

Fee arbitration hearing decision

Fee committees do not have the authority to award you money damages for legal malpractice and only can determine whether the fee is reasonable.

The factors to be considered are set forth in Rule of Professional Conduct 1.5(a).

If the hearing panel decides a client is due a refund, then the refund must be paid within 30 days of the hearing decision.

The only exception is if the matter has been appealed by either the client or the attorney.

If the attorney fails to refund the amount within 30 days, the client can call the Fee Arbitration Unit at the Office of Attorney Ethics at 609-403-7800, ext. 34120.

The client can request the OAE to file a motion to have the attorney suspended from practicing law until they comply with the fee decision.

Fee arbitration appeals

Fee arbitration decisions can only be appealed in the following circumstances:

- The fee committee did not follow procedure or there was substantial unfairness during the process.
- The fee committee commits actual fraud.
- The fee committee makes gross and obvious mistakes of the law and court rules.
- Any fee committee member who decided the matter has a conflict of interest in the case.

To appeal, complete the *Fee Arbitration Notice of Appeal* form and mail to:

Disciplinary Review Board
Richard J. Hughes Justice Complex
P.O. Box 962
Trenton, NJ 08625

Fee arbitration proceedings are confidential

Do not discuss the fee dispute with anyone. There are two exceptions for discussing your matter:

1. With members of the fee arbitration process; or
2. If you consult an attorney about the case.

Lawyers’ Fund for Client Protection

Occasionally, a grievance against an attorney involves dishonest conduct.

If you believe that money or other property belonging to you has been taken by your attorney, in addition to filing a grievance you may also file a claim with the Lawyers’ Fund for Client Protection (referred to as the “Fund”) after notifying the appropriate county prosecutor and district ethics committee of the incident.

It is important to note that the Fund is a separate committee of the Supreme Court with its own distinct purpose, jurisdiction and procedures.

Just as the district ethics and fee arbitration committees cannot pay claims, the Fund cannot discipline attorneys or settle fee disputes.

Nor may the Fund pay claims based upon the negligence or malpractice of an attorney.

For such cases, you may consult a private attorney to decide if you may bring a civil lawsuit to collect damages.

You must prove a loss suffered through the dishonest conduct of an attorney with whom you had an attorney-client or fiduciary relationship.

The attorney against whom the claim is made must be either suspended or disbarred, unless deceased or otherwise unavailable, for the Fund to have jurisdiction.

The Fund is administered by six Trustees (five attorneys and one public Member), all of whom donate their time and talents.

The Fund receives no tax revenues, but rather pays it awards out of money paid by New Jersey attorneys themselves each year as a demonstration of commitment to maintaining public confidence in the legal system.

If you have questions or if you wish to obtain a claim form, please go to the Fund’s website at <https://www.njcourts.gov/attorneys/cpf.html> or call 855-533-3863 or write to:

New Jersey’s Lawyers’ Fund for Client Protection
P.O. Box 961
Trenton, NJ 08625-0961

If you believe that your attorney has engaged in unethical conduct, contact the hotline for ethics and fee arbitration forms at <https://njcourts.gov/attorneys/oea.html> or call 1-800-406-8594.



STUART RABNER
CHIEF JUSTICE

JOHANNA BARBA JONES
DIRECTOR, OFFICE OF ATTORNEY ETHICS

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New Jersey Judiciary

Office of Attorney Ethics

How to Dispute an Attorney’s Fee



For more information about the Office of Attorney Ethics, go to www.njcourts.gov and search for attorney ethics.

Fee Arbitration Program

The Fee Arbitration Program helps clients resolve disputes with their attorneys about the legal fees they were charged.

The program helps avoid going to court.

There are 17 committees throughout the state composed of volunteers.

The volunteers consist of both attorneys and non-attorneys.

They are appointed by the Supreme Court.

The committees hold confidential hearings to decide if a charged fee is reasonable.

The hearings are fair and inexpensive and are quicker than going to court.

Fee arbitration

Fee disputes are not usually the subject of attorney discipline because they usually do not involve unethical conduct.

As an alternative to a lawsuit, the Supreme Court of New Jersey created 17 district fee arbitration committees to resolve, at the client's request, through binding arbitration, disputes over fees.

Court rules state that if you want to request fee arbitration, you must first contact the district secretary for the committee where the attorney has an office.

Your attorney must give you a written explanation of how the fee is calculated or charged when they accept your case.

You and your attorney should discuss any questions regarding fees at the initial conference so that you both have a clear understanding of what will happen in your case and how much the case will cost.

More information about fee arbitration

committees can be found on our website indicated on the back of this brochure.

The attorney must inform you of your right to seek fee arbitration.

The attorney must provide the name, address, and phone number of the district fee secretary.

A Fee Arbitration Request form must be filed within 30 days. If not, you will lose the right to file for a fee arbitration.

If the bill seems unreasonable, talk to the attorney first

Try discussing your bill with your attorney. It could help explain the details. Some reasons your bill could be high:

- Your case might have been more complicated than what was expected.
- Your case might have taken more time than what was initially expected.

Either reason would explain why the initial estimate was less than the actual bill.

By talking to your attorney, they might agree that the bill should be adjusted and may offer a payment plan.

How to file for fee arbitration

Send the Fee Arbitration Request form to the district secretary from the county where the attorney has a law office.

Include five copies of the form and copies of any other relevant documents.

A \$50 filing fee **must** be included with the submission.

The fee arbitration request will not be processed until the \$50 filing fee is paid.

The check or money order must be made payable to "Disciplinary Oversight Committee."

If you cannot afford the \$50 fee, you can

submit a Fee Waiver Request form.

A copy of this form must be submitted with your fee arbitration request.

To request a Fee Waiver Request form, call the Fee Arbitration Unit at the Office of Attorney Ethics at 609-403-7800, ext 34120.

The district fee secretary will review the case.

The district secretary will decide whether to accept a fee arbitration, as there are discretionary and mandatory limitations on jurisdiction.

- Fee arbitration is not available:
- If the fee is more than \$100,000.
 - If the client fails to file within 30-days of receiving a notice from the attorney.
 - If more than six years have passed since the last attorney's services were rendered, regardless of whether the client has received a proper 30-day notice from the attorney to file Fee Arbitration.
 - If the fee has been determined by a court.
 - If the fee dispute raises substantial legal questions.
 - If other parties have an interest in the fee amount.

Attorney response

The attorney will be given a copy of the fee arbitration request.

The attorney is required to respond with an Attorney Response Request form.

If no response is given, then the attorney will not be allowed to participate in the hearing.

Settlement Prior to Hearing

Fee disputes can be settled without a hearing.

If a dispute is settled before the hearing, the parties can file a Stipulation of Settlement with the district fee secretary.

Fee arbitration hearing

After review and acceptance of your case, the secretary will schedule a hearing.

The client and the attorney must be given at least ten days' advance notice of the hearing date.

- If the amount in question is less than \$3,000, the hearing can be before one member of the District Fee Committee.
- If the amount in question is more than \$3,000, the hearing will be before a panel of three members from the district fee committee. A panel typically includes one public member and two attorneys.

Fee hearings are private, and they are not recorded.

If an Interpreter or an ADA accommodation are required at any of the stages of the fee dispute process, call 609-403-7800, ext. 34120.

Please make this request as early as possible so we may address the request or accommodation.

At the hearing, the burden of proof to demonstrate the nature of the fee agreement and reasonableness of the fees is on the attorney.

Binding arbitration

Once you choose to pursue fee arbitration by signing the Binding Arbitration form, the client has thirty days within which to withdraw the request.

Thereafter, the client will be bound by the fee committee's jurisdiction.

The attorney is also bound by the proceeding. Once you request fee arbitration, both sides agree to comply with the decision of the committee and are bound by the results.