

OFFERS TO SETTLE and “COSTS”

You may shorten an expensive court case, and maybe avoid a trial completely, by making a timely and reasonable **Offer to Settle**. It may also help you to recover some of your own lawyer's fees (called “**costs**”) from the opposing party, or protect you from their claim for a costs order against you.

“Costs” Considerations

1. **The party who rejected the Offer to Settle will have to pay some or all of the successful party's lawyer's bill (“costs”)**, if the original Offer to Settle was more favourable than the Court Order finally obtained.
2. **The earlier an Offer to Settle is made, the larger the costs award.** Although the judge always has discretion as to the amount of “costs” awarded, the unsuccessful party will usually be required to pay a greater portion of the successful party's lawyer's bill, the earlier the Offer to Settle was made.

Strategy

1. **Make it reasonable.** Over-reaching in an Offer to Settle may upset the other party, and it may be used against you when arguing about “costs”.
2. **Make it quantifiable.** The Offer to Settle must be quantifiable, so that it can be compared with and measured against the actual end result, if necessary.
3. **Be prepared to revise it.** As you receive more or updated information it may be advantageous to reconsider and revise your Offer to Settle.
 - **Offers to Settle have many technical, legal requirements.**
 - **“Costs” can be used to reward or punish litigants in many ways.**

It is important to discuss these legal terms in more detail with your lawyer.