

Discovery, clients target lawyers for alleged overcharging

An accident victim and his wife launched a court application last week to have personal injury lawyer Ronald Bobroff and his son Darren Bobroff struck off the roll.

The dispute centres on the company's "no-win no-fee" contingency policies, in terms of which it set fees described as higher than those stipulated by the Contingency Fees Act.

While the act stipulates that attorneys may take a maximum of 25% of any settlement awarded to their client, Ronald Bobroff claims that the Law Society of the Northern Provinces had made a provision for common law contingency fee agreements, which allows attorneys to take up to 40% of a settlement.

Another issue raised by the couple is that the law society has been slow to investigate and prosecute a complaint of overcharging that it lodged against Ronald Bobroff and Partners (RBP), Ronald Bobroff and his son Darren since June last year.

In an application launched last Thursday in the North Gauteng High Court, Matthew and Jennifer Graham asked the court to initiate the inquiry into the law firm's conduct. Alternatively it wants the court to use its oversight powers to issue orders obliging the firm and the law society to comply with their duties in respect of the existing process that was underway at the law society.

Edward Nathan Sonnenbergs director George van Niekerk said last week his firm was instructed by Discovery Holdings to assist members of the Discovery Health Medical Scheme who were former clients of Ronald Bobroff and Partners.

Discovery was concerned about the professional fees charged and the effect of these fees on the compensation received by its clients.

Van Niekerk said Edward Nathan Sonnenbergs discovered that Ronald Bobroff and Partners had in fact entered into various fee arrangements with these clients, which were highly unusual.

He said these agreements had been described as illegal in a recent judgment by South Gauteng High Court Judge Phillip Boruchowitz.

Matthew Graham was involved in an accident in 2006 and suffered damage to the frontal lobe of the brain and significant loss of sight and hearing. His wife engaged the law firm to prosecute a claim against the Road Accident Fund.

She agreed Ronald Bobroff and Partners would take on the matter on a no-win no-fee basis with a 70:30 split of any

compensation paid.

The claim was settled at R1.979m plus costs and Darren Bobroff retained R858,000, which equated to a 60:40 split.

Discovery demanded the Grahams reimburse it for past medical expenses paid by the fund.

Ronald Bobroff said Discovery Health had caused a complaint to be laid at the law society, ostensibly on the basis of alleged overcharging of one of its previous clients.

He denied the allegation.

Bobroff said this was an attempt by Discovery Health to lay unfounded allegations against the practice as a foil to his opposition to the standard practice of Discovery Health - members claiming against the scheme for medical expenses for injuries sustained in vehicle accidents.

Bobroff said Discovery Health allowed the unsuspecting member to litigate for the recovery of the medical expenses. After successful and costly litigation by the member, the scheme would then claim money back from the member.

"We are confident that it will quickly become apparent at such a hearing that there is no merit in the complaint and that our former client was coerced by threats on the part of Discovery to sue them for R327,000 into becoming Discovery's pawn in its ongoing malicious attempt to sully the reputation of this practice," Bobroff claimed.

Source: *Business Day* via I-Net Bridge

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