



Lawyers since 1897

Ryan, Swanson & Cleveland, PLLC
1201 Third Avenue, Suite 3400
Seattle, WA 98101-303

www.ryanswansonlaw.com

Terms of Engagement

We have prepared this document to explain the general terms of your agreement in retaining us to represent you in connection with certain legal matters. Please examine and retain this statement in your legal files for future reference. Any arrangement that differs from these Terms of Engagement set forth in an engagement letter to you supersedes these general terms. If you have questions or concerns regarding this statement, ask your designated counsel or our Managing Director.

Management of the Engagement

One specific attorney will be designated to be principally responsible for the work we do on your behalf. The work may be performed by your designated counsel or by other lawyers and/or paralegals in the firm as may be required by the specifics of your matter. Using the skills and experience in each of their respective areas of law will allow us to provide you the most prompt and cost-efficient services. Generally, you will be advised who is working on your legal matter(s). If you ever choose to change the attorney(s) or paralegal(s) working on your behalf, please immediately notify your contact attorney or our Managing Director to submit your request for counsel better suited to your needs or desires.

The Scope of our Work

In this engagement you have entered, we are committed to representing your interests, however, the outcome cannot be guaranteed. Our opinions and counsel are based upon your disclosures, our knowledge of the facts and on our understanding of the state of the law at the time they are expressed.

When you engage our firm for litigation purposes, you also authorize us to execute all complaints, claims, verifications, dismissals and orders on your behalf. However, no settlement will be completed without your consent.

Setting the Fees

The Supreme Court of the State of Washington has established guidelines which we have considered in determining the fee structure for our professional services. They include:

- The time and labor required, the novelty and difficulty of the questions involved and the skills required to perform legal services properly.
- The fee customarily charged in the locality for similar legal services.

- The dollar amounts involved and the results we seek to obtain for you.
- The experience and abilities of the lawyer(s) performing the legal services.

Among these factors, we are especially considerate of the time and effort required when billing for our services. We will keep diligent records of the time we devote to your work, including conferences, telephone calls, correspondence, negotiations, court appearances, factual and legal research and analysis, document examination, preparation and revision of documents, travel on your behalf and other related work action(s) requisite to properly address your legal matter(s).

On an annual basis, we review our costs of doing business. At that time, it may be necessary to implement a fee increase to reflect current levels of legal experience, changes in overhead cost and other (economic) factors. Our engagement is for the fee rates in effect when the services are provided and you will be billed at those rates.

We are often asked to provide a cost estimate of fees and would be happy to furnish an estimate based upon our judgment and understanding of the facts and scope of the matter. An estimate, however, should not be considered a maximum or a fixed fee quotation. The actual charge payable by you may be more or less than the amount estimated based on the work performed.

In litigation matters, a contract or statute may give you the right to recover attorney's fees from another party. You remain responsible for paying our fees and costs even though there is such a right. You should also be aware that sometimes courts do not award all fees and costs even though a contract or statute provides that the prevailing party is entitled to all such fees and costs.

In very special circumstances, we may agree to provide legal services on a contingent fee basis. However, we only agree to such an arrangement if there is a mutually signed written contingent fee agreement in place.

Costs and Expenses

In most matters, costs for third party services, such as for a consultant or court reporter (provided in conjunction with your representation) will be billed to you directly by the third party provider. On occasion, these costs may be billed to and paid on your behalf by the firm and your reimbursement of these costs will be required to be paid in full on a monthly basis.

We do not charge for long-distance telephone calls, facsimiles, postage for correspondence or photocopy projects under 500 pages per month. We will, however, charge you for any out-of-pocket expenses such as third-party photocopy projects, computer-assisted research, operator-assisted conference calls, courier and delivery charges, filing fees, depositions and transcripts, witness fees, travel, outside experts and consultants (including accountants, appraisers and other legal counsel), as well as automated document production (such as desktop publishing, computer-assisted graphics, and color copying).

Advance Fee Deposits and Trust Deposits

Based upon the scope of legal work and terms of engagement, an advance fee deposit is required to be deposited in the firm's trust account to be applied against fees and costs incurred.

All advance fee deposits and cost deposits we receive from you will be placed in a trust account. Unless your account can reasonably be expected to have a net return or unless you request a segregated account, such advance fee deposits and cost deposits are generally required to be part of a pooled fund established under rules of the Supreme Court of the State of Washington. Interest earned on the pooled fund must be paid to The Legal Foundation of Washington, a charitable foundation for legal assistance programs. If your funds are not held in the pooled account, any interest earned will be added to your trust account balance and must be included in your taxable income.

Advance fee deposits will be applied to billed fees and costs 10 days after the date of our billing, unless you advise us to the contrary. Please refer to the Billing Arrangements and Terms of Payment sections below for invoices not paid by advance fee deposit funds. Deposits which you provide to cover specific items will be disbursed only for that purpose unless you agree to have the deposits applied differently. When our work has concluded or it is determined that the advance fee deposit amount is no longer necessary, the unapplied balance will be returned to you. All deposit and disbursement activity on your trust account will be reflected on your monthly invoice.

Billing Arrangements and Terms of Payment

We bill on a regular basis each month for both fees and costs. Payment is due upon receipt unless we have agreed in writing to some other payment schedule. Fees and costs billed and not paid within 30 days will accrue a service charge of the lesser of 1% per month or the highest rate permitted by law. If there is a dispute regarding an invoice, the dispute needs to be addressed within 60 days of the date of the invoice or the invoice will be considered correct. If payment arrangements are necessary, please contact Client Accounts at (206) 654-2248 or our Collections Management Coordinator at (206) 326-5721.

If your account becomes delinquent and the delinquency continues without an arrangement for payment satisfactory to us, we may withdraw from further representation and/or pursue collection of your account. If your account becomes 90 days past due, you agree we may suspend further legal work until your account is current.

When you engage us to represent you, you also agree to pay us for the costs of collecting your account, including court costs, filing fees and a reasonable attorneys' fees, should that action become necessary.

Credit Card Payments

For your convenience, we accept American Express, MasterCard and VISA for payment of your account. If you wish to use your charge card, please contact Client Accounts at clientservice@ryanlaw.com or (206) 654-2248.

Termination of our Services

Except in very limited circumstances where court approval is necessary, you may terminate our representation at any time by notifying us in writing. Upon our discharge, you will be responsible for outstanding fees and costs. If there are fees and costs associated with terminating or transferring the work to others, you will be responsible for those as well. In contingency fee matters, a reasonable fee will be charged for all services we rendered through termination.

At times, circumstances require us to stop representing you. As legal professionals, we are bound to adhere to strict rules and regulations that may require or allow us to withdraw our legal representation of you. For example, but not limited to the following, we may withdraw representation due to nonpayment of fees or costs, misrepresentation or failure to disclose material facts, action contrary to our advice and/or conflict of interest. We try to identify and discuss with you in advance, any situation which may lead to our withdrawal. If withdrawal ever becomes necessary, we will notify you when we reach that conclusion.

Should a disagreement regarding representation or incurred fees arise, we desire to resolve disagreements to the satisfaction of both parties in a prompt, informal and amicable manner.

Let Us Know

We strive to satisfy you with prompt, quality legal services and we appreciate knowing how you feel about our work. We encourage you to provide us with feedback by advising your designated attorney or our Managing Director. Your comments will assist us to better serve all of our clients' needs and desires.