

BASIC HOURLY

[Date]

[Name and Address of Client]

Dear [Client]:

We are pleased to have the opportunity to represent you.

FEES AND COSTS

Legal services for which you will be billed include time spent on legal research, document review and drafting, correspondence, deposition, court appearances, conferences, telephone calls, travel, negotiations, closing of transactions and other services related to our engagement. Whenever possible, we will consult with you before beginning work on any new areas of the engagement inconsistent with our discussions. Our general practice is to bill clients based on the time expended by the attorneys and legal assistants involved in the matter at each individual's then current hourly billing rate. Our current hourly rates for legal assistants and lawyers range from \$___ to \$___ per hour, depending primarily on the particular lawyer's or legal assistant's background and experience. Currently, it is anticipated that I will have primary responsibility for this engagement. My current hourly rate for this type of engagement is \$___ per hour. These rates are adjusted periodically, usually at the beginning of the calendar year, and any modification of such rates is applicable to legal services preformed after the new rates become effective.

I may assign parts of your work to other lawyers or other personnel in the office under my supervision and may use other firm lawyers where specialized help is needed. I will continue to be responsible to you for the entire assignment, however, and will be available to discuss the use of other personnel with you. It is our practice to assign tasks among lawyers, legal assistants and document and docket clerks in such a way as to produce quality work at a reasonable cost to you given the nature of the specific project. Though the extent of our work on a specific assignment is frequently not within our control, I am always prepared to discuss with you the scope of our assignment.

It is not always possible to be immediately available to respond to your questions and concerns about your case. The nature of a litigation practice naturally involves a significant amount of time in court or in depositions during which time we will be unavailable. We will do our best to respond to you as quickly as we possibly can. We will use email to communicate with you with your permission. You should be aware that communications using company email may not be protected by the attorney/client privilege.

Our performance of legal services may involve direct costs that we will incur on your behalf. These disbursements and charges include items incurred and paid by us on your behalf such as long distance

telephone charges, postage, special mail or delivery charges, recording fees, transportation, meals, lodging and other costs necessary for out-of town travel, photocopying, and use of other service providers such as printers or experts, if needed. In litigated matters, we include payment we must make for filing fees, court cost, process servers, court reporters, witness fees, and similar costs. These charges may include the actual cost plus administrative charges for the uses of computerized legal research systems, including "Lexis" and "Westlaw" that in our experience significantly reduce lawyer research time. If the time pressures of an assignment require overtime work by our nonprofessional staff that is directly attributable to that assignment, we charge the client for the cost that we incur. We may also incur charges from local counsel from whom we seek information on your behalf. Where we pay these charges, they will be included in your invoice. However, to the extent practical we may ask you to pay charges directly to outside vendors.

We customarily send monthly invoices for services rendered and other charges incurred for your account during the previous month. The monthly invoice details the work performed and the type of charges incurred. Payment will be due thirty (30) days after the date of our invoice. Payments should be made in U.S. dollars, in checks or drafts payable to "_____". While we will not require a retainer, interest will be charged on all invoices unpaid after thirty (30) days at the rate of eight per cent (8%) per annum. You agree to pay all costs of collection (including attorney's fees) that we may incur in connection with unpaid invoices.

ADDITIONAL TERMS

In undertaking this representation, we have taken precautions to determine whether the firm has any conflicts of interest with other clients. While we are a relatively small firm, we represent many other companies and individuals. It is possible that some of our present or future clients will have disputes or transactions with you during the time that we are representing you. Therefore, as a condition to our undertaking the representation described herein, you agree that this firm may continue to represent or may undertake in the future to represent existing or new clients in any manner that is not substantially related to our work for you described herein, including legal proceedings, even if the interest of such clients in those other matters are directly 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 the result of our representation of you we have obtained sensitive, proprietary or other confidential information of a non-public nature that, if known to any such other client of ours, could be used in any such other matter by such client to the material disadvantage of you.

SECURITY AND INTEGRITY OF COMMUNICATIONS

During the course of our representation, each of us may have the opportunity to correspond using numerous communication mediums. In addition to traditional delivery methods, such as postal service and telephone, constantly developing technology offers further means that are generally accepted and used by individuals and businesses. For convenience and expediency, each of us may utilize these other means, which include facsimile, cellular and cordless telephones, and electronic mail. It is important to understand that these mediums are not necessarily secure from interception or alteration by others and may not receive protection under state or federal law. Transmitted information is capable of

interception and immediate reproduction, alteration, and widespread distribution at relatively little cost or effort. (Name of Firm) intends to use these mediums to communicate with you and others during the course of our representation. However, we should each be aware of the security concerns and take these issues into consideration when using these means of communication.

PRIVACY POLICY

Lawyers, as providers of certain personal services, are now required by the Gramm-Leach-Bliley Act to inform their clients of their policies regarding privacy of client information. Our law firm understands your concerns as a client for privacy and the need to ensure the privacy of all your information. Your privacy is important to us and maintaining your trust and confidence is a high priority. Lawyers have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by such Act. Therefore, we have always protected your right to privacy. The purpose of this notice is to explain our Privacy Policy with regard to personal information about you that we obtain and how we keep that information secure.

NONPUBLIC PERSONAL INFORMATION WE COLLECT

We collect nonpublic personal information about you that is provided to us by you or obtained by us with your authorization or consent.

WE DO NOT DISCLOSE ANY PERSONAL INFORMATION ABOUT OUR CLIENTS OR FORMER CLIENTS TO ANYONE, EXCEPT AS PERMITTED BY LAW AND ANY APPLICABLE STATE ETHICS RULES.

We do not disclose any nonpublic personal information about, current or former clients obtained in the course of representation of those clients, except as expressly or impliedly authorized by those clients to enable us to effectuate the purpose of our representation or as required or permitted by law or applicable provisions of codes of professional responsibility or ethical rules governing our conduct as lawyers.

CONFIDENTIALITY AND SECURITY

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and to comply with professional guidelines or requirements of law. In order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

TERMINATION OF REPRESENTATION

You have the right to terminate our representation of you at any time. If you do so, you will be responsible for charges incurred in connection with our representation up to termination. We also may terminate our representation for any reason consistent with the Virginia Rules of Professional Conduct, including non-payment of fees and expenses.

If you have questions about any aspect of our arrangements or our invoices from time to time, feel entirely free to raise those questions. It is important that we proceed on a mutually clear and satisfactory basis in our work for you.

The foregoing covers the essential elements necessary for the establishment of the attorney-client relationship between [Name of Firm] and you. If you have any questions or comments about the terms of our agreement as herein outlined, please call me to discuss them.

If the scope of the services we are to render to you and terms of the engagement are satisfactorily described above, please indicate your agreement by executing the enclosed copy of this letter and returning it to us. Thereafter, unless we agree in writing to alter these arrangements, we will assume that these terms are acceptable to you for this matter and for all future matters on which you retain [Name of Firm] to serve you.

Thank you for the opportunity to work with you. It is our goal to provide prompt and responsive legal services at all times.

Very truly yours,

[Name]

SEEN AND AGREED TO

this _____ of _____, 20____.

NOTE: This material is intended as only an example, which you may use in developing your own form. It is not considered legal advice and as always, you will need to do your own research to make your own conclusions with regard to the laws and ethical opinions of your jurisdiction. In no event will ISBA Mutual Insurance Company be liable for any direct, indirect, or consequential damages resulting from the use of this material.