



WILLIAM C. SEVERSON PLLC

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Terms of Engagement

The following terms of engagement apply with respect to all representations unless there is a specific written agreement to the contrary.

Advance Fee Deposit

New clients are generally requested to provide an advance fee deposit (sometimes known as a retainer against future costs), which is deposited in a client trust account. In most cases, the advance fee deposit is applied to the client's final invoice and the remaining balance, if any, is returned to the client. I may apply the advance fee deposit to interim invoices, in which case I will notify the client in advance and document the application on the next invoice. Paying an advance fee deposit does not relieve the client's obligation to pay monthly invoices. If an invoice remains unpaid for more than 30 days after invoicing, I reserve the right to apply the advance fee deposit to the unpaid balance and to require an additional deposit before performing further work.

Nonrefundable Retainer

Clients may negotiate a retainer fee. A retainer fee is a fee paid to secure my availability to represent the client for a given period of time. Retainer fees are considered earned at the time of payment. By agreement with the client, these fees are not refundable, regardless of whether any services are actually performed for the client.

Fee Estimates vs. Fixed Fees

Fee Estimates. Clients sometimes request advance estimates of fees. Such estimates are always affected by factors outside the lawyer's control and are inherently subject to substantial uncertainty and variability. While I will exercise my best professional judgment in making such estimates, they cannot be considered binding unless there is an express written agreement to provide services on a fixed fee basis.

Fixed Fees. It is possible in certain situations to quote a fixed fee. In these instances, I will provide a letter stating the fixed fee and expressly agreeing to provide specific services in exchange for that fixed fee.

Expenses

In addition to professional fees, invoices will include charges for other services that I provide or arrange. Examples include charges for major photocopying, delivery and messenger services, special telephone charges, research and document processing services, court reporting, travel, witness, notary and court costs or other advancements.

Client Trust Account

Trust deposits from clients (including advance fee deposits) are held in a client trust account. By rule, the funds deposited to a trust account are subject to IOLTA (Interest on Lawyer's Trust Account) participation and the interest earned is used to support law-related charitable and educational activities. However, when the deposit

is large enough to earn interest in excess of bank and administrative costs, I will, on request, open an interest-bearing account and credit the interest to the client until the deposit is applied.

Contingent Fee Arrangements

I often represent clients under contingent fee or other alternative billing arrangements. Such engagements must be negotiated in advance and reduced to writing in a signed contingent fee agreement.

Past Due Accounts

If an account becomes more than 30 days past due, I may stop performing legal work until the account is brought current. If a bill remains unpaid, I also may withdraw from further representation. If I incur costs to collect the amount due, I will be entitled to the collection costs, including a reasonable attorney fee.

Interest on Past Due Accounts

All charges that remain unpaid for more than 30 days after invoicing accrue interest at 12% per annum.

Termination

You may terminate the engagement at any time, with or without cause, by providing written notice. If such termination occurs, papers and property that you have provided to me will be returned to you promptly upon receipt of payment for outstanding fees and costs. Your termination of my services will not affect your responsibility for payment of fees and charges incurred before termination or in connection with an orderly transition of the matter. Subject to applicable ethical rules, I also may terminate the engagement. These rules permit or sometimes require an attorney's withdrawal. Before taking such action, however, I will provide written notice.

Arbitration

If you disagree with the amount of my fee, please contact me immediately. Typically we can resolve such disagreements satisfactorily with little inconvenience or formality. In the event a fee dispute is not readily resolved, you have the right to request arbitration under supervision of the Washington Bar Association, and I agree to participate fully in that process.