

What can I do after I receive the award?

When you receive the arbitration award, you will also receive information about your options after arbitration. This is called the [Notice of Your Rights After Arbitration](#). The Notice should answer most questions you have regarding your rights. Pay close attention to the deadlines in the Notice.

Can I contact the arbitrator after the hearing?

Unless you have been directed to do so by the arbitrator, you should not contact or send any correspondence to the arbitrator after the hearing has concluded. You may contact the program administrator if you have questions.

V. THE ARBITRATION AWARD