

Determination of amount of contribution agreement



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LAO may require an individual seeking or receiving legal aid services, or a person responsible for the individual, to enter into a contribution agreement. The contribution agreement requires the individual or person responsible for the individual to contribute to the cost of the individual's legal aid services. The amount owed under the contribution agreement is the lesser of any maximum amount set out in the agreement as determined by LAO, and the estimated cost of the legal aid services as determined by LAO, including a 10% administrative fee and interest on any overdue amounts.

The amount that a legally aided client or person responsible has agreed to contribute shall be paid by the client or person responsible, and is a debt owing to LAO which may be recovered in any court of competent jurisdiction. In addition to the amount owed under a contribution agreement, LAO is entitled to recover the actual costs of legal aid services provided to the client, as set out in further detail below.

Roster members shall ensure that they and the individual, and if appropriate, the person responsible, read and understand the terms of the contribution agreement.

The obligation to contribute pursuant to a contribution agreement exists regardless of the outcome of the case.

The obligation under a contribution agreement is distinct from LAO's statutory charge under section 13 of LASA 2020 against money or other property recovered by an individual because of receiving legal aid services. LAO may recover the actual cost of providing legal aid services to an individual under both its statutory charge and the contribution agreement. Any court costs collected by LAO or any amount collected by LAO pursuant to its statutory charge reduces the individual's debt to LAO under the contribution agreement.

Estimated amounts

The estimated amount under a contribution agreement is the sum of:

- an estimated amount of the total fees and disbursements (without HST) paid to the roster member for all legal aid services authorized by LAO to the end of the proceeding;

- an administrative fee of 10 per cent of the roster member's account for fees and disbursements (without HST); and
- interest on any overdue contributions.

These amounts are a debt owing to LAO, which may be recovered in a court of competent jurisdiction.

If, because of receiving legal aid services, there is a recovery of court costs that exceeds the roster member's total account for fees and disbursements (without HST) and the administrative fee, the full amount of the court costs recovered is due and payable to LAO.

Maximum amounts

The maximum amount under a contribution agreement is determined based on the circumstances of the case. For example, if an individual was released from custody or detention with a deposit of money of over \$1,000, a contribution agreement equal to the amount of money deposited may be required.

Legal aid liens and other forms of security

The amount owing on a contribution agreement may be secured by a lien against real property in which the individual or person responsible for the individual has an interest, or secured by other forms of security. Generally, the amount owing on a contribution agreement with a lien or other security is not due until the property or other security is transferred, sold or re-financed.

Legal aid liens are secured interests in land described on the certificates of lien, and have priority over normal executions.

On or after April 1, 1999, liens with respect to real property are in the form of notice of lien registered against land in the proper land registry office.

Chattel mortgages may be in the form of a financing statement as prescribed by regulation under the *Personal Property Security Act*.

Estimating total fees

The estimated amount to be repaid to LAO under a contribution agreement is based on the total fees and disbursements (without HST) paid to the service provider for all legal aid services authorized by LAO to the end of proceeding, plus a 10% administration charge.

The roster member shall notify LAO promptly if it appears that their total account for net fees and disbursements will exceed the estimated amount, including when making a request to amend a certificate. The roster member shall also keep the legally aided individual or person responsible advised as to any change in the estimated cost as the case proceeds.

Failure to notify LAO may result in prejudice to LAO, in which case the roster member's account may be reduced or disallowed. Failure to keep the legally aided individual or person responsible advised of any change in the estimated cost of a contribution agreement may result in a review of the roster member's accounts.

A roster member shall provide copies of all their accounts to the client and to a person responsible, if the client or the person responsible signed a contribution agreement, unless otherwise authorized by LAO.

Change in client's financial circumstances

Whether or not a legally aided individual or person responsible has entered into a contribution agreement, the roster member shall advise LAO when there is a change in the financial circumstances of the individual or person responsible. LAO will decide if a financial reassessment is required to determine whether the legal aid services should be cancelled, or a contribution agreement should be deleted or amended, or should be required if one does not already exist.