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WSSFC 2026

Practice Management Track – Session 4

Crafting a Fee Agreement Workshop

Presented By:

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About the Presenters...

Brent J. Hoeft is the Practice Management Advisor for the State Bar of Wisconsin's Practice411™ Practice Management Program. He guides State Bar members on increasing law practice productivity and efficiency and advises on all things law practice management, including legal technology, information security practices, technology competence, employee management, policy and systems implementation, business development and marketing, and improving client relationship management. Prior to his time at the State Bar of Wisconsin, Brent was in private practice since 2006. In 2010, he founded Hoeft Law LLC, Wisconsin's first completely web-based virtual law firm providing legal services in business law, cybersecurity, and estate planning. Brent was also the founder of FirmLock Consulting, LLC, a cybersecurity behavior awareness consulting firm focusing on assisting solo and small law firms with cybersecurity training, education, and implementation of policies and procedures to better protect law firm data. Brent is a frequent presenter on legal technology, practice management, and cybersecurity. Since 2018, he has served as co-chair of the Technology Track for the Wisconsin Solo and Small Firm Conference (WSSFC) Planning Committee and had the honor of serving as the Conference Chair in 2022. Brent received his B.A. in Psychology from the University of Wisconsin-Eau Claire and his law degree from Cleveland State University College of Law. He lives in the Madison area with his family, where he enjoys mountain biking, camping, photography, and all things Wisconsin sports.

Brian A. Schuk is a Wisconsin attorney whose practice focuses primarily on landlord-tenant law, representing both landlords and tenants. He also represents businesses and individuals in commercial and residential real estate and civil litigation matters. His experience includes lease drafting and negotiation, evictions, damages and security-deposit disputes, and compliance with HUD and Rural Development rules and regulations. Mr. Schuk practiced for 12 years as a partner with Wassel, Harvey & Schuk, LLP before establishing Schuk Law, LLC in Lake Geneva in June 2017. Mr. Schuk is an author and legal educator for the State Bar of Wisconsin PINNACLE's *Wisconsin Landlord & Tenant Manual*. He is the author of the "Evictions" chapter and co-author of the "Legal Proceedings and Recovery of Damages" chapter. He has also presented continuing legal education programs for Sterling Education Services, the State Bar of Wisconsin PINNACLE, and other professional organizations. In 2017, he served as program chair for PINNACLE's *From Evictions to Damages* webinar. Mr. Schuk has served as an adjunct professor at the University of Wisconsin Law School and previously taught *How to Start and Manage a Law Practice* at Marquette University Law School. He currently serves as a Supplemental Court Commissioner in Walworth County. In 2019, he presented on "Civility in the Courtroom" at the Wisconsin Court Commissioners' Conference. He is a member in good standing of the State Bar of Wisconsin and is a former president of the Walworth County Bar Association. Mr. Schuk earned his undergraduate degree from the University of Wisconsin–Milwaukee and his J.D. from Marquette University Law School. He was admitted to practice law in Wisconsin in 2001.

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1. Definitions & Requirements
    A. Advanced Fees – **SCR 20:1.0(ag)** – **"Advanced fee" denotes an amount paid to a lawyer in contemplation of future services**, which will be earned at an agreed-upon basis, ***whether hourly, flat, or another basis***. Any amount paid to a lawyer in contemplation of future services whether on an hourly, flat or other basis, is an advanced fee regardless of whether that fee is characterized as an "advanced fee," "minimum fee," "nonrefundable fee," or any other characterization. Advanced fees are subject to the requirements of SCR 20:1.5, including SCR 20:1.5(f) or (g) and SCR 20:1.5(h), and SCR 20:1.16(d). (**Emphasis added**).
    B. **Alternative protection for advanced fees** (2023 amendment)
        1. **SCR 20:1.5(g)** – A lawyer who accepts advanced payments of fees may deposit the funds in the lawyer's business account, provided that review of the lawyer's fee by a court of competent jurisdiction is available in the proceeding to which the fee relates, or provided that the lawyer complies with each of the following requirements:
            - (1) Upon accepting any advanced payment of fees pursuant to this subsection, the lawyer shall deliver to the client a notice in writing containing all of the following information:
            - a. The amount of the advanced payment.
            - b. The basis or rate of the lawyer's fee.
            - c. Any expenses for which the client will be responsible.
            - d. The lawyer's obligation to refund any unearned advanced fee, along with an accounting, at the termination of the representation.
            - e. The lawyer's obligation to submit any unresolved dispute about the fee to binding arbitration within 30 days of receiving written notice of the dispute.
            - f. The ability of the client to file a claim with the Wisconsin Lawyers' Fund for Client Protection if the lawyer fails to provide a refund of unearned advanced fees.
            - (2) Upon termination of the representation, the lawyer shall deliver to the client in writing all of the following:
            - a. A final accounting, or an accounting from the date of the lawyer's most recent statement to the end of the representation, regarding the client's advanced fee payment.
            - b. A refund of any unearned advanced fees and costs.
            - c. Notice that, if the client disputes the amount of the fee and wants that dispute to be submitted to binding arbitration, the client must provide written notice of the dispute to the lawyer within 30 days of the mailing of the accounting.

- d. Notice that, if the lawyer is unable to resolve the dispute to the satisfaction of the client within 30 days after receiving notice of the dispute from the client, the lawyer shall submit the dispute to binding arbitration.

2. NOTE: Only applies to advanced fees for legal services. Advances fees for costs and expenses must be held in the trust account
3. See also: Office of Lawyer Regulation – Trust Account Manual

C. Flat Fee – **SCR 20:1.0(dm)** – **"Flat fee" denotes a fixed amount paid to a lawyer for specific, agreed-upon services, or for a fixed,** agreed-upon stage in a representation, regardless of the time required of the lawyer to perform the service or reach the agreed-upon stage in the representation. A flat fee, sometimes referred to as "unit billing," is not an advance against the lawyer's hourly rate and may not be billed against at an hourly rate. Flat fees become the property of the lawyer upon receipt and are subject to the requirements of SCR 20:1.5, including SCR 20:1.5(f) or (g) and SCR 20:1.5(h), and SCR 20:1.16(d). (**Emphasis added**).

D. Contingent Fee
   1. **SCR 20:1.5(c)** – A fee may be contingent on the outcome of the matter for which the service is rendered, except in a matter in which a contingent fee is prohibited by par. (d) or other law. A contingent fee agreement shall be in a writing signed by the client, and shall state the method by which the fee is to be determined, including the percentage or percentages that shall accrue to the lawyer in the event of settlement, trial or appeal; litigation and other expenses to be deducted from the recovery; and whether such expenses are to be deducted before or after the contingent fee is calculated.
   2. **SCR 20:1.5(c)** – The agreement must clearly notify the client of any expenses for which the client will be liable whether or not the client is the prevailing party. Upon conclusion of a contingent fee matter, the lawyer shall provide the client with a written statement stating the outcome of the matter and if there is a recovery, showing the remittance to the client and the method of its determination.
   3. Prohibited In Certain Actions
      - **SCR 20:1.5(d)** – A lawyer shall not enter into an arrangement for, charge, or collect a contingent fee:

        (1) in any action affecting the family, including but not limited to divorce, legal separation, annulment, determination of paternity, setting of support and maintenance, setting of custody and physical placement, property division, partition of marital property, termination of parental rights and adoption, provided that nothing herein shall prohibit a contingent fee for the collection of past due amounts of support or maintenance or property division.

(2) for representing a defendant in a criminal case or any proceeding that could result in deprivation of liberty.

4. Contingent Fee – Key Features
    - Upon Conclusion of a Contingent Fee Matter – Per SCR 20:1.5(c), the lawyer shall provide the client with a written statement stating the outcome of the matter and if there is a recovery, showing the remittance to the client and the method of its determination. However, contingent fees are not subject to the "five-days prior notice" and other fee withdrawal requirements of SCR 20:1.5(h)(1).
    - Example – A lawyer represents a personal injury plaintiff on a one-third contingent fee basis. Settlement is reached for $100,000, and per the settlement agreement the plaintiff agrees to be responsible for resolving all third-party claims (including all claims for medical bills and attorney's fees and costs). The defendant's insurer sends one check for the agreed-upon settlement amount made payable to just the attorney.
    - In this situation: (1) the lawyer has an obligation to deposit the check into the lawyer's trust account (regardless of whether the check specifies "trust account" on it); and (2) the lawyer must provide a written statement to the client, showing the net remittance to the client, and how the other amounts (attorney's fees, attorney's expenses, and medical bill payments) were calculated and paid out of the gross settlement payment.

E. Retainer

1. **SCR 20:1.0(mm)** – "Retainer" denotes an amount paid specifically and solely to secure the availability of a lawyer to perform services on behalf of a client, whether designated a "retainer," "general retainer," "engagement retainer," "reservation fee," "availability fee," or any other characterization. This amount does not constitute payment for any specific legal services, whether past, present, or future and may not be billed against for fees or costs at any point. A retainer becomes the property of the lawyer upon receipt, but is subject to the requirements of SCR 20:1.5 and SCR 20:1.16(d).
2. A retainer is not an advance for future legal fees or costs; instead, a retainer secures the availability of the lawyer to provide future services. Must not be put into a lawyer's trust account. A "retainer" is still subject to the reasonableness requirements of SCR 20:1.5(a) [Fees] and the refunding requirements of SCR 20:1.16(d) [Declining or terminating representation].
3. NOTE: A "retainer" may be considered unearned by OLR under certain circumstances. While not an exhaustive list of such circumstances, the following are examples of situations in which a "retainer" could potentially be

considered unearned: the lawyer is required to withdraw from the representation due to a conflict of interest, a health problem, a breakdown in the attorney-client relationship or the client's termination of the lawyer's services, or the lawyer or client dies prior to the conclusion of the representation.

4. Source: OLR's Legal Fees and Costs

F. Retainers vs. Advanced Fees

1. Clients and lawyers often confuse retainers with advanced fees – Remember, retainers are not and cannot be for the future payment of attorneys' fees, but rather are money paid to ensure attorneys' services are available. The money becomes the property of the attorney upon receipt, subject to the requirements of SCR 20:1.5 (reasonableness, writing requirements, and response to client's request for information) and SCR 20:1.16(d) (failing to protect client's interests upon termination of representation and failing to return unearned retainer).
2. Reasonableness of Fees – *See* SCR 20:1.5(1 – 8), Comment [1] & published cases.

G. Costs or Expenses

1. Neither "costs" nor "expenses" are defined in the rules. The amount a client pays for representation has two components: 1. the professional fee, and 2. the costs or expenses. Costs or expenses include filing fees, expert witness fees, photocopying and other disbursements.
    - SCR 20:1.5(b)(1) requires the lawyer to communicate in writing the basis or rate of the fee and expenses for which the client will be responsible.
    - SCR 20:1.5(c) requires the lawyer to clearly notify the client of any expenses for which the client will be responsible.

2. Referral Fees

A. SCR 20:1.5(e) – applies where there is a division of fees between attorneys who are not in the same firm. "[e] division of a fee between lawyers who are not in the same firm may be made only if the total fee is reasonable and:

1. the division is based on the services performed by each lawyer, and the client is advised of and does not object to the participation of all the lawyers involved and is informed if the fee will increase as a result of their involvement; or
2. the lawyers formerly practiced together and the payment to one lawyer is pursuant to a separation or retirement agreement between them; or
3. pursuant to the referral of a matter between the lawyers, each lawyer assumes the same ethical responsibility for the representation as if the lawyers were partners in the same firm, the client is informed of the terms of the referral

arrangement, including the share each lawyer will receive and whether the overall fee will increase, and the client consents in a writing signed by the client."

B. Wisconsin Formal Ethics Opinion EF-10-02: Ethical Responsibility of Lawyers When Referral Fees are Received
    1. "ABA Model Rule 1.5(e)(1), which governs referral fees under the ABA Model Rules … mandates that lawyers assume **'joint responsibility'** for the matter when a referral fee is paid." (Emphasis Added)
    2. The committee also opines that "joint responsibility for the representation" implies that both the referring lawyer and the lawyer to whom the matter was referred must reach a common understanding of their respective joint responsibilities as well as their individual responsibilities to the client.
    3. Referring attorney must maintain contact with the progress of a matter. In addition, the referring lawyer:
        - must refer legal matters only to lawyers who are competent to handle the matter in question;
        - must remain sufficiently aware of the performance of the lawyer to whom the matter was referred to ascertain if that lawyer's handling of the matter conforms to the Rules of Professional Conduct; and
        - must assume financial responsibility for the matter though this may be secondary to the financial responsibility assumed by the lawyer to whom the matter was referred.

C. Referral Agreement With Another Lawyer or Nonlawyer SCR 20:7.2(b)(4) - SCR 20:7.2(b) – A lawyer shall not give anything of value to a person for recommending the lawyer's services, except that a lawyer may:
    1. (1) pay the reasonable cost of advertisements or communications permitted by this rule;
    2. (2) pay the usual charges of a legal service plan or a not-for-profit or qualified lawyer referral service. A qualified lawyer referral service is a lawyer referral service that has been approved by an appropriate regulatory authority;
    3. (3) pay for a law practice in accordance with SCR 20:1.17; and
    4. (4) refer clients to another lawyer or nonlawyer professional pursuant to an agreement not otherwise prohibited under these rules that provides for the other person to refer clients or customers to the lawyer, if

        (i) the reciprocal referral arrangement is not exclusive;

        (ii) the client gives informed consent;

        (iii) there is no interference with the lawyer's independence of professional judgment or with the client-lawyer relationship; and

        (iv) information relating to representation of a client is protected as required by SCR 20:1.6.

D. Stated Differently: Things You Can Do
   1. Pay the reasonable costs of advertisements or communications;
   2. Pay usual charges of a legal services plan on not-for-profit or qualified lawyer referral services;
   3. Pay for a law practice pursuant to SCR 20:1.17;
   4. Refer clients to lawyer or nonlawyer pursuant to an agreement, provided:
      - The reciprocal referral agreement is not exclusive;
      - Client gives informed consent;
      - No interference with professional judgment of lawyer; and
      - Information relating to representation is protected by SCR 20:1.6.
   5. Practice Tip: If you want to avoid requirements of Part 4, do not enter into a referral agreement.

E. What's the Difference Between Referral Agreement & Division of Fees?
   1. The Referral Agreement Rule (SCR 20:7.2(b)) specifically prohibits the exchange of value for recommending the attorney's service, unless an exception applies.
   2. The Division of Labor Rule (SCR 20:1.5(e)) specifically allows for the exchange of value, but it also places the attorney on the hook for liability, requires reasonableness, and:
      - Division based upon services rendered, client advised + no objection, and value of services does not increase by virtue of the added counsel; **OR**
      - The lawyers previously practiced together and payment pursuant to separation agreement; **OR**
      - Pursuant to a referral agreement

3. Additional Provisions & Prohibitions

A. Revised Wisconsin Ethics Opinion E-93-4: Nonrefundable Retainers and Advanced Fees
   1. "Lawyers may charge clients advanced fees, which SCR 20:1.0(ag) defines as an amount paid to a lawyer in contemplation of future services. SCR 20:1.0(ag) subjects advanced fees to the requirements of SCR 20:1.5 and SCR 20:1.16(d).
   2. Lawyers may also charge availability retainers to clients. SCR 20:1.5(b)(2) requires that the purpose and effect of any retainer be communicated to the client in writing when the total cost to the client of the representation is more than $1000. SCR 20:1.0(mm) prohibits lawyers from billing against retainers for fees or costs at any time, and subjects retainers to the requirements of SCR 20:1.5 and SCR 20:1.16(d).
   3. Because both advanced fees and retainers must be earned as required by SCR 20:1.16(d), and unforeseen circumstances may prevent such fees from being

earned, a lawyer may not describe such fees as 'nonrefundable' in communications with clients, including fee agreements."

4. "In dealing with current and prospective clients, lawyers must be truthful. This stems from the lawyer's obligation under SCR 20:8.4(c) not to engage in any conduct involving dishonesty, deceit or misrepresentation.
    - Misrepresentation is defined by SCR 20:1.0(h) as follows: 'Misrepresentation' denotes communication of an untruth, either knowingly or with reckless disregard, whether by statement or omission, which if accepted would lead another to believe a condition exists that does not actually exist.
5. Lawyers are also prohibited by SCR 20:7.1(a) from engaging in misleading communications about their services.
6. Based on the forgoing, the Committee does not believe that it would be accurate to term either an availability retainer or advanced fee as nonrefundable."

B. Disputes regarding trust property SCR 20:1.15(e)(3) – When a lawyer and another person or a client and another person **claim an ownership interest in trust property** identified by a **lien, court order, judgment, or contract**, the lawyer shall hold that property in trust until there is an accounting and severance of the interests. If a dispute arises regarding the division of the property, the lawyer shall hold the disputed portion in trust until the dispute is resolved. Disputes between the lawyer and a client are subject to the provisions of SCR 20:1.5(h). (Emphasis added.)

C. Limited Liability Legal Practice
    1. If the firm is organized as a limited liability entity, SCR 20:5.7(e)(2) requires that clients and potential clients be provided a "plain-English summary of the features of the limited liability law under which it is organized and of the applicable provisions of this chapter."
    2. The engagement agreement is a convenient way to fulfill this requirement.
    3. Firms should also make sure they comply law firm registration requirements.
    4. Source: Recipe for Effective Engagement Agreements

D. Overview of Adding Credit Card Fees to Client Bills
    1. Simply put, Wisconsin Supreme Court Rules only prohibit attorneys from adding credit card fees to client bills for payments processed through the **E-banking Trust Account**, unless an exception applies.
    2. If the lawyer is not required to place the client payment into an E-banking Trust Account and can instead route the payment through the operating account or All-in-One Trust Account, Wisconsin Supreme Court Rules do not prohibit the lawyer from adding credit card fees to client bills, provided: the client agrees in advance, the passing-on of fees does not violate the credit card

issuer's terms of service, and the practice complies with any relevant state and federal laws and regulations.

3. Before adding credit card fees to client bills, you may find it helpful to review the following articles:
    - Ethical Dilemma: Can You Add Credit Card Fees to Clients' Bills?
    - Ethical Dilemma: Can Credit Card Fees Be Deducted from Payments into Operating Accounts?
    - Ethical Dilemma: Credit Card Fees – Part III
4. Make sure that you are processing the payments through the correct account.
5. Review your fee/engagement agreements and client disclosures to ensure proper notice is provided.

E. Scope of Representation
    1. Although SCR 20:1.5 requires that the scope of representation be communicated to the client, it does not require a particular degree of specificity. A clearly identified scope of representation can avoid future misunderstandings. The scope-of-representation paragraph can also negate any implied obligation to advise the client about legal developments related to the matter after completion of the matter.
    2. Keep in mind that a lawyer may limit the scope of representation under SCR 20:1.2(c) if the limitation is reasonable under the circumstances and the client gives informed consent. For consent to be informed, as defined in SCR 20:1.0(f), the lawyer must communicate adequate information and explanation about the material risks of and the reasonably available alternatives to the limited scope representation.
    3. Source: Recipe for Effective Engagement Agreements

F. Sole Practitioner
    1. SCR 20:1.3 requires lawyers to be diligent.
    2. For solo practitioners, this duty may require an emergency plan in case of unexpected death, illness, or disability.
    3. ABA Comment [5] states: "To prevent neglect of client matters in the event of a sole practitioner's death or disability, the duty of diligence may require that each sole practitioner prepare a plan, in conformity with applicable rules, that designates another competent lawyer to review client files, notify each client of the lawyer's death or disability, and determine whether there is a need for immediate protective action."
    4. Source: Recipe for Effective Engagement Agreements

G. No Guarantee of Results
    1. Often lawyers are asked by clients to express opinions about the eventual outcome of a matter or the likelihood of success of a particular strategy.

2. A provision in the engagement agreement might discourage a disappointed client from claiming that success was guaranteed.
3. Source: Recipe for Effective Engagement Agreements

H. Changes in the basis or rate of fees or expenses?
1. Any changes in the basis or rate of the fee or expenses must be communicated in writing to the client. See SCR 20:1.0(q) for a definition of writing.
2. The writing requirement applies to all representations, regardless of whether the rule required a written communication at the start of the representation. A lawyer who has regularly represented a client on the same basis or rate as in the past and who wishes to implement an annual increase in hourly rates must communicate those changes in writing to the client. Even though the lawyer was not required at the outset to communicate the basis or rate of the fee in writing, the change must be communicated in writing. The change in the basis of the fee for a regularly represented client may be communicated on the billing statement. See Wisconsin Committee Comment to SCR 20:1.5.
3. Source: Fee Agreements: Answers to Nagging Questions

I. Prohibited Provisions
1. May a lawyer assert a lien or interest in the client's file?
   - -A lawyer is prohibited from asserting any sort of lien or interest in the client's file. In OLR Public Reprimand 2005-9, the lawyer was disciplined for failing to provide the file to the client when the client requested it, in violation of SCR 20:1.16(d); and for asserting a frivolous claim, in violation of SCR 20:3.1, by asserting a lien on the client's file for unpaid fees.
2. May a lawyer seek to limit the client's right to file a grievance against the lawyer with the Office of Lawyer Regulation (OLR)?
   - No, a lawyer is prohibited by SCR 20:1.8(h)(3) from seeking to limit the client's right to file a grievance against the lawyer with the OLR.
3. May a lawyer seek to prospectively limit a lawyer's malpractice liability to the client?
   - A lawyer is prohibited by SCR 20:1.8(h)(1) from seeking to prospectively limit a lawyer's malpractice liability to the client unless the client is independently represented in making the agreement.
4. May a lawyer seek to restrict or to impose financial penalties on a client's right to settle a matter?
   - No, a lawyer is prohibited from seeking to restrict or to impose financial penalties on a client's right to settle a matter. SCR 20:1.2(a) requires a lawyer to abide by the client's decision to settle. Lawyers who ignore the client's instructions with respect to settlement or who settle matters without the client's consent are routinely disciplined. A

lawyer is also prohibited by SCR 20:1.2(a) from drafting an agreement with clients that give the lawyer the authority to settle the matter. See N.C. Ethics Op. 145 (1993). A lawyer may not circumvent this prohibition by drafting an agreement that requires the lawyer's consent to settle. See N.Y. Cty. Ethics Op. 699 (1994).

- A lawyer may not impose financial penalties on a client who does not follow the lawyer's advice with respect to settlement. See, e.g., Neb. Ethics Op. 95-1 (1995); Conn. Informal Ethics Op. 99-18 (1999). Moreover, a provision that gave the lawyer the right to withdraw and receive quantum meruit compensation if the client rejected the lawyer's settlement advice was found to be unethical. Philadelphia Ethics Op. 2001-1

5. Source: Fee Agreements: Answers to Nagging Questions

4. Sample Agreements
   A. Disclaimer
      1. All of the samples included in this presentation are guides only and are intended for lawyers who are admitted to practice in Wisconsin. As samples, their content is generic and cannot reflect the needs or the circumstances of any particular client or matter. Consequently, the State Bar of Wisconsin and the presenters make no warranties that these samples are adequate for a particular client or matter.
      2. Please use your independent legal judgment when evaluating these samples for their use in particular matters.
      3. If you have any questions, contact the State Bar of Wisconsin's Ethics Counsel.
   B. Hourly Fee Agreements
      1. Background
         - Common Case Types:
           (1) Litigation
           (2) Real Estate
           (3) Family Law
           (4) Transactional
           (5) Criminal
         - Ensures the work performed by the attorneys will be billed to the clients, instead of being based upon a contingency of winning the case or agreeing to perform work on a flat fee basis.
      2. Pros and Cons:
         - Provides a straightforward fee structure and payment depending on the work an attorney is putting into the case.

- Does not require precise predictions and estimates of the total fees and costs of a case.
- Allows for payment of fees on a regular billing cycle, helping both the client pay and the attorney get paid.
- Provides a clear hourly rate and definition of billable time so the client can understand how she is being charged.
- Clients can fall behind on payment of fees and the attorney may be required to continue work without payment.
- Clients have high, sometimes unreasonable, expectations since they are paying out of pocket, typically each month.

3. Additional Discussion
    - Recommend addressing with client that rates may increase in the future on thirty days' notice.
    - Lawyers should address the lead attorney's hourly rates and others' rates as well (specific other attorneys, classes of attorneys and paralegals), which helps inform client and respond to complaints regarding hourly rates.
    - Lawyers should specify the types of tasks for which the client may be billed.
    - In litigation matters, attorneys should consider requiring that the client "pre-pay" certain expenses (but remember, such advanced payments for costs must be deposited into your trust account).
4. Sample Language
    - **Hourly Rates.** For work performed by **Attorney Tony Table**, the Client agrees to pay the Firm attorney fees at the rate of **$XXX.XX** per hour, and for work performed by **Attorney Cheryl Chair**, Client agrees to pay the Firm hourly attorney fees at the rate of **$XXX.XX** per hour. The Attorney, in the Attorney's sole discretion, may utilize the services of other Firm attorneys, paralegals, and/or law clerks, and those attorneys, paralegals, and/or law clerks shall bill at their normal hourly rates; provided, however, that no time shall be billed at a rate higher than **$XXX.XX** per hour. If the Attorney believes it will save the Client time and expense, the Firm may retain an attorney outside of the Firm to consult with the Attorney, subject to conflict of interest rules and to the informed consent of the Client to the disclosure of information protected by the duty of confidentiality; provided, however, that the Client shall not be required to pay the Firm more than **$XXX.XX** per hour for any such outside attorney's time.
    - SCR 20:1.5(a): "A lawyer shall not make an agreement for, charge, or collect an unreasonable fee or an unreasonable amount for expenses."

- **Litigation/Foreclosure:** Reviewing correspondence and documents related to the Matter; corresponding with opposing parties/counsel on Client's behalf; communicating with and counseling Client regarding the status of the Matter, including any negotiations; counseling Client as to the legal issues involved; participating in related litigation, should litigation be commenced, on Client's behalf; researching legal issues related to the Matter; strategizing possible legal defenses and counter-claims on Client's behalf; preparing Client in advance of any court appearances and/or depositions; and/or representing Client at any court appearances.
- **Billable Work.** It is understood that the Firm will bill the Client for all work that is performed, which includes, but is not limited to, the following: office conferences, telephone conversations, reading and writing correspondence, preparing and reviewing documents and pleadings, attending court and hearings, analyzing reports and research, completing research, conferring with professionals on behalf of Client, and the services identified in Paragraph 2 above.
- SCR 20:1.2(a): Scope of representation and allocation of authority between lawyer and client.
- **Costs and Disbursements.** The Client agrees to be responsible for and to pay upon demand any out-of-pocket costs and disbursements incurred or advanced on the Client's behalf, including, but not limited to, fees and disbursements charged by experts, consultants, appraisers, accountants and investigators retained by the Firm; travel expenses, including mileage, air transportation, hotel accommodations, and parking, associated with this representation; costs of photocopies, telephone calls, postage, and legal research; court reporter fees and costs of deposition transcripts; and filing and court fees, process server fees, witness and subpoena fees, and recording fees. Mileage will be charged at the rate authorized by the Internal Revenue Service.
- **Billing Frequency and Payment Deadlines.** The Firm will send the Client invoices containing a description of the work performed and the fees and disbursements incurred. In general, the Firm delivers Client invoices on a monthly basis. Unless otherwise agreed in writing, full payment is expected upon the Client's receipt of an invoice, but subject to a thirty (30) day grace period from the date of receipt of the invoice. After that grace period has expired, the Client's account shall be deemed delinquent.
- **Allocation of Authority Between Lawyer and Client.** Attorney will abide by Client's decisions concerning the objectives of the

representation. Attorney will consult with the client about the means by which the objectives are to be pursued.

- SCR 20:1.2(a): "a lawyer shall abide by a client's decisions concerning the objectives of representation and, as required by SCR 20:1.4, shall consult with the client as to the means by which they are to be pursued."
- **No Guarantees.** The Firm makes no guarantees concerning the outcome of this matter.

C. Flat-Fee Arrangement

1. Background
   - Inexperienced clients, or clients sensitive to legal costs, may prefer a flat fee arrangement.
   - It is a way for a client to work legal fees into a budget, and to shift risk for "overages" on to an attorney.
   - Can incentivize an attorney to provide services in an efficient manner.
2. Risks
   - Comparable to a flat-fee construction project contract.
   - The attorney must:
     (1) Understand the scope of the work, and be able to estimate how many hours it will take to complete the work.
     (2) Define in the engagement agreement:
       (a) The scope of work included in the flat fee.
       (b) How the client will be billed for services provided outside of the defined scope of work.
3. Flat Fees and Advanced Fees
   - To limit disagreements, it is often wise for the attorney to have a flat fee paid "up front" as an advanced fee.
   - Even though it is a flat fee, if it was paid in advance pursuant to SCR 20:1.5(g), at the conclusion of the representation the attorney still has an obligation to notify the client that the representation has concluded, and to describe how the advanced fee is being applied (*i.e.,* it was fully earned and applied, or the attorney is refunding some of the advanced fee). Concluding letter must give the client the opportunity to dispute the application of the advanced fee.
     (1) Sample Language – Alternative Protection for Advanced Fees
       (a) Client agrees to pay $_____.00 on execution of this Agreement as an advanced fee for legal services of Attorney, and $_____.00 as an initial advance against costs to be incurred in this matter. Advanced costs will be placed in Attorney's trust account and disbursed as

costs are actually incurred. Advanced fees will not be placed in Attorney's trust account. Advanced fees will be placed in Attorney's business account and the advanced fee sum of $_____ will serve as advanced payments for ___ hours of legal services in this matter. After Attorney has provided ____ hours of legal services for Client, Attorney will provide client with a written accounting of such hours. Attorney is obligated to refund any unearned fees at the conclusion of the representation. Client hereby consents to Attorney placing advanced fees in Attorney's business account.

(b) At the conclusion of the representation, Attorney will provide Client with a written accounting of all fees and costs incurred in the matter, or an accounting of fees and costs incurred from the date of last billing statement sent to Client, and a refund of any advanced fees that have not been earned or advanced costs that have not been used. If Client disputes Attorney's determination as to what amount, if any, must be refunded to Client, Client must provide Attorney with written notice of the dispute within 30 days from the date of the final accounting. If the dispute cannot be resolved within 30 days, Attorney will submit the dispute to binding fee arbitration through the State Bar of Wisconsin Fee Arbitration Program. The State Bar's Fee Arbitration Program may be contacted c/o State Bar of Wisconsin, P.O. Box 7158, Madison, WI 53707-7158, or by phone at (800) 728-7788. [Lawyers in Milwaukee County should provide contact information for the Milwaukee Bar Association fee arbitration program.] Client is not required by this agreement to participate in fee arbitration and may pursue a dispute of Attorney's fees in other appropriate forums. Further, if Attorney fails to refund unearned fees, abide by a fee arbitration award, or abide by a final decision of a court with respect to unearned fees, Client may file a claim with the Wisconsin Lawyers Fund for Client Protection to recover such amount. The Wisconsin Lawyers Fund for Client Protection may be contacted c/o State Bar of

Wisconsin, P.O. Box 7158, Madison, WI 53707-7158, or by phone at (800) 728-7788.

(c) Source: New Trust Account Rules: Lawyer Fees and Fee Agreements

4. Solely Flat Fee Agreements vs. Hybrid (Flat Fee & Hourly) Agreements
    - There may be very simple legal matters where a solely flat fee agreement is appropriate.
    - However, there are several advantages to whenever a flat fee is specified as to some legal work, to include a provision that specifies any work done outside of the scope of work will be billed on an hourly basis.

D. Hybrid Fees, Phased Fee, and Capped Hourly Fee Arrangements
    1. Background
        - Best for areas of law that have phases of predictability but also have portions of representation that are completely unpredictable.
        - An option to be able to provide the client with a budget for the representation but allowing for some flexibility.
    2. Risk
        - Can make the fee arrangement more complicated for the client to understand.
        - Crucial to clearly lay out what is fixed, what is hourly and make sure client understands what the stages of representation mean as there can often be some grey areas between the phases.
    3. Pros and Cons
        - See pros and cons above for Hourly and Flat Fee Arrangements. A hybrid approach combines these.

E. Contingent Fee
    1. Background
        - Common Case Types
            (1) Personal Injury
                (a) Unable to work
                (b) Significant medical bills
            (2) Worker's Compensation
            (3) Social Security Disability
        - Provides representation for clients who cannot afford an hourly rate or flat fee.
            (1) Lawyers should consider offering an option for an hourly rate to help ensure reasonableness of fees.
    2. Pros and Cons

- Contingent fees shift the risks onto the law firm. If there is no recovery or limited recovery, the attorney will collect no fees or limited fees.
- Law Firm usually pays for the costs up front. Costs can be significant, and there is no reimbursement until recovery.
- Clients view contingency agreements as providing more incentive for the attorney to work harder.
- Contingent fees provide representation for clients who cannot afford an hourly rate or flat fee.

3. Sample Language
   - Contingent Fees Based On Gross Recovery
     (1) I agree that LAW FIRM'S fee for representing me in my claim is a contingent fee of ____PERCENT of the gross amount recovered by settlement or trial. The gross amount recovered is calculated before any deduction or costs, disbursements, or expenses incurred in pursuing my claim. THERE IS NO ATTORNEY FEE UNLESS A RECOVERY IS MADE.
     (2) SCR 20:1.2 – A lawyer shall abide by a client's decision whether to settle a matter.
   - Expenses
     (1) I agree that in addition to the above attorney fees, I am responsible for all costs incurred in investigating and litigating this claim. These costs include, but are not limited to, filing fees, subpoenas, photos, photocopies, depositions, court reporter costs, medical records**,** witness statements, expert witness costs, travel expenses, and all other out-of-pocket expenses. These costs will be deducted from the settlement proceeds or damages award in addition to the attorney fees only if a recovery is made. I am not responsible for costs or expenses if no recovery is made.
     (2) These costs will be deducted from the settlement proceeds or damages award in addition to the attorney fees if a recovery is made. If no recovery is made, I understand that I am personally responsible for the costs and expenses. _____. (Initial)

F. Limited Scope Language
   1. SCR 20:1.2(c) – A lawyer may limit the scope of the representation if the limitation is reasonable under the circumstances and the client gives informed consent in writing.
   2. For example, while the lawyer's scope of representation is limited to the worker's compensation claim, the lawyer may be required to inform the client

that he or she may have other remedies and should seek advice of other counsel.

3. I agree that LAW FIRM'S representation of me does not include investigating or pursuing any potentially related claims such as medical malpractice, workers compensation or disability. I have been advised that I should seek the advice of other counsel as to those matters.
4. Additional Language
    - LAW FIRM agrees to make no settlement without the consent of our client. *See* SCR 20:1.2.
    - Attorney Lien - I give LAW FIRM a lien in the above stated amounts pursuant to Wis. Stats. § 757.36.
    - Hourly Option – I have been advised that LAW FIRM'S services could be rendered on an hourly basis, but I have elected to proceed with a contingent fee contract.
    - This contract shall be governed by the laws of the State of Wisconsin.
    - I understand that LAW FIRM will automatically dispose of my file (and any copies in its possession) six years after the case is completed. *See* Wisconsin Formal Ethics Opinion EF-17-01.

Sample Forms

Disclaimer - All of the samples included in this presentation are guides only and are intended for lawyers who are admitted to practice in Wisconsin. As samples, their content is generic and cannot reflect the needs or the circumstances of any particular client or matter. Consequently, the State Bar of Wisconsin and the presenters make no warranties that these samples are adequate for a particular client or matter. Please use your independent legal judgment when evaluating these samples for their use in particular matters. If you have any questions, contact the State Bar of Wisconsin's Practice411 or Ethics Counsel.

HOURLY FEE Sample
LEGAL REPRESENTATION AGREEMENT

1. Statement of Engagement. **Table & Chair Law, S.C.** (hereinafter the "Firm") is engaged to represent **Otto Luck** (hereinafter the "Client" or "you") in connection with **Litigation/Foreclosure** (hereinafter the "Matter").

Attorney **Tony Table** (hereinafter the "Attorney") will have primary responsibility for this matter. The Attorney, in the Attorney's sole discretion, may utilize the services of other attorneys, law clerks, and paralegals of the Firm.

The terms set forth in this Legal Representation Agreement shall apply regardless of whether you sign and return this Legal Representation Agreement. You agree to the terms of this Legal Representation Agreement by allowing us to provide legal services for you.

2. Scope of Representation. The scope of this representation includes, but is not limited to: reviewing correspondence and documents related to the Matter; corresponding with opposing parties/counsel on Client's behalf; communicating with and counseling Client regarding the status of the Matter, including any negotiations; counseling Client as to the legal issues involved; participating in related litigation, should litigation be commenced, on Client's behalf; researching legal issues related to the Matter; strategizing possible legal defenses and counter-claims on Client's behalf; preparing Client in advance of any court appearances and/or depositions; and/or representing Client at any court appearances.

3. General Billing Provisions.

a. Hourly Rates. For work performed by **Attorney Tony Table**, the Client agrees to pay the Firm attorney fees at the rate of **$XXX.XX** per hour, and for work performed by **Attorney Cheryl Chair**, Client agrees to pay Firm hourly attorney fees at the rate of **$XXX.XX** per hour. The Attorney, in the Attorney's sole discretion, may utilize the services of other Firm attorneys, paralegals, and/or law clerks, and those attorneys, paralegals, and/or law clerks shall bill at their normal hourly rates; provided, however, that no time shall be billed at a rate higher than **$XXX.XX** per hour. If the Attorney believes it will save the Client time and expense, the Firm may retain an attorney outside of the Firm to consult with the Attorney, subject to conflict of interest rules; provided, however, that the Client shall not be required to pay the Firm more than **$XXX.XX** per hour for any such outside attorney's time.

b. Change in Hourly Rates. The hourly rates charged by the Firm for its attorneys, paralegals, and law clerks are subject to periodic change (generally, on an annual basis). The Firm will provide the Client with written notice of any increase or change in hourly rates being charged to the Client at least thirty (30) days prior to the increase. In the event of an increase, Subparagraph 3.a. and all other sections of this Agreement shall be construed in a manner consistent with the increased rate(s).

c. Costs and Disbursements. The Client agrees to be responsible for and to pay upon demand any out-of-pocket costs and disbursements incurred or advanced on the Client's behalf, including, but not limited to, fees and disbursements charged by experts, consultants, appraisers, accountants and investigators retained by the Firm; travel expenses, including mileage, air transportation, hotel accommodations, and parking, associated with this representation; costs of

photocopies, telephone calls, postage, and legal research; court reporter fees and costs of deposition transcripts; and filing and court fees, process server fees, witness and subpoena fees, and recording fees. Mileage will be charged at the rate authorized by the Internal Revenue Service.

d. Interest Charge. Subject to rules regarding credit installment sales, failure to pay invoices in a timely manner may result in an interest charge of 1.5% on the unpaid balance per month thereafter.

e. Billing Increments. All time is billed in increments of six (6) minutes or one- tenth (0.1) of an hour.

f. Billable Work. It is understood that the Firm will bill the Client for all work that is performed, which includes, but is not limited to, the following: office conferences, telephone conversations, reading and writing correspondence, preparing and reviewing documents, including appeal documents, analyzing reports and research, and the services identified in Paragraph 2 above.

4. Billing Frequency and Payment Deadlines. The Firm will send the Client invoices containing a description of the work performed and the fees and disbursements incurred. In general, the Firm delivers Client invoices on a monthly basis. Unless otherwise agreed in writing, full payment is expected upon the Client's receipt of an invoice, but subject to a thirty (30) day grace period from the date of receipt of the invoice. After that grace period has expired, the Client's account shall be deemed delinquent.

If an invoice is mailed by the Firm, it is considered to be received by the Client three (3) days after being mailed by the Firm. The Client authorizes the Firm to deliver invoices and statements, in the Firm's sole discretion, to the Client via e-mail to the following address: _____ . Invoices that are delivered via e-mail shall be considered received the same day that the e-mail transmission is delivered. If the Client has preauthorized payment by credit card in a separate agreement, the Firm, in the Firm's sole discretion, may charge such card on or after the date the Firm has sent the Client an invoice for work performed and/or costs and disbursements incurred.

5. Advanced Fee.

a. Purpose. The Firm is a small business whose ongoing operations are dependent upon the Client making timely payments. The Firm is not in a position to finance the Client's legal work. The Firm reserves the right to require the Client to make advanced fees and cost advances during the course of representation.

b. Advanced Fee Rules. The Client agrees to pay to the Firm the amount of **$XXX.XX (U.S.D.)** as an advanced fee, and the Firm has received that advanced fee. Advanced fees and costs will be deposited in the Firm's trust account. Costs will be disbursed from the Firm's trust account on behalf of the Client as such costs are incurred. Pursuant to this agreement and Supreme Court Rule 20:1.5, the Firm may withdraw payment for fees that have been earned from the Client's funds in the Firm's trust account as early as the date that the invoice is transmitted. The invoice will be an itemized bill containing: (1) the amount owed; (2) the anticipated date of withdrawal; and (3) the balance of the Client's funds in the Firm's trust account after that withdrawal.

If the Client makes a specific and reasonable objection to the disbursement within thirty (30) days after receiving an itemized bill, the Firm must return the disputed funds to the trust account until the dispute is resolved, unless the Firm reasonably believes that the Client's objections do not present a basis to hold funds in trust or return funds to the trust account, and promptly provides the Client with a written explanation of the Firm's position and makes reasonable efforts to clarify and address the Client's objections. Note: The Client may dispute a fee after the thirty (30) days have passed; however, the Firm is not required to return the disputed portion of the fee to the trust account if the Client does not dispute the fee within thirty (30) days.

Promptly upon the closing of the Client's file, the Firm shall return any unused advance fee to the Client.

If, and when, the Client's advanced fee has been fully depleted, the Firm will request an additional advanced fee from the Client.

6. Credit Card Pre-Authorization. If the Client has signed the Firm's Credit Card Recurring Authorization Payment Form or similar form, the Firm is authorized to charge the Client's designated credit card on a regular basis to pay for legal fees earned and costs and disbursements incurred. The Client will continue to receive a monthly invoice showing the work performed and/or expenses or disbursements incurred.

7. Withdrawal and Discharge of the Firm. In the event the Client fails to make payments as agreed upon in this Agreement, the Client acknowledges that the Firm may withdraw from further representation of the Client after has been given reasonable warning that the lawyer will withdraw unless the obligation is fulfilled. The Firm may withdraw from representing the Client for various other reasons, such as failure to disclose material facts.

The Client may discharge the Firm for any reason at any time. If the Client does so, the Client agrees to execute any documents necessary to permit such actions, including documents that may need to be filed to obtain a court's order permitting withdrawal. The Firm will sign any such documents and will file any documents that may need to be filed to obtain the court's permission to withdraw. The Firm will return the Client's files and documents to the Client upon the Client's request.

If the Firm withdraws from the Client's case, or if the Client discharge the Firm, the Client agrees to pay, within thirty (30) days of the date that the Firm notifies the Client of its withdrawal or the Client notifies the Firm of the discharge, all outstanding attorney, paralegal, and law clerk fees; all outstanding costs and expenses that the Firm has incurred in the Client's case for which the Firm has not yet been reimbursed; and all outstanding costs and expenses owed to third parties.

8. Allocation of Authority Between Lawyer and Client. Attorney will abide by Client's decisions concerning the objectives of the representation. Attorney will consult with the client about the means by which the objectives are to be pursued.

9. No Guarantees. The Firm makes no guarantees concerning the outcome of this matter.

10. **Final Payment.** Upon conclusion of this legal matter and final billing of the Client's account, payment of any outstanding balance must be made in full in accordance with the deadlines set forth above.

11. **File Retention.** Following the representation, the Firm will retain the Client's file for ten (10) years, after which the Firm will destroy them in a fashion that protects confidentiality, without additional notice to the Client.

12. **Limited Liability Notice.** The Firm is organized as a service corporation under Wisconsin law. As required by the State Supreme Court Rules, the Firm has registered with the State Bar of Wisconsin as a limited liability organization.

Lawyers practicing in a Wisconsin service corporation who are not representing you are not personally liable for the errors and omissions of the lawyers in the Firm who are representing you. The Firm's status as a service corporation does not alter a lawyer's liability for his or her own negligence or other wrongful acts.

As a limited liability organization, the Firm is required to maintain professional liability insurance coverage with minimum limits specified by the State Supreme Court Rules. The Firm maintains such coverage.

Please contact the Attorneys with whom you are working if you would like additional information about our status as a limited liability organization.

13. **Headings.** All headings used in this Agreement are provided only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

14. **Entire Agreement.** This Agreement represents the entire agreement the Client has with the Firm for representation of the Client in the Matter. To avoid misunderstandings, any mutually agreed-upon changes concerning this Agreement must be in writing to be effective.

15. **Copies and Counterparts.** Copies of this Agreement, including copies of signatures, shall have the same full force and effect as an original. This Agreement may be signed in counterparts.

16. **Understanding of Agreement.** By signing this Agreement, the Client agrees that the Client has had an opportunity to discuss the Agreement with the Attorney, understand the Agreement, and have had an opportunity to ask questions and have received an explanation for any questions that the Client may have had.

CLIENT: Otto Luck

_____

Date:

Table & Chair Law, S.C.

By: _____ _____

Tony Table

Date:

[Example of a relatively "Simple" flat fee terms of engagement letter, with no advanced fee requested.]

May 1, 2022

Via Email Only (janesmith@wprco.com)

Wisco Hunt Club, Inc.
Attn.: Jane Smith, CEO
1234 Bullseye Road
Bango, Wisconsin 53111

RE: Legal Liability Risk Management; Terms of Engagement

Dear Jane:

Following up on our discussion, this letter sets forth Acme Legal, S.C.'s proposed terms of engagement, whereby we will provide legal services to Wisco Hunt Club, Inc., a Wisconsin corporation (hereinafter "you"), in the matters described in the attached document.

We have completed a conflicts check, and there is no impediment to our representing you in these matters. If the terms described in the attached are acceptable to you, please sign where indicated below, and return a copy of this letter to me via email, along with payment of the advanced fee for services described in the attached document.

We are excited about having the opportunity to provide services to you, and look forward to contributing to your long term protection, success and growth. If you should have any questions, or wish to discuss our representation further, please do not hesitate to let us know.

Very truly yours,
ACME LEGAL, S.C.

*/s/*_____

Atticus A. Acme, Esq.

Agreed.
WISCO HUNT CLUB, INC.

_____
Jane Smith, CEO

Acme Legal, S.C. ("Acme Legal") will provide the following described legal services to Wisco Hunt Club, Inc. (hereinafter "you") in accordance with the below Terms of Engagement:

TERMS OF ENGAGEMENT

1. Scope of Representation

As part of our representation of you, you will provide us a copy of your current membership agreement, and waiver-of-liability agreement. You are retaining Acme Legal, S.C. to provide legal representation and advice regarding those agreements, as they pertain to your facility in Bango, Wisconsin. We will review those agreements, and we will provide you our advice as to how those agreements should be revised, and how the revised agreements should be used and preserved.

2. Non-Included Work/Services

Expressly not included in the above scope of representation is: (a) any review and advice regarding any "risk management signage" at your property; and (b) any review and advice regarding whatever insurance coverage you may or may not have obtained.

3. Flat Fee as to Work Defined in the Scope of Representation

Acme Legal bills for its services in accordance with the standards that have been established by the American Bar Association and adopted by the Wisconsin Supreme Court in Rule 20:l.5(a), which state that a lawyer's fee should be reasonable and may reflect several factors, including the time and labor required, the novelty and difficulty of the questions involved, the experience of the attorney, and the skill requisite to perform the legal service properly.

Acme Legal agrees that its fee for the work described in the above Scope of Representation (Section 1) will not exceed a flat fee amount of $ ____ . As to any other work you may ask Acme Legal to provide, Acme Legal shall provide services to you on an hourly fee basis.

4. Hourly Rates Applicable to Services Outside of the Above Scope of Representation

As to services that would be billed to you on an hourly-fee basis, Atticus A. Acme will be the lead attorney at Acme Legal handling this matter, and Acme Legal bills clients for Mr. Acme's services at the rate of $_____ per hour. On occasion, Acme Legal may utilize the involvement of other lawyers, paralegals or support staff when it is more efficient or cost effective to do so. When such occurs, Acme Legal bills clients for such services as follows: for subordinate attorney time at the rate of $_____ per hour, and for student law clerk time at the rate of $_____ per hour.

5. Expected Deadline for Completion of Work

Assuming you retain Acme Legal and provide us the current versions of the above agreements by _____, our expectation is that the above work can be completed by [DATE].

6. Future Changes in the Law

Once the services described in Section 1 above are completed, if the law thereafter changes, Acme Legal is under no obligation to provide notice to you as to such changes. If you desire Acme Legal to be responsible for such notices, that responsibility will need to be set forth in a separate written terms of engagement letter, or a yearly retainer agreement.

7. No Advanced Fee Amount

Acme Legal's customary practice is to require an advanced payment of fees from a client to which it previously has not provided services. As we have provided services to you before, we are not requesting in this matter an advanced payment of fees.

8. Expenses

In the course of representing you, we may incur expenses, such as those relating to long distance telephone services, express delivery services, postage and photocopying. Acme Legal reserves the right to pass through to you such charges, and you agree to reimburse us for all reasonable and necessary expenses incurred on your behalf during the course of our representation.

9. Types of Tasks Billed

It is understood that when providing services on an hourly basis, Acme Legal bills its clients for the time that attorneys and support staff spend working on the matter, including but not limited to billing for the time involved with the following: reviewing documents, office conferences, telephone conversations and teleconferences, reading and writing correspondence, drafting memos and other documents, drafting contracts and other legal documents, searching data bases, legal research, analyzing records and reports, and travel to and from client's place of business (if applicable) or other destinations associated with its representation of its clients.

10. When Payment Due; Interest and Costs of Collection; Choice of Law; Venue; Integration

Acme Legal's usual practice is to bill clients for its services on a monthly basis. The firm's statements for services, costs and disbursements are due and payable upon receipt of the statement, unless otherwise indicated herein or therein. If you fail to pay our statement for services, and if we give you notice of delinquency and you fail to promptly (within seven days) cure the delinquency, we shall thereafter have the right to withdraw from further representation of you.

Fees and costs which are not paid within 20 days after due will be subject to a 1% monthly (12% yearly) interest charge on any unpaid balances (with interest running from the date of client's receipt of the statement of services).

If a collection action (litigation or arbitration) is commenced to recover past due fees, you hereby agree Acme Legal is entitled to recover its reasonable costs and attorneys' fees incurred in the action if it is the prevailing party in the action. Upon conclusion of this legal matter and final billing of your account, payment must be made in full within 30 days of receipt of Acme Legal's statement for services. You agree that Wisconsin law controls the interpretation and enforcement of this Agreement, and that the sole venue for any lawsuit between us in any way arising out of relating to this Agreement is in the courts located in Milwaukee, Wisconsin, and you agree to waive any objections to those courts exercising jurisdiction over you in such matters. This is a complete and fully integrated agreement, and it may only be amended in a written document signed by both parties.

11. Limited Liability Service Corporation

The Wisconsin Supreme Court has directed that law firms which operate as a limited liability entity, as Acme Legal does, should advise clients and prospective clients that the law governing this type of limited liability entity shields its owners from vicarious liability. This means that in the event of an error, the law firm and its insurer may be liable, as may the attorneys who worked on or directly supervised the matter, but not other attorneys who did not work on or directly supervise the matter. The Supreme

Court also requires law firms operating as limited liability entities to register annually with the State Bar of Wisconsin and to carry certain minimum liability insurance coverage, both of which Acme Legal has done and intends to continue to do.

12. **Communication**

Acme Legal seeks to add value to its clients' operations and to establish long-term relationships with its clients. If there is ever a question you have regarding our services or our invoices for services, we encourage you to contact us promptly to discuss your questions or concerns. Proactive communication is essential to a productive working relationship.

Thank you for retaining Acme Legal, S.C.

[Example of a more complex "mixed fee" terms of engagement letter, with advanced fee provision.]

May 1, 2022

Via Email Only (johnsmith@wprco.com)

Winter Paradise Resort, Inc.
Attn.: John Smith, CEO
1234 Snow Road
Alpine, Wisconsin 53111

RE: Legal Liability Risk Management; Terms of Engagement

Dear John:

Following up on our discussion, this letter sets forth Acme Legal, S.C.'s proposed terms of engagement, whereby we will provide legal services to Winter Paradise Resort, Inc., a Delaware corporation (hereinafter "you"), in the matters described in the attached document.

We have completed a conflicts check, and there is no impediment to our representing you in these matters. If the terms described in the attached document are acceptable to you, please sign where indicated below, and return a copy of this letter to me via email, along with payment of the advanced fee for services described in the attached document.

We are excited about having the opportunity to provide services to you, and look forward to contributing to your long-term protection, success and growth. If you should have any questions, or wish to discuss our representation further, please do not hesitate to let us know.

Very truly yours,
ACME LEGAL, S.C.

*/s/*_____

Atticus A. Acme, Esq.

Agreed.
WINTER PARADISE RESORT, INC.

_____
John Smith, CEO

Attached: Terms of Engagement

Acme Legal, S.C. ("Acme") will provide the following described legal services to Winter Paradise Resort, Inc. (hereinafter "you") in accordance with the below Terms of Engagement:

TERMS OF ENGAGEMENT

1. Scope of Flat Fee Representation

You have asked that we provide certain services to you on a flat fee basis. As part of our representation of you, you will provide us a copy of your resort's current participant registration forms, and the current text of the webpages you use to register your resort's participants online. Once we receive those, we will provide you our advice as to how those should be revised. Further, once you have created a revised Beta version of the above materials based on our advice, we will review the Beta version of your revised paper forms in their "final proposed" context, and do a simulated registration on the Beta version of your revised website. Once we have done that, we will provide you our comments and suggestions on those Beta versions. The services described in this section will be provided on a flat-fee basis as described in Sections 3 and 4 below.

2. Non-Included Work/Services

Expressly not included in the above Scope of Flat Fee Representation would be review of and advice regarding the design of your current lift passes, or review of and advice regarding any "risk management signage" at your resort.

Additionally, the parties acknowledge that in the future, you may request that Acme provide advice to you regarding a "new entity," which would involve advice on these matters: (a) advice regarding creation of a separate entity (either a for-profit or non-profit entity) that will own property adjacent to your property; (b) incorporation/organization of the new entity; (c) applying to the IRS for a FEIN for the entity, and (if you or the entity so desires), preparation of an application to the IRS so that the entity will recognized as a nonprofit 501(c)(3) entity; (d) creation of the entity's initial corporate documents, such as bylaws or an operating agreement, and initial organizational resolution and other documents; and (e) such other legal issues as to which you or the new entity shall subsequently request in writing assistance. The above "new entity" related services are also expressly not included in the in the above Scope of Flat Fee Representation.

3. Compensation for Our Time, Advice and Services; Basis of Fee

Acme will bill for its services in accordance with the standards that have been established by the American Bar Association and adopted by the Wisconsin Supreme Court in Rule 20:l.5(a), which state that a lawyer's fee should be reasonable and may reflect several factors, including the time and labor required, the novelty and difficulty of the questions involved, the experience of the attorney, and the skill requisite to perform the legal service properly. Atticus A. Acme will be the lead attorney at Acme handling this matter. On occasion, Acme may utilize the involvement of other lawyers, paralegals or support staff when it is more efficient or cost effective to do so.

Acme's fee for the work set forth in the above Scope of Flat Fee Representation (Section 1) will be provided on a flat-fee basis in the amount of $ _____ .

For other services that may be provided beyond those services described in the Scope of Flat Fee Representation (Section 1), Acme will bill you for Mr. Acme's services at the rate of $____ per hour, for subordinate attorney time at the rate of $_____ per hour, for student law clerk time at the rate of $____ per hour, and for paralegal or other support staff at the rate of $___ per hour. Acme's hourly rates are subject to adjustment in the future upon 30 days' prior written notice to you in connection with Acme's periodic review of fees.

4. Acme's Earning of the Flat Fee

Both parties acknowledge that there are risks associated with a flat-fee arrangement, for both parties, given that neither party currently knows the exact amount of time that will be required for Acme to complete the work

described in the scope of work. No guarantee is provided by Acme that if you had chosen to retain Acme to perform the described work on an hourly basis, that your bill would be greater or lesser than the agreed on flat fee amount. To compensate Acme for the risk Acme is taking on, you agree that Acme is entitled to the amount of the flat fee, without regard to the number of hours spent by Acme on the work defined in the scope of representation. You further agree that Acme is not required to record the number of hours it spends doing the work, or to provide you an itemization identifying the work done or the hours incurred.

5. Expected Deadline for Completion of Work

Assuming you retain Acme and provide us the current versions of the above agreements by _____, and that your web designer can promptly create the above-referenced Beta version of your website for our review, our expectation is that the above work can be completed by [DATE].

6. Future Changes in the Law

Once the services described in Section 1 above are completed, if the law thereafter changes, Acme is under no obligation to provide notice to you as to such changes. If you desire Acme to be responsible for such notices, that responsibility will need to be set forth in a separate written terms of engagement letter, or a yearly retainer agreement.

7. Advanced Fee Amount

Acme's customary practice is to require an advanced payment of fees from a client to which it previously has not provided services. We are requesting in this matter an advanced payment of fees in the amount of $ _____ . Unless otherwise indicated on its statements for services, Acme does not apply advanced fees to reduce amounts owed on monthly statements, until the representation is concluded, and the final statement for service is issued. In general, Acme does not extend credit to its clients, so it reserves the right to request additional advanced fee amounts in the future, before proceeding to provide services.

8. Expenses

In the course of representing you, we may incur expenses, such as those relating to long distance telephone services, express delivery services, postage and photocopying. Acme reserves the right to pass through to you such charges, and you agree to reimburse us for all reasonable and necessary expenses incurred on your behalf during the course of our representation.

9. Types of Tasks Billed

It is understood that when providing services on an hourly basis, Acme bills its clients for the time that attorneys and support staff spend working on the matter, including but not limited to billing for the time involved with the following: reviewing documents, office conferences, telephone conversations and teleconferences, reading and writing correspondence, drafting memos and other documents, drafting contracts and other legal documents, searching data bases, legal research, analyzing records and reports, and travel to and from client's place of business (if applicable) or other destinations associated with its representation of its clients.

10. Fee Payment and Delivery

As to delivery of payment of the advanced fee amount, payment may be made via a check sent to the above mailing address, or payment may be made to Acme electronically as follows: [insert wire transfer instructions].

11. When Payment Due; Interest and Costs of Collection; Choice of Law; Venue; Integration

Acme's usual practice is to bill clients for its services on a monthly basis. The firm's statements for services, costs and disbursements are due and payable upon receipt of the statement, unless otherwise indicated herein or therein. If you fail to pay our statement for services, and if we give you notice of delinquency and you fail to

promptly (within seven days) cure the delinquency, we shall thereafter have the right to withdraw from further representation of you.

Fees and costs which are not paid within 20 days after due will be subject to a 1% monthly (12% yearly) interest charge on any unpaid balances (with interest running from the date of client's receipt of the statement of services).

If a collection action (litigation or arbitration) is commenced to recover past due fees, you hereby agree Acme is entitled to recover its reasonable costs and attorneys' fees incurred in the action if it is the prevailing party in the action.

Upon conclusion of this legal matter and final billing of your account, payment must be made in full within 30 days of receipt of Acme's statement for services. You agree that Wisconsin law controls the interpretation and enforcement of this Agreement, and that the sole venue for any lawsuit between us in any way arising out of relating to this Agreement is in the courts located in Milwaukee, Wisconsin, and you agree to waive any objections to those courts exercising jurisdiction over you in such matters. This is a fully integrated agreement, and it may only be amended in a written document signed by both parties.

12. No Guarantee of Waiver Enforceability in All Cases

As part of our representation of you, we will draft a proposed waiver-of-liability agreement, and review and advise you regarding your other registration forms or agreements. Our recommendations regarding those agreements will be consistent with current case law and statutes relating to such agreements. You have informed us that you plan to offer your services in Wisconsin (although residents from other states also use your services), so our advice will be primarily based on Wisconsin law. There are, however, circumstances in which a court may apply the law of another state, to a particular accident or claim. If you desire detailed information and legal advice about a particular state's laws other than Wisconsin's, we encourage you to consult with an attorney licensed to practice law in that state.

You should be aware that no waiver of liability agreement can protect a person or organization from all claims. The advice we provide is based upon numerous decisions by the courts, and over time, the standards applied by courts regarding waiver agreements have changed. There are also unresolved issues in this area of the law, and the potential for this area of the law to continue to evolve in the future. For example, courts in many states have not as of yet directly addressed the issue of whether parents may enter into enforceable waiver of liability agreements on behalf of their minor children. Over 15 states have held parents cannot do such, and in addition, there are at least three states in which courts have held that all recreational waivers (those relating to adults, and those relating to minors as well) are not enforceable as a matter of public policy. In many states, courts have held that certain types of claims (for example, claims for harm caused intentionally or by reckless actions) may not be waived by agreement.

We work to provide agreements that maximize our clients' chances of convincing courts to enforce the terms of those agreements. However, the enforceability of a waiver-of-liability agreement can only be determined after an accident or other incident has occurred, once all facts and circumstances surrounding the execution of the waiver agreement and the incident are known, and the issue of which jurisdiction's laws apply to the claim is resolved. Because of this, Acme does not warrant or guarantee that, if an accident or incident occurs, a court ultimately considering a claim arising out of an incident will in that particular case hold enforceable your waiver agreement (especially if the accident involves a minor), and Acme's advice regarding waivers of liability is provided with the understanding that using properly-drafted and well-deployed waiver of liability terms is only one part of a properly designed organizational risk management program. Other parts of such programs require well-designed insurance programs, and well-designed operational policies.

13. Limited Liability Service Corporation

The Wisconsin Supreme Court has directed that law firms which operate as a limited liability entity, as Acme does, should advise clients and prospective clients that the law governing this type of limited liability entity shields

its owners from vicarious liability. This means that in the event of an error, the law firm and its insurer may be liable, as may the attorneys who worked on or directly supervised the matter, but not other attorneys who did not work on or directly supervise the matter. The Supreme Court also requires law firms operating as limited liability entities to register annually with the State Bar of Wisconsin and to carry certain minimum liability insurance coverage, both of which Acme has done and intends to continue to do.

14. Advanced Fee Payment Mandatory Disclosures

Acme handles advanced payment of fees and costs in accordance with Wisconsin Supreme Court Rules (the "Rules"), and this Section 13 sets forth certain terms related to those Rules, including certain disclosures mandated by those Rules. This section applies only to disputes over advanced fee and costs payments (and any refunds and accountings related thereto), and not to any other disputes (fee related or otherwise), that may arise between you and Acme.

As permitted by the Rules, sums advanced to cover fees will be deposited in Acme's standard business account and not held in trust. As to sums advanced to cover costs, if there are any such sums, Acme will place such sums in Acme's trust account, and funds will be disbursed therefrom as costs are actually incurred.

At the termination of the representation, Acme shall provide to you a refund of any advanced fees that have not been earned, and a refund of any sums advanced for costs that have not been incurred, along with an accounting regarding how the advanced fees and costs were applied. If you dispute Acme's accounting, the Rules provide that you may provide Acme with written notice of the dispute within 30 days from the date of the final accounting, and if the dispute cannot be resolved within 30 days, Acme shall, as required by the Rules, offer to submit the dispute to binding fee arbitration through the State Bar's Fee Arbitration Program [or a similar local bar association program, such as the Milwaukee Bar Association Program]. In such a situation, a client may choose not to demand arbitration, but may instead choose to resolve the dispute over the advanced fee or costs in other appropriate forums. Further, the Rules require us to notify clients that, if Acme fails to refund unearned fees, abide by a fee arbitration award or abide by a final decision of a court with respect to unearned fees, any client aggrieved by such failure may file a claim with the Wisconsin Lawyers Fund for Client Protection to recover such amount. (The Wisconsin Lawyers Fund for Client Protection may be contacted by mail c/o State Bar of Wisconsin, P.O. Box 7158, Madison, WI 53707-7158, or by phone at (800) 728-7788.)

15. Communication

Acme seeks to add value to its clients' operations and to establish long-term relationships with its clients. If there is ever a question you have regarding our services or our invoices for services, we encourage you to contact us promptly to discuss your questions or concerns. Proactive communication is essential to a productive working relationship.

Thank you for retaining Acme Legal, S.C.

CONTRACT FOR LEGAL SERVICES

I hereby retain and employ **LAW FIRM** as my attorneys to represent me in my claim for damages as a result of injuries due to a car accident on or about DATE.

I agree that **LAW FIRM'S** representation of me does not include investigating or pursuing any potentially related claims such as medical malpractice, worker's compensation, or disability. I have been advised that I should seek the advice of other counsel as to those matters.

I agree to pay my attorneys, as fees, **PERCENT** of the total amount recovered from said claim by settlement or by trial. **THERE IS NO ATTORNEY FEE UNLESS A RECOVERY IS MADE.** I further agree that my attorney fees are determined on the gross amount recovered and shall be calculated before any deduction for costs, disbursements, or expenses incurred in pursuing said claim.

I agree that in addition to the above attorney fees, I am responsible for all costs incurred in investigating and litigating this claim. These costs include but are not limited to, filing fees, subpoenas, photos, photocopies, depositions, court reporter costs, medical records, witness statements, expert witness costs, travel expenses, taxable costs, and all other out-of-pocket expenses. These costs will be deducted from the settlement proceeds or damages award in addition to the attorney fees only if a recovery is made. I am not responsible for costs or expenses if no recovery is made. **LAW FIRM** will consult with me prior to hiring any experts or investigators.

---- ANOTHER OPTION FOR COSTS ----

These costs will be deducted from the settlement proceeds or damages award in addition to the attorney fees if a recovery is made. If no recovery is made, I understand that I am personally responsible for the costs and expenses._____ . (Initial)

All proceeds of my recovery shall be deposited into the firm's trust account for disbursement in accordance with the provisions of this agreement. No disbursement will be made until the settlement/recovery amount has cleared the bank.

I understand that circumstances could arise under which **LAW FIRM** may withdraw from representing me. I may discharge **LAW FIRM** for any reason at any time. I agree that if I discharge **LAW FIRM**, or if **LAW FIRM** withdraws from representing me, I may remain liable for all fees, costs and expenses under this contract.

I hereby give **LAW FIRM** a valid lien in the stated amounts under this agreement pursuant to Wis. Stat. § 757.36.

This contract shall be governed by the internal laws of the State of Wisconsin. I understand that **LAW FIRM** will automatically dispose of my file (and any copies in its possession) six years after the case is completed.

I understand that this contract represents the entire fee arrangement between me and **LAW FIRM**. I have received a copy of this contract.

Dated:

_____
CLIENT

The above employment is hereby accepted on the terms stated. **LAW FIRM** agrees to make no settlement without the consent of our client.

By:
LAW FIRM

_____ Copy given to client.

Sample Hybrid/Mixed Fee Agreement
LANDLORD CLIENT FEE AGREEMENT

********** (hereinafter referred to as "Client") individually or jointly, if more than one party, has agreed to retain WE R A Law Firm, LLC (hereinafter referred to as "Firm"), to represent his/her/their needs for legal services pursuant to this agreement. It is understood that Client is retaining the Firm and the Firm is accepting employment, on the following terms and conditions:

COMMENCEMENT: This agreement shall become effective upon the Firm receiving a signed copy of this agreement and payment in accordance with the terms of this agreement.

MIXED FEE REPRESENTATION: The Firm uses a mixed flat fee and hourly representation system. Some services will be billed as flat fees only, while others will be billed at an hourly rate. Services are billed as described in the fee chart below.
Hiring the Firm on a limited flat fee basis may require the Firm to disclose on court papers that they were prepared with the assistance of a lawyer. In the event the limited flat fee service is for matters before the court, Wisconsin law requires a Notice of Limited Appearance be served upon the court, the opposing party, and the Client prior to or simultaneously with the court filings. The Notice of Limited Appearance shall contain the following:

1. The specific proceedings or issues within the scope of the limited representation.
2. A statement that the attorney will file a notice of termination upon completion of services.
3. A statement that the attorney providing limited scope representation shall be served with all documents while providing limited scope representation.
4. Contact information for the Client including current address and phone number.

At the completion of the limited representation, the Firm shall file with the court and serve on all parties and the Client a Notice of the Termination of Limited Appearance, which shall contain all of the following information:

1. A statement that the attorney has completed all services within the scope of the notice of limited appearance.
2. A statement that the attorney has completed all acts ordered by the court.
3. A statement that the attorney has served the notice of termination of limited appearance on all parties, including the Client.
4. Contact information for the Client including current address and phone number.

ADVANCED FEE AND DISBURSEMENT: If an advanced fee is required, the Client shall pay to the Firm an agreed amount to be applied toward future legal services and disbursements of the Firm during this representation. The Firm may withdraw earned fees on the date that the invoice is transmitted to the client. These fees shall always be considered the Client's funds and will be held in the Firm's IOLTA Client Trust Account interest free to the Client. Any unused portion of this advanced fee shall be refunded to Client after the representation.

The Firm reserves the right to require the Client to deposit funds into the Firm's IOLTA Client Trust Account at any time during representation. Upon the Firm's request, the Client shall pay to the Firm the requested amount within 10 days.

FEE CHART:

DESCRIPTION OF SERVICES	FEE
Draft failure to pay (5-day) notices – market rate only	$185.00
Draft specialized notice	hourly
Certified mail fee	Standard postage rate
Draft Summons and Complaint	$315.00
Electronic Filing Fee	*$133.06
Attendance at 1st appearance in Eviction hearing All Counties Rock County except if the matter is forwarded to Judge for hearing	 $290.00 $290.00
Prepare for and attendance at Eviction trial.	Hourly
Service of Process per adult, draft and file affidavit with court	$90.00
Draft and file Writ of Restitution	$235.00
Writ of Restitution filing fee	*$5.00
Travel fee (after 30 minutes in total travel time to/from the courthouse)	$395.00 per hour
Attorney's hourly rate: (billed by the 1/10 of an hour)	$395.00 per hour
Paralegal's hourly rate: (billed by the 1/10 of an hour)	$225.00 per hour
Draft Itemization of Damages	Hourly
Attendance at Damage 1st appearance	$290.00

*Are set by state law and may change without notice

BILLING: The Firm will issue periodic or final itemized statement that shall show applicable date(s), a summary of services, time expended, costs and disbursements and amounts payable to the Firm that shall be due and payable to the Firm by Client when sent. Funds on deposit in the Firm's Client Trust Account shall be paid to the Firm on the date the invoice is transmitted. The Firm may issue additional statements for past or future services, costs and disbursements as determined by the Firm that shall be due and payable to the Firm by the Client when sent. Unused advanced fee amounts received by the Firm shall be refunded to the Client after the representation. The Client agrees to pay all costs of collection of the amounts of itemized statements due the Firm. To the extent that any statement remains unpaid for more than fifteen (15) days, the Firm may withdraw from representation and after thirty (30) days interest shall accrue at 1.5% per month on the unpaid balance. The Client shall be responsible for all the time the firm spends collecting from the client unpaid expenses and fees, this shall include but not be limited to letters, emails, and phone calls to the client along with the actual cost of any collection efforts.

VENUE: This agreement shall be governed and construed with the laws of the State of Wisconsin. Any action to enforce or for breach of this agreement shall be brought in Walworth County, Wisconsin.

THIRD PARTY PAYMENTS: The Wisconsin Supreme Court regulates lawyers and their practice of law. One of the regulations prohibits lawyers from accepting money, for a client bill, from people or businesses that are not the client, unless the client allows the lawyer to accept those funds. In other words, you must agree to allow me to receive funds on your behalf to be applied to your bill from anyone who could possibly make a payment on your behalf. This situation can occur several different ways, i.e., you pay from your business account, your parents pay, your spouse or partner pays, or possibly you pay your bill through a title company. No matter the mode of payment, my office and I will never share your confidential information with those other parties unless you instruct me to do so, or the law requires it.

At the completion of representation, the Firm will refund any money remaining in the Client's trust account directly to the Client regardless of who remitted the money to the Firm.
By signing below, you authorize Firm to accept payments on your behalf from people or parties other than yourself.

MODIFICATION OF FEES: The Firm reserves the right to modify costs and fees after emailing/mailing a 30 day notice to the Client.

FEE ARBITRATION: If there is any dispute concerning the fees, costs, expenses, disbursement for representation given, the parties agree that such dispute will be brought to conclusion by mandatory binding arbitration, supported by the State Bar of Wisconsin pursuant to its Rules of Resolution of Fee Disputes. Either party may enter judgment on such an arbitration award for enforcement by any court of competent jurisdiction pursuant to Chapter 788, Wis. Stat. Either party may serve notice of its intent to arbitrate on the other by regular mail. The arbitrator's fee and costs shall be paid for by both parties equally and the arbitrator shall have the right to assess costs to the prevailing party.
If the Firm obtains a judgment or arbitration award against the Client for unpaid fees, costs, expenses, and disbursements, the Client agrees that the Firm is entitled to costs and actual attorney fees for obtaining said judgment or arbitration award.

DISBURSEMENTS: The Client agrees to pay the costs and disbursements for this representation. Costs and disbursements include sums payable to 3rd parties and for office expenses such as court fees, sheriff's fees, deposition fees, consultant fees, witness fees, postage and other miscellaneous fees that may arise during the representation. The Client understands and agrees that the Firm shall not be obligated to advance any costs or disbursements during this representation but may do so at the Firm's sole discretion. Color copy charges are billed at the rate of $1.50 per page. The Firm reserves the right to charge for black and white copying at a rate of $0.10 per page. This will typically be charged when the copying is more than normal in the sole discretion of the Firm. If the client believes a refund of unearned advanced fees is required, the client can contact the Wisconsin Lawyers' Fund for Client Protection.

SETTLEMENT OR PAYMENTS ON JUDGMENTS: All settlements or payments on judgments shall be made directly to the Firm, and likewise, all proceeds shall be made out directly from the Firm's Client Trust Account. The Client agrees that all proceeds of any recovery, whether they be by settlement, judgment, levy, and execution, or otherwise, are to be used to satisfy the Firm's fees, costs and disbursements, and to that extent the Firm shall have a lien upon the recovery of any proceeds connected with this representation.

COLLECTIONS: In the event of a judgment in the Client's favor in a small claims action, defendant(s) is/are required to complete a financial disclosure statement. We do not follow up on this or any other collection efforts as part of this representation, unless you specifically retain the Firm to do so.

NOTICE OF LIMITED LIABILITY ENTITY: The Wisconsin Supreme Court has directed that law firms which operate as a limited liability entity, as Firm does, should advise clients and prospective clients that the law governing this type of limited liability entity shields its owners from vicarious liability. This means that in the event of an error, the law firm and its insurer may be liable, as may the attorneys who worked on or directly supervised the matter, but not other attorneys who did not work on or directly supervise the matter. The Supreme Court also requires law firms operating as limited liability entities to register annually with the State Bar of Wisconsin and to carry certain minimum liability insurance coverage, both of which Acme has done and intends to continue to do.

COURT ATTENDANCE: Client understands that client's presence shall be necessary in a contested case.

REPRESENTATION: The Client acknowledges that no promises about the outcome of this representation have been or are made by the Firm. The Client understands that this agreement is for services agreed to herein and are limited to those services, therefore, the Firm will not perform services beyond those services expressly agreed to.

PRIORITY OF COMMUNICATION: Client shall call the law firm by telephone regarding any urgent communications related to this matter. Firm may be delayed in reviewing emails and/or letters in the firms' discretion due to multiple business priorities.

CLIENT CONDUCT: Client is expected to follow the advice set forth by the Firm. If the Client chooses to act in ways contrary to that advice, act immorally, or illegally, the Firm, at their discretion, may choose to terminate the relationship with the Client. If the Firm and Client develop conflicting viewpoints that make the relationship difficult and/or adversely affect the desired outcome of the case, the Firm may choose to terminate. If the relationship is severed any fees/expenses outstanding will remain the responsibility of the Client.

FILE RETENTION: Firm will retain an electronic and/or physical copy of client's file at Firm's discretion for a minimum of seven years. At that time, Firm may destroy any copies in its possession. The Client is permitted to have a copy of said file one time at no charge at the Client's request.

AUTHORIZATION: The Client authorizes the Firm to perform services and to take actions as deemed advisable in the discretion of the Firm in representing the Client in this matter. The Client authorizes the Firm to negotiate with 3rd parties to settle any issues that may arise in this matter, but the Firm shall not obligate the Client to settle any substantive rights of the Client without prior verbal or written approval by the Client.

Client has read this Advanced Fee Agreement and understands, agrees and accepts all the terms of it.

Date	Print Name