

"EFFECTIVE AND REALISTIC BILLING SYSTEM FOR NIGERIAN LAWYERS."

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PROFILE OF ONYEKACHI UMAH

- Onyekachi Umah is a husband and private legal practitioner with amazing experience in intellectual property, transaction and regulation advisory, corporate, commercial and investment law and energy law as well as litigation and arbitration arising from them.
- He is a certified arbitrator both in Nigeria and the United Kingdom.
- O Among other, he has a certificate in Law of Contract from a program of Harvard University, a certificate in International Environmental Negotiation from United Nations Institute for Training and Research, Geneva and recently, a certificate in Conflict Management from United States Institute of Peace, Washington, D.C.
- He also holds a master of laws degree from University of Jos.
- He is the managing partner of a leading law firm; Bezaleel Chambers International.
- He is the founder and President of a free law awareness platform known as www.LearnNigerianLaws.com that delivers lectures, essays and free daily law tips across Nigeria.
- He is the convener of the Sabi Law Lecture Series, travelling around Nigeria delivering free law awareness lectures.
- O He has written over Three Hundred articles and materials on law with a desire to enlighten the public. He is the Assistant Secretary of Nigerian Bar Association, Capital Bar, Abuja.

1. Assumptions

It is assumed we all understand the following basics;

- 1. Duties to client
- 2. Types of legal practitioners fees
- 3. Standard content of a bill of charge
- 4. Procedure for recovery of legal practitioners fee

2. Facts

- 1. Law practice is business
- 2. Legal profession abhors impecuniosity.
- 3. Lawyers pay bills
- 4. A Lawyer is entitled to adequate remuneration (Rule 48(1) Rules of Professional Conduct)
- 5. No Champerty/Third Party Funding (KESSINGTON EGBOR & ANOR v. PETER O. OGBEBOR (2015) LPELR-24902(CA))

Facts, Cont'd.

- 6. No sharing of fees with non-lawyers ()Rule 53, Rues of Professional Conduct)
- 7. Scale of fess was made on 15 August, 1991.
- 8. Most lawyers do not use the scale for fees.
- 9. Excessive charge is illegal. (RULE 48(2) & (3) Rules of Professional Conduct)
- 10. Under charging (under-cutting) is illegal (Rule 52(1) & (2) Rules of Professional Conduct)

3. Legal Framework For Legal Practitioners Fee

- 1. Legal Practitioners Act, 1975 (esp. sections 15 to 21)
- Legal Practitioners (Remuneration for Legal Documentation and Other Land Matters)
 Order, 1991.
- 3. Rules of Professional Conduct for Legal Practitioners, 2007 (esp. Rules 48 to 54)
- Rules of various Arbitration Houses and Associations

4. Factors For Fixing Effective and Realistic Legal Practitioners Fee.

- 1. Time
- 2. Labour & Skill (Number, Class and Qualification Lawyers and support staff involved)
- 3. Novelty and Specialization
- Reputation of lawyer and law firm (Brand Worth)
- 5. Alternative Forgone
- 6. Schedule of Minimum fees adopted by Nigerian Bar Association or its branch

Formulae For Fixing Legal Practitioners Fee, Cont'd. 1

- 7. Victory/Profit achievable by client
- 8. Certainty of compensation
- 9. Type of Client; Walk-in, Referred or Returning client
- 10. Referral fee to referring lawyer
- 11. Class/Financial Ability of client
- 12. Client Retention Policy
- 13. Service Plan: "hourly rate," "Flat rate", "retainer," or "contingent fee arrangement."

Formulae For Fixing Legal Practitioners Fee, Cont'd. 2

- 14. Payment Plan; outright or instalment
- 15. Currency exchange rates
- 16. Practice and Facility Maintenance
- 17. Location
- 18. Tax management policy
- 19. Bank charges on client's (trust) account
- 20. Bureaucracy (where third party is involved like a government agency)

5. SabiLaw Master's Interlude

<u>Upcoming Events</u>;

18th Sabi Law Lecture Series on "The Lawyer In Equity and The Journey To The Bar; Leveraging The Right Mindset and Skill Set For A Constantly Evolving Profession" on 29th October 2018 by 10:00am.

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7. Factors Affecting Effective and Realistic Billing

- 1. Poor attitude to work
- 2. Poor time management
- 3. Lack of Experience, Skill & Bargaining Power
- 4. Lack of Third Party Funding
- 5. Lack of set minimum prices by Nigerian Bar Association/its branches
- 6. Lack of possession of professional indemnity insurance by lawyers
- 7. Family and social interference

Factors Affecting Effective and Realistic Billing, Cont'd.

- 8. Limited number of specialized lawyers & organized practice sector
- 9. Location of law firms and lawyers
- 10. Client management policy
- 11. Poor financial literacy
- 12. Perception of law practice as charity by some clients
- 13. Under-cuttng/low billing by lawyers

8. The Way Forward

- 1. Understand your time
- 2. Understand your brief and costs
- 3. Be honest
- 4. Be simple and clear on your bills
- 5. Particularise your bill and put all agreements in writing.
- 6. Specify Value Added Tax and who pays what.
- 7. Keep your law firm and lawyers neat and professional

The Way Forward, Cont'd.

- 8. Offer justifiable discounts
- 9. Offer flexible payment plans
- 10. Offer electronic payment options
- 11.Get a professional indemnity insurance
- 12. Get financial intelligence
- 13. Get training on selling and client management
- 14. Study your client

9. Conclusion:

Abraham Lincoln: "A lawyer's advice is his stock in trade."

Sunday 23rd September, 2018. Abuja.

Thank you!



