

JOHNSTON FAMILY LAW

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August 24, 2016

Re: Attorney Fee Payment and Responsibility

Dear _____:

I am pleased to represent you and provide legal counsel regarding your dissolution of marriage. I intend to provide you thorough and professional legal representation and to resolve your matter in the most timely and most cost efficient manner possible. My goal is to obtain for you the best result that the law allows.

I have already discussed with you the subject of what legal fees and costs you may expect to incur during your limitation. This letter is a follow up to that discussion. It is written to repeat and clarify our fee payment policies so there will be no misunderstanding.

1. Litigation. In your litigation matter, our agreement necessarily must be "open-ended," since your litigation will involve factors outside your and my control. I advised you of some of the factors likely to influence the amount of fees and costs involved in your case. These factors include positions taken by the other lawyer, the reasonableness or unreasonableness of the other side, delays and cancelled deposition and court events that take time to reschedule, the unwillingness of the other side to address the facts of the divorce and to make an amicable revolution, and factors that become more important later on in the case than in the beginning.

2. Retainer Agreement. A family law lawsuit is one of the most significant acts that you will undertake in your life. Accordingly, your commitment to pay your legal fees should be the same as it is for any other major financial obligation that has a substantial impact on your life, such as your mortgage or car loan. Pursuant to the Retainer Agreement that you signed with our Firm, you have agreed to the following terms:

a. Retainer Payment. You have agreed to pay a retainer of \$_____. Please remember that the retainer payment we received is only a deposit to cover initial fees and costs. It is not an estimate.

January 30, 2015

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b. Minimum Monthly Balance. You have agreed to maintain a minimum monthly balance in your trust account of \$_____. If the trust account falls below \$_____, you will immediately deposit funds sufficient to pay your bill and bring your trust account balance to the minimum requirement.

c. Trial Fees. If your case goes to a trial or contested history, you will be required to pay your bill current and deposit \$_____ additional funds into your trust account, no later than ___ days before the trial date or the date for oral argument on the appeal. Remember that trial and preparation for trial often is one-third to one-half of the total fees. Generally, a full day trial represents a ten your work day for me plus an equal amount for intensive trial preparation. If the case requires exhibits, additional paralegal work will be needed.

3. Estimate of Fees. I gave you an estimated range of fees for your case. In many respects, this estimate is a “guesstimate.” It is impossible give a precise estimate of fees. After the case is commenced, if you feel that fees are generated at rates that you cannot afford, it is your responsibility to call this to my attention and to discuss matters. There usually are ways to cut litigation expenses. In most cases, I give clients an estimate of time for services that I anticipate will be needed for tasks that I will need to do for you. I cannot always guess the future actions of my opponent. I am always pleased to discuss this subject with you at any time without charge. I have posted on my website ways in which you as a client can make me more efficient as your attorney, in which you can make our attorney-client partnership more efficient, and in which you can lower your overall fees and costs.

4. Billing. I will bill you monthly for legal services performed. Your payment is due 15 days after the date of the bill. Payment is delinquent if it is not made within 15 days after the billing statement date. A late charge is added on all overdue bills.

5. Objections to Bill and Monitoring Fees. Please review your bill upon receipt. If you do not object to a bill within 15 days, the bill is deemed final. It is also your duty to monitor the rate that legal fees are incurred. **In Famly Law, things can occur quickly. In open-ended litigation matters, it is easy for unexpected developments to cause cost overruns. Please remember that a substantial portion (usually 1/3 to 1/2) of your total fees is incurred during or just before trial. If you feel that excessive fees have been incurred or that future expected fees will exceed your ability to pay as required by the fee agreement, you have a duty to call me to discuss the matter. I will always discuss fee matters with you without charge.** Please call if you have any questions or concerns. We may from time to time give you a work-in-progress bill. Please pay close attention to thee billings, as well, and call right away if there are any problems. **Once a bill has been deemed final, I will move on to the next steps in your case in reliance on this approval. It is not proper to say, after the fact, that the bill was too high or that you object to services performed several months ago, and I will not entertain such requests or objections. If there is a problem or if fees are mounting beyond your ability to pay, you need to talk to me then and there so that I or we can modify our approach or otherwise take corrective steps.**

This is an important part of our relationship and I ask you to initial here to signify you have read and understand it.

Initial here

THIS PARAGRAPH IS EXTREMELY IMPORTANT. IF THERE ARE ANY QUESTIONS ABOUT THIS PROVISION OF OUR RETAINER AGREEMENT, PLEASE CALL TO DISCUSS, WITHOUT CHARGE, RIGHT AWAY.

6. Costs. There is frequently a time lag for posting out-of-pocket costs to your account. Costs include long distance telephone expenses, expert witness fees, messengers, and the like.

7. Failure to Pay. We will monitor your account at least monthly. If payments are not made pursuant to our agreement and the problem is not satisfactorily corrected, the firm will cease work on your case. A possessory attorney lien is automatically imposed on all papers and funds in the firm's possession. A formal attorney lien will be filed as a matter of course. If necessary, we will resign. Upon resignation, we will immediately commence in-house collection activity or refer the matter to an outside collection agency. Any further work performed by the firm pending resolution of the case shall not be construed as a waiver of the firm's fee agreement and guidelines. These are the firm's policies. Any fee dispute will be referred to the Oregon State Bar for arbitration. If you have questions about this program, please ask.

8. Discharge. You may discharge me as your attorney at any time by giving me written notice. However, at the time of discharge, you are required to pay all money we have advanced for expenses in connection with your case and for all fees we have earned up to the time we receive written notice of discharge.

9. Maintain a File. If requested, I will provide you copies of all documents and correspondence generated on your case. I suggest that you keep a file folder and punch in all your documents for ready reference. If you wish, ask me to request a file folder. Remember that the firm's file belongs to the firm. If you do not keep copies of documents as they are created and later want a copy of the file, reasonable copy charges will apply.

10. Billing Policies. Most letters are billed at .2 minimum. Most telephone calls are billed at .1 minimum. E-mail is treated as a client letter, and time spent reading, responding, and saving them is chargeable time. In many instances, e-mail can be as time consuming and costly as in (and far less efficient than) telephone communication. Be wary of over-using e-mail. Receiving and forwarding e-mail and correspondence is usually billed at .1 minimum

11. Commitment to Superior Client Service. I commit myself to providing the highest quality professional services to you. I try to be available to clients to a degree more than many attorneys, but, I obviously cannot be available to you when I am with another client, in court, or preparing for trial. If you are dissatisfied with my services for any reason during your case, you are

invited to state your concerns to me. I will respond to client concerns about my services in a candid and professional manner, without charge.

12. Web Site. Please visit my website at www.ronaldjohnstonlaw.com. I have put a lot of content on the web site, as well as forms and links, to help educate our clients and to provide answers to often asked questions, and I offer tips on minimizing attorney fees.

13. Retainer Agreement. Our retainer agreement governs all the terms of representation. If you have read it carefully, or do not remember what it says, please read it again now. I do not want you to be surprised by your bills or payment responsibilities. If there is anything in your retainer agreement, upon re-reading it, you do not understand, please call me to make an appointment to discuss and review your retainer agreement. This will be done without charge.

Please read this letter carefully. Please read it once or twice more during your litigation. Call me to discuss any questions you may have about my fee policies. It is important that you keep me informed about any financial circumstances that require special consideration. Since this matter is so important to both of us, I ask that you initial and sign where shown, and then return the enclosed copy of this letter, to confirm that you have read the letter and have understood it.

I look forward to representing you in this important matter. Please sign and initial this letter where indicated, and return it in the postage-paid envelope.

Sincerely,

JOHNSTON FAMILY LAW

Ronald Allen Johnston
Attorney at Law

RAJ/bjw

READ AND UNDERSTOOD
