

[Date]

[Name]

[Company]

[Address]

[City, State, Zip]

[Email]

Re: Engagement for Legal Services

Dear [Client]:

Please accept this letter as a formal engagement between you and Cunningham Law, PLLC regarding the [general matter description]. The purpose of this letter is to form a contract of representation and set out the terms and expectations of our professional relationship. If you have any questions about the contents of this engagement letter, please discuss them with me before you sign it.

**1. Hourly Rate:**

I have agreed to work with you on your matter and you have agreed to employ me at an hourly rate of [Rate] per hour. Every attempt will be made to perform this legal representation in the most cost-effective way possible and, in order to do so, I may utilize a paralegal from time to time at an hourly rate of [Rate] per hour. With your prior written approval, I may also associate one or more additional attorneys as co-counsel at rates that will be determined and approved at that time. Periodic adjustments may be made to the hourly rate to maintain a competitive rate structure comparable to other attorneys in the community of similar background and experience performing similar work; however, no adjustment will be made on your matter without your prior written consent.

**2. Billing Factors:**

Billable time will include time spent in research, in drafting arguments and other documents, in travel, and in consultation with you and with others on your behalf, time spent working to advance your objectives and other time spent on activities customarily treated as billable time. Billable time will be charged in minimum increments of one-quarter (1/4) hour.

**3. Client Expenses:**

You will be separately charged for any out-of-pocket fees and costs, such as (but not limited to): court costs, certified or overnight mail, out-of-town travel, copies or printing at a volume requiring a third-party vendor, and any other actual expenses. Circumstances permitting, no such expense will be incurred without your prior approval.

**4. Scope of Representation:**

My representation consists of working to resolve or to litigate claims regarding [more specific description of matter]. Your objective is to [what client wants to achieve]. You hereby grant me all power and authority to represent you as your legal counsel, pursuant to N.C. Gen. Stat. §84-11. My representation may encompass others matters, but only upon your approval and only upon our mutual agreement and consent to undertake representation in such additional matters. Any additional professional obligation must be memorialized by a subsequent engagement letter. No guarantees or promises concerning the outcome of this matter have been made by legal counsel.

**5. Cooperation:**

You agree to cooperate with me in every way possible in the presentation of this legal matter, including, but not limited to, the location of witnesses, documents and other forms of evidence to be used in this case. Another important way that you cooperate in this engagement is by timely paying your legal bill, so that it does not become a source of conflict between us. I appreciate and expect open communication about it.

**6. Reservation Fee:**

Before I become obligated to be your legal counsel and in order to account for the opportunity cost of taking on your matter, you must provide a fee in the total amount of [Amount] (“Advance Fee”). The Advance Fee is not deemed earned until I perform hourly work and invoice against it. If I conclude representation without the Advance Fee being earned and expenses incurred as set forth above, the Advance Fee that is not consumed by billable time and expense charges is refundable to you.

**7. Nature of Services and Experts:**

It is impossible to determine your precise fees until matters are completed; any estimates I provide are to help guide budgeting and planning and are for discussion purposes only. Litigation is inherently unpredictable and, consequently, fees associated with litigation can be highly variable as well. A typical engagement such as yours requires many separate services, including conferences, discovery, settlement negotiations, preparation and review of pleadings, preparation and review of court orders and participation in various hearings and possibly a trial. It may also be necessary to engage expert witnesses or advisors on your behalf. I will discuss financial arrangements for those persons with you as the need for these services arises. You will be responsible for their fees as well as mine, and you must be prepared to pay those expenses as they come due.

## **8. Billing Frequency and Administrative Charges:**

On the last day of each month you will receive an itemized statement of all fees and expenses on your account for the prior month. It is expected that you will carefully review this statement and advise me within fifteen (15) days of receipt of any errors or questioned charges. If I do not hear from you during this period of time, I will conclude that you are satisfied with the statement of fees and the services rendered.

All amounts not paid within thirty (30) days of the billing date are subject to an administration charge on the outstanding balance, representing the cost of collecting such payment. The administrative charge is eighteen percent (18%) per annum or one and one-half percent (1½%) per month or portion of a month during which the bill remains outstanding. Once an administrative charge is assessed, all payments subsequently received from you will be applied first to any administrative charge due. You and I both understand that the administrative charge is an additional fee, and not a finance charge, interest charge, or late payment charge or penalty.

## **9. Withdrawal from Representation:**

If you fail to pay a monthly statement for services rendered or a requested Advance Fee as required by our written agreement for a period of sixty (60) days or if you fail to cooperate in your representation, you hereby authorize me to withdraw from representing you without further consent by you. If I have made a court appearance on your behalf, you will be notified of my request to the court to be allowed to withdraw from the representation, and unless you appear at that hearing or send a new lawyer to represent you at that hearing, the court may discharge me from any further obligation to you. My withdrawal as your legal counsel will in no way affect your obligation to pay fees and expenses pursuant to the terms of this agreement.

Please sign this engagement letter signifying your agreement to the terms set forth above and return it to me. When fully executed, this letter will acknowledge my receipt of your Advance Fee (if any). I will return a fully executed copy of the contract to you.

If you have any questions, please do not hesitate to contact me.

Yours truly,

CUNNINGHAM LAW, PLLC

I have read and do hereby agree to the terms of this engagement letter.

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[Client]

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Date