

ENGAGEMENT LETTER: HOURLY FEE

[date]

[Client Name]

[Client Address]

[Client Address]

Re: Confirmation of Engagement

File ID:

Dear [Client's Name]:

We are pleased that you have asked [Law Firm] to serve as your counsel. At the outset of any engagement, we believe it is appropriate to confirm in writing the nature of the engagement and the terms of our representation, and that is the purpose of this letter. If you have any questions about this letter or any of its provisions, do not hesitate to call. Otherwise, this letter [and the attached Policy] will represent the terms of our engagement. Again, we are pleased to have the opportunity to serve you.

Client(s): [Name Client(s)] will be our only client(s) in this matter.

Scope of Representation

We have been engaged to represent [client's name] for the purpose of _____
_____, hereafter referred to as the
“matter” or “engagement”. However, engagement does not include _____.

Nature of Relationship

Our objective is to provide high quality legal services to our clients at a fair and reasonable cost. The attorney-client relationship is one of mutual trust and confidence. If any of you has any questions at all concerning the terms of this engagement, our ongoing handling of this legal matter, or about any issue relating to a monthly statement that is unclear or appears to be unsatisfactory, we invite your inquiries.

Multiple Attorneys

[Attorney's Name] will be the primary attorney handling this matter. [Attorney's Name] will be available to you for conferences and meetings upon your request, and you can call the office at any time for questions or concerns. In the event that [Attorney's Name] is unavailable, [Alternate Contact] will be fully informed and prepared to discuss any issues or respond to any inquiries. You should also be aware that other partners, attorneys, paralegals or experts from outside the firm will be called upon as necessary so that the best possible services can be provided.

Even though you have delegated certain levels of authority to act on your behalf, there will be times when we will not be able to proceed without your full and sometimes written consent, such as when negotiating settlement offers or when conflicts of interest arise. Please notify us of any plans for extended travel or if any changes are made to contact information.

We will also need to reach an agreement regarding the means of communication. Personal meetings are obviously welcome and land-line telephone conversations are appropriate in the majority of situations. Due to certain inherent confidentiality risks involved with modern technologies, including misdirected facsimiles or e-mails, unauthorized access to computer data or unsecured cell phone conversations, any medium other than face-to-face, land-line telephones or the United States Postal Service will be at your discretion. [A separate document will be provided wherein you may authorize and accept the risks of various forms of communication.]

Fees and Expenses

Our fees will be based primarily on the hourly rate for each attorney and legal assistant devoting time to this matter. Our standard hourly rates for attorneys likely to be involved currently range from _____ to _____ per hour. Time devoted by legal assistants is charged at hourly rates ranging from _____ to _____ per hour. These rates are subject to periodic change by our firm. In addition to the number of hours involved, we take into consideration other factors in determining our fees, including the urgency of the matter, the responsibility assumed, the novelty and difficulty of the legal problem involved, particular experience or knowledge provided, time limitations imposed by the client or matter, the results obtained, the benefit resulting to the client, and any unforeseen circumstances arising in the course of our representation.

We bill for out-of-pocket expenses, and also bill an administrative expense charge per billable hour in lieu of charging for long distance charges, routine copy costs, postage, and similar office expenses. [Please refer to our attached Billing and Fee Policy, which is incorporated herein and made a part of the terms of our engagement, for further details regarding our agreement regarding payment or reimbursement of fees and expenses.]

Statements normally will be rendered monthly for work performed and expenses recorded on our books during the previous month. Payment is due promptly upon receipt of our statement. If any statement remains unpaid for more than 30 days, we may suspend performing services until arrangements satisfactory to us have been made for payment of outstanding statements and the payment of future fees and expenses, and if such arrangements are not made, subject to applicable rules of professional conduct governing attorneys, we may terminate the engagement and withdraw from further representation.

As we have discussed, the fees and costs relating to this matter are not predictable. We estimate that the fees for this matter will be approximately \$_____ to \$_____. This figure is provided simply to assist with proper budgeting and is not a determination of the minimum or maximum fees that will be incurred. It is also expressly understood that payment of the firm's fees and costs is in no way contingent on the ultimate outcome of the matter.

Billing and Fee Policy (Option A)

Payments will be made to the firm in the form of a retainer fund. It has been agreed that the initial deposit into the account will be in the amount of \$_____. This money will be placed in the firm's general trust account where it will be held until used to pay for discussed fees and expenses. It is important to note that representation cannot commence until the full \$_____ has been deposited. If the balance of the account falls below \$_____, [Client's Name] will immediately be notified. Any unused portions of the retainer fund will promptly be refunded at the conclusion of the engagement.

[If the retainer fund is not replenished according to this agreement, the firm will immediately attempt to contact [Client's Name], at which time efforts will be made to resolve the situation. Interest will be calculated at a compound rate of _____% per month for every month that the balance is outstanding, and these fees are to be paid to the firm for deposit into a general account that is independent of our representation in this matter. If the outstanding balance has not been reasonably reduced within [State Time Period] months of default, notice will be sent to [Client's Name] with a request to withdraw from representation.

Billing and Fee Policy (Option B)

Enclosed is a copy of our [Billing and Fee Policy.] We encourage you to review the Policy and to contact us if you have any questions. The Policy shall apply except to the extent expressly modified by this letter.

Conclusion of Representation; Retention and Disposition of Documents

Unless previously terminated, our representation of you will terminate upon the conclusion of this matter, our written notice to you that the engagement has concluded and the mailing of our final statement for services rendered in connection with this matter. Following such termination, any otherwise non-public information you have supplied to us which is retained by us will be kept confidential in accordance with applicable rules of professional conduct. All documents retained by the firm will be transferred to the person responsible for administering our records retention program. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to destroy or otherwise dispose of any such documents or other materials retained by us within a reasonable time after the termination of the engagement.

Termination of Legal Services

We are confident that we can work together in a manner satisfactory to you. However, you are free to terminate our services at any time. In addition, and subject to applicable rules of professional conduct governing attorneys, in the event we disagree on any aspect of this engagement or for other appropriate reasons, we have the right to withdraw from further representation of you. If you elect to terminate this engagement prior to conclusion of the matter, or if we elect to withdraw, you are responsible for paying our attorneys fees and expenses accrued through the effective date of the termination of this engagement in accordance with the Fee and Expense provisions of this letter set out above.

Post-Engagement Matters

You are engaging the firm to provide legal services in connection with a specific matter. After completion of the engagement, there may be changes in applicable laws or regulations, or new legislation or court decisions, that could have an impact upon you, your future rights and liabilities, or the matter for which we are engaged hereunder. You understand and agree that you are not engaging us to monitor new legislation or court decisions, or changes in laws or regulations, that occur after we have completed the engagement described above, and you agree that we are not responsible for advising you of any such new legislation or court decisions, or changes in laws or regulations.

General Waiver of Conflicts

As we have discussed, you are aware that the firm represents many other companies and individuals. You agree that we may continue to represent or may undertake in the future to represent existing or new clients in any matter that is not substantially related to our work for you, even if the interests of such clients in those other matters may be directly or indirectly adverse to you. We agree, however, that your prospective consent to conflicting representation contained in the preceding sentence shall not apply in any instance where, as a result of our representation of you, we have obtained proprietary or other confidential information of a non-public nature, that, if known to such other client, could be used in any such other matter by such client to your material disadvantage. You should know that, in similar engagement letters with many of our other clients, we have asked for similar agreements to preserve our ability to represent you.

Acknowledgement

If you have read, understood and are in agreement with the terms of our engagement as outlined above and in the attachment, sign and return a copy of this letter in the enclosed self-addressed envelope. We cannot begin to represent you until we have received the signed confirmation of our engagement.

Again, we are pleased to have this opportunity to work with you. Please call me if you have any questions or comments during the course of our representation.

Very truly yours,

[Attorney Name]

[Law Firm]

[Date]

Enclosure:

The foregoing letter and the attachment accurately state the terms of our engagement of [Law Firm] to represent us in connection with the matter and under the circumstances described above, and this confirms our waiver of any existing conflicts and our waiver of future conflicts as described in the preceding letter.

[Client's Name]

Date: _____

Note: This is a sample form only and is written for the general purposes of facilitating clear expectations and avoiding misunderstandings between an attorney and client. It is not intended as legal advice or opinion and will not provide absolute protection against a malpractice action.