



## **GENERAL TARIFF OF FEES FOR LEGAL**

### **PRACTITIONERS WITH EFFECT FROM MAY 2020**

#### **PART 1: EXPLANATORY MEMORANDUM AND DIRECTIONS**

##### **Note 1**

Legal practitioners are professionally and legally obliged to charge fees for legal work which are fair and reasonable in all the circumstances. In order to assist the profession and the public in this regard and to seek a degree of uniformity and consistency, this tariff is recommended by the Council of the Law Society of Zimbabwe for application to all legal work undertaken by legal practitioners, save where some other tariff is applied by law or where the client has agreed to some other rate or basis of charging. Thus party and party fees in civil litigation, conveyancing fees, collection commissions and deceased estate administration fees are not covered by this tariff whereas legal practitioner and client fees in civil litigation and fees for criminal and general non-litigious work are covered.

##### **Note 2**

The recommended ranges are to be regarded as the ordinary fees chargeable for work of the type described. If one or more of the following five special criteria are present then the rate customarily selected by the legal practitioner within his or her experience category may be increased by premiums where appropriate, in accordance with Notes 5 and 6. The criteria which would place a matter outside the ordinary and justify a higher rate occur where;

- 2.1 the matter is complex or the questions raised are difficult or novel;
- 2.2 specialised knowledge, skill and/or responsibility are required the legal practitioner;
- 2.3 the place where or the circumstances in which the business is transacted are unusual or difficult;
- 2.4 the amount or value of the money or property involved is particularly high; and/or
- 2.5 the matter is of particular importance to the client.

Note 3/...

**Note 3** It should be noted that Bylaw 68 (1) requires that a legal practitioner’s fees in non-litigious matters should be fair and reasonable in the circumstances, listing the points set out in Note 2 above (amongst others) and adding a further criterion, namely “any tariff of recommended charges issued by the Council”. Legal practitioners who exceed this recommended tariff do so at their peril. If they feel the tariff is inadequate or inequitable or likely to prejudice a good relationship with a client they are welcome to approach the Council for guidance.

**Note 4** Where a legal practitioner intends to charge fees on a basis which is different from that which is set out in this recommended tariff, it is essential that the client be informed in advance and that the client’s prior agreement to this should be obtained. It is preferable to record such agreement in writing. The Council will regard any rate which is higher than the upper margin of the recommended range as materially different.

**Note 5** The ranges of hourly fees recommended in this tariff are designed to take into account both the varying levels of experience of practitioners and their varying costs of practice. Legal practitioners are entitled to charge rates which are at the lower or upper margins or anywhere in between these margins. Thus a simple non-commercial matter handled by a newly-registered practitioner paying a relatively low rent in a small town is unlikely to justify any more than a rate at the lower margin of his or her applicable range while a complicated international commercial transaction handled by a senior partner of a large city firm who has been in practice for 20 years or more is likely to merit a fee charged at a rate at the upper margin of his or her applicable range (before the premium resulting from any special criteria is added).

**Note 6** The maximum premiums which may be added to a legal practitioner’s customary rate for the type of work involved as a result of the existence of special criteria are as follows:

<b>Number of years’ experience as a <u>registered legal practitioner</u></b>	<b><u>Premium over and above customary rate</u></b>
<b>0 years to 4 years 11 months</b>	<b>50 %</b>
<b>5 years to 9 years 11 months</b>	<b>75 %</b>
<b>10 years to 19 years 11 months</b>	<b>100 %</b>
<b>20 years or more</b>	<b>125%</b>
<b>30 years or more</b>	<b>150%</b>
<b>40 years or more</b>	<b>175%</b>

Note 7/...

**Note 7** Where a legal practitioner performs work in an area where another professional person would charge a percentage fee, the legal practitioner shall be entitled to charge a percentage fee or a flat fee if the client's prior agreement is obtained. Again, it is preferable to record such agreement in writing.

**Note 8** Where a legal practitioner performs work on instructions emanating from outside Zimbabwe, he or she shall be entitled both to charge a fee similar to that which would be charged by a legal practitioner of comparable experience and ability in the country from which the work emanates and to charge such fee in the currency of that country, provided always that the provisions of the exchange control and any other applicable regulations are observed.

**Note 9** The recommended hourly ranges reflected in part II (which covers both general professional services and standard fees for basic work) will be reviewed periodically. **The rates have been set in RTGS. Where fees are charged in another currency, the 2011 LSZ General Tariff shall apply and the market exchange rate for the US dollar shall be used.**

**Note 10** As illustrations of an ordinary fee and a fee to which a premium is added, a legal practitioner of 17 years' experience who prepares an Agreement in May 2020 could legitimately charge the following hourly rates:

**10.1** If the Agreement is not particularly complex and the value of the transaction is not particularly high, a fee of RTGS 8 000.00 per hour.

**10.2** If the Agreement is complex and the value of the transaction is very considerable, as a result of which the maximum premium of 50% for special criteria can legitimately be charged, a rate of RTGS 10 125 .00 per hour, calculated as follows:

Upper margin of hourly range for May 2020	RTGS 13 500.00
Add 50% premium	<u>RTGS 6 750.00</u>
	<u>RTGS 20 250.00</u>

**10.3** If the economic exigencies would render the fee to be undervalued, the premium can be applied.

**Note 11** Although hourly rates are recommended, a legal practitioner is expected to divide these up in such smaller units of time spent as are convenient to his or her practice and the type of work concerned. No unit of more than 5 or 6 minutes is likely to be accepted as being reasonable.

**Note 12** It is most desirable to maintain file notes of all attendances which show the time spent and the work performed. When an account is drawn the

total number of units of time spent can be multiplied by the requisite fraction of the relevant hourly rate in order to establish the basic fee. This can then be adjusted upward (if any of the aforesaid special criteria is present) or downward (if it is felt, for good reason, that the result is inequitable).

**Note 13** Where an experienced legal practitioner carries out work of a comparatively simple nature (for example, either at the specific request of the client or because it is not possible or convenient to refer the matter to a more junior person) then it is expected that the fee charged will be based on a lower rate than that which is normally charged by such senior practitioner, bearing in mind the need for the overall fee to be fair and reasonable in all the circumstances.

**Note 14** Unless agreed otherwise with the client, a fee for the investment and administration of trust funds shall not exceed 5% of the gross interest earned.

**Note 15** The fees recommended by the Council do not take value added tax into account: it should be added.

**Note 16** In addition to fees, the client may also be charged for;

- 16.1 photocopies, machine-duplicated copies and computer-printed copies, at the rate of RTGS 25.00 per page;
- 16.2 faxes sent, at a rate equivalent to the cost of the telephone call involved plus the photocopying cost of the number of pages;
- 16.3 trunk and mobile telephone calls made, at cost;
- 16.4 revenue stamps, Deputy Sheriff's and Messenger of Court's fees and all other disbursements, at cost;
- 16.5 collection commission, where applicable, at the prescribed rate.

**Note 17** A standard disbursement entry in an account for "stationery, postage and petties" is permissible, provided that it is appropriate (which would not be the case where little or nothing was actually spent by the legal practitioner on the items in question) and further provided that it shall not exceed 2% of the total fee charged in the account.

## **PART II/: FEES**

### **ITEM 1: GENERAL PROFESSIONAL SERVICES**

Time reasonably and actually spent in personal attendance by a legal practitioner in performing his or her mandate, including taking instructions, telephone calls, attendances in court, offices of record and the like, research, preparation, drafting, dictation and perusals of letters and documents:

**YEARS' EXPERIENCE**

**BASIC HOURLY RANGES**

30 years and over	RTGS 10 000.00 –RTGS 17 500.00
20-29 years 11 months	RTGS 8 750.00 – RTGS 15 500.00
15-19 years 11 months	RTGS 7 500.00 – RTGS 13 500.00
10-14 years 11 months	RTGS 6 250. 00 –RTGS 10 500.00
5-9 years 11 months	RTGS 4 250. 00 –RTGS 7 500.00
2-4 years 11 months	RTGS 3 500 .00 –RTGS 6 000.00
0-1 years 11 months	RTGS 2 500.00 – RTGS 3 750.00
Unregistered Law Graduate whose name is recorded by Law Society	RTGS 1 500.00 – RTGS 3 000.00

**ITEM 2: OPTIONAL STANDARD FEES FOR BASIC WORK**

A legal practitioner shall be entitled to charge the following standard fees instead of calculating his or her fees on the above basis, where basic work is involved. If the work is not basic, Notes 1 to 10 apply.

**2.1 SALE AGREEMENT**

residential or farm	RTGS 25 000 or 1% of the selling-price, whichever is the greater
business or shares	RTGS 40 000 or 2% of the selling-price, whichever is the greater

**LEASE/...**

**LEASE AGREEMENT**

residential or farm	RTGS 15 000.00 or one month's rent, whichever is greater.
business	RTGS 30 000.00 or one month's rent, whichever is the greater.
commercial transaction	2% of the value of the transaction

**2.3 UNCONTESTED DIVORCE**

(with or without consent paper, with minimal negotiations and including appearance in Court, where necessary)

for Plaintiff	RTGS 50 000.00
for Defendant	RTGS 30 000.00

**2.4 WILL**

simple (e.g., all to spouse, one or two bequests)	RTGS 16 000.00
more complex, (e.g. multiple heirs and/or bequests, trust established etc).....	charge applicable rate

- 2.5 COMPANY FORMATION**  
 (with share certificates and initial Companies Act forms)  
 with a full set of Articles RTGS 25 000.00  
 where Articles substantially  
 incorporate Table A, whether  
 or not with modifications RTGS 17 500.00
- 2.6 NOTARIAL WORK**  
 simple ante- and post-nuptial  
 contract RTGS 15 000.00  
 change of name RTGS 12 500.00  
 simple authentication RTGS 5 000.00  
 notarial cession of  
 book debts where this is not  
 part of notarial bond 2% of the value involved  
 bond charge conveyancing tariff
- 2.7 LIQUOR LICENCE**  
 initial application RTGS 22 500.00  
 renewals to Secretary RTGS 15 000.00  
 all other application RTGS 12 500.00
- 2.8 SHOP LICENCE** RTGS 12 500.00
- 2.9 GENERAL POWER OF ATTORNEY** RTGS 3 750.00
- 2.10 INSOLVENCY/ LIQUIDATION CLAIM** 2.5% of the value claimed

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ISSUED BY THE LAW SOCIETY OF ZIMBABWE, MAY 2020