

<i>Legal fees</i>	<i>\$300/hour</i>	<i>Amount</i>
• The initial client meetings, obtaining instructions, and reviewing of documents and evidence	25	
hours		\$7,500
• Drafting writ of summons and statement of claim, reviewing defence and counterclaim and other needed documentation.	30	
hours		\$4,500
• Demanding discovery of documents, preparing list of documents, reviewing lists from defendants, obtaining copies of documents from defendants, preparing and photocopying all plaintiff's documents to supply to defendants .	40	
hours		\$12,000
• Preparing for examination for discovery, including Including reviewing all documents, meeting with clients, preparing list of questions to ask or to anticipate; approximately 1 ½ days' preparation (average for each day of discovery); therefore 8 days of discovery x 1 ½ = 12 days x average of 8 hours per day = 96 hours	96 hours	\$ 28,800
• Attending at examination for discovery; 8 days of discovery x 8 hours per day = 64 hours	64 hours	\$ 19,200
• Preparing for trial, including examining witnesses, reviewing documents, reviewing examination for discovery transcripts, reviewing the law that has been researched; average 2 days' preparation for each day of trial; 5-day trial x 2 = 10 days' preparation x 8 hours per day = 80 hours	80 hours	\$24,000
• Researching all case law and statute law	25 hours	\$7,500
• Attending at trial for a 5-day trial x 8 hours per day = 40 hours	40 hours	<u>\$12,000</u>
Total of legal fees of plaintiff		\$115,500

Tax on legal fees – using B.C. as an example (eg GST of 5%, and PST of 7%)

PST of 7% on \$115,500 = \$8,085

GST of 5% on \$115,500 = \$5,775

Total legal fees including tax **\$129,360**

Disbursements

• Filing and serving of writ and statements of claim	\$300
• Photocopies	\$1,000
• Court reporter fees and transcripts of examinations for discovery	\$2,000

- Long-distance telephone calls, fax charges, etc. \$200
- Miscellaneous \$200

Total of disbursements \$3,700

Total of legal fees and disbursements paid by plaintiff **\$133,060**

Financial Outcome of Trial

- Court costs by tariff schedule in favour of plaintiff based on party-party costs loser (defendant) has to pay (usually represents approximately 25% of actual legal expenses incurred) \$32,340
- Judgment against defendant for amount of claim \$50,000
- Plus interest as determined by the court from the date the money was owing (varies depending on province and prime rate of interest, unless a set interest rate in the contract between the plaintiff and defendant)

Say a 2-year period from date debt owing
before trial = approx 4% = \$ 2,000 per year x 2 years = \$4,000

\$4,000

Total of judgment on debt owing plus interest and court costs **\$86,340**

Net loss by plaintiff. The plaintiff (the "winner") was awarded judgment in this scenario of \$86,340. When this is subtracted from the total financial outlay by the plaintiff, there is a net loss of - **\$46,720**