

SAMPLE COVER LETTER SENT WITH BILLING AND FEE POLICY STATEMENT

NO SIGNATURE REQUIRED; SHOULD BE SENT CERTIFIED MAIL:

Dear Client:

We are pleased to have the opportunity to represent you. Our goal is to provide effective and efficient legal services. Experience has shown that our relationship will be stronger if we begin it with a clear understanding relative to our fees and their payment. For that purpose, we have enclosed a copy of our Billing and Fee Policy for your review.

[You may have also received a specific engagement letter that sets forth the terms of our engagement. If so, the terms of a such a signed engagement letter will override the terms outlined in the attached memorandum as will specific agreements regarding flat fees, contingencies or other arrangements. Otherwise, the attached memorandum will apply to all matters for which we are engaged to represent you.]

We believe it is very important that we proceed on a clear and satisfactory basis in our work for you. If you have any questions regarding this material please feel free to raise those questions with me.

Yours truly,

Attorney

BILLING AND FEE POLICY

We hope the information contained in this statement will be helpful to you in understanding our policies regarding billing and payment.

SUPERVISING ATTORNEY In the interest of serving you in the most economical and efficient means possible, the lawyer with whom you deal primarily may assign responsibility for completing some of your work to other lawyers or personnel in the office under his or her supervision. The supervising lawyer will continue to be responsible for your entire assignment, however, and will be available to discuss the use of other personnel with you.

ESTIMATES Our attorneys do their best to estimate fees and expenses for particular matters where asked to do so. However, an estimate is just that, and the fees and expenses required are ultimately a function of many conditions over which we have little or no control. However, such estimates are not a maximum or minimum fee quotation. Our actual fees will be determined in accordance with the policies described herein.

FEES To help us determine the value of our services, we ask each of our lawyers and legal assistants to maintain time records for each client and matter. The time records are reviewed monthly by the billing attorney assigned to you before a statement is rendered. All attorneys and assistants of the Firm are assigned hourly rates. Our hourly rates for lawyers currently range from \$85 to \$175 per hour, depending on the particular lawyer's experience and expertise. Our rates for legal assistants currently range from \$35 to \$60 per hour. Our hourly rates are adjusted from time to time (generally once a year) and may change during the course of our engagement. We view such rates as only a benchmark, and not as the sole determinant, of the value of our services for billing purposes. Instead, the amount of our billing statement will be the fair value of the services as determined by the billing attorney taking into account the time records for the matter, the types of services we have been asked to perform, any special level of expertise required, the size and scope of the matter, results obtained, and other relevant circumstances.

DISBURSEMENTS AND ADVANCES ON YOUR ACCOUNT You will be charged separately for disbursements made by us on your behalf, such as long-distance phone calls, photocopying, postage, delivery charges, travel, secretarial overtime, if necessary, and use of other service providers such as printers or experts. In litigated matters, we include payments made by us for process servers, court reporters, witness fees and so on. In some cases outside service providers may bill you directly for charges which exceed our normal advance limits. We also make separate charges for the use of "Lexis" and "Westlaw", which are computerized legal research systems that often significantly reduce lawyer research time.

STATEMENTS It is our Firm's general policy to invoice clients monthly. On occasion, such as in certain transactional matters, we invoice at the conclusion of the transaction. Invoicing arrangements of this type, however, must be approved in advance by the firm's management. Our statements will include charges for fees and disbursements for the billing period. We make every effort to include disbursements in the statement for the period in which the disbursements are incurred. However, some disbursements are not available to us until the following months, in which case a supplemental statement will be rendered to you for these additional charges, or an estimated amount will be included in the initial billing and an adjustment made when the actual disbursement information is available.

PAYMENT Payment is due upon receipt of our invoice and, unless special arrangements have been made in advance, we expect to receive payment within thirty (30) days. Payment should be made in U.S. dollars, in checks or drafts payable to Roberts & Stevens, P.A. A finance charge is assessed on past due accounts at the rate of one and one-half percent per month (18% APR).

Subject, of course, to our ethical and professional obligations, the Firm may terminate its legal services and withdraw from the engagement in the event our fee statements are not paid in a timely manner.

RETAINERS It is our policy to obtain an advance retainer from new clients, and from existing clients under certain circumstances. It occasionally may be necessary to require an advance retainer after the commencement of the engagement, or to require an increase in a prior retainer, depending on your payment history or on the scope of the work. For example, prior to a protracted trial, we may require the posting of a retainer sufficient to cover expected fees. We also customarily request an advance retainer for the purpose of paying substantial out-of-pocket costs we incur on your behalf.

If we have received a retainer from you it will either be used to pay current statements, with the amount used to be replenished, or held and applied to your final statement. We may apply the retainer to any

unpaid invoices for work on your behalf, where direct payment is not made.

QUESTIONS If you have questions about any aspect of our arrangements or our statements from time to time, please feel entirely free to raise those questions. We are open to discussion of all of these matters, including the amount of our statements, and we encourage you to be frank about them.