

THE LEVINE LAW GROUP

POLICY STATEMENT AND BILLING PRACTICES MARCH 2007 EDITION (AS AMENDED)

1. **General Overview.** This policy statement is issued in order to inform our clients of the billing practices of The Levine Law Group (the "Firm") and to inform our clients of matters which commonly arise in the context of the business relationship between the Firm and its clients. Inevitably, situations arise which are unanticipated. In such events, a solution will be found utilizing the principles set forth in this policy statement. If the terms of this policy statement differ from any specific provisions of the engagement letter, then the terms of the engagement letter shall supersede any inconsistent terms herein.

2. **Initial Conferences.** The Firm typically does not bill for initial conferences.

3. **Retainer Agreement and Fee.** Representation is generally undertaken by virtue of a written engagement letter executed by and between the Firm and the client. In the case of corporate clients, the general practice of the Firm is to require the signature of a responsible individual on the engagement letter. The engagement letter governs the fee to be charged by the Firm and the duties to be performed. The engagement letter incorporates this policy statement by reference.

(a) At our option, no work is undertaken without an initial retainer for fees and expenses. The Firm may ask for one retainer against which both fees and expenses will be applied, or ask for a fee retainer and a expense deposit against which fees and expenses may be applied. Unless the representation letter with the client provides otherwise, if either the retainer or expense deposit has been fully utilized any unpaid fees or expenses may be charged against the unused portion of the retainer or deposit. The amount of the retainer will vary in accordance with the matter undertaken. A fee retainer is earned when paid. However, the client is granted credit against the retainer on a periodic basis, based on the fee being charged and the terms of the engagement letter.

(b) The expense deposit, unlike the fee retainer, is not deemed earned when paid. It is deposited in the Firm's trust account and drawn down as expenses and, in some instances, as indicated above, as fees are incurred. The nature of these expenses are discussed later in this policy statement. If the Firm has not requested a separate expense deposit, expenses will be charged against the fee retainer.

4. **Firm Billing Practices.**

(a) **Progress Billing.** Fees are generally calculated on an hourly rate basis. Paralegal services are also charged at an hourly rate, although lower than the attorney rate. These rates may be adjusted periodically as a function of the overall pricing policies of the Firm. Unless a matter is to be billed on a different basis, the fee portion of a bill will be calculated by multiplying the hourly rate then in effect for each attorney or paralegal times the number of hours (or portion thereof) worked by each attorney or paralegal. Statements are transmitted to clients not less often than monthly, or as otherwise agreed, and payment is expected upon receipt. All fees and expenses are payable in U.S. currency or drafts or checks payable in U.S. currency. If, during the course of the Firm's representation, a rate adjustment becomes effective, we will notify you accordingly.

(b) **Expenses.** All clients are responsible for expenses incurred by the Firm in connection with the client's business. These out-of-pocket expenses include, but are not limited to, long distance telephone calls, cellular phone charges, copy expenses, parking costs, telex charges, corporate service charges to search firms, facsimile charges, associated counsel and expert fees, court reporter charges, witness fees, deposition transcripts, suit filing fees, process server fees, travel expenses including but not limited to mileage, food and lodging and all expenses.

(c) **Fee Policy.** Attorneys' hourly time rates are based upon all factors which the Firm considers in the operation of its business. All attorney time in connection with a matter is billed. The Firm does not charge on an hourly basis for the services of its secretarial staff or its administrative staff.

(d) **Security for Fees and Expenses.** The Firm reserves the right, in appropriate cases, to request security for fees and expenses in addition to the execution, by a responsible individual, of an engagement letter. Security for fees and expenses and the determination of what will constitute acceptable security, will be made by the Firm after consultation with the client. In addition, Florida law provides attorneys with liens upon materials coming into their possession to secure the payment of their fees. This retaining lien, as well as appropriate charging liens, may be asserted by the Firm in appropriate circumstances.

(e) **Contingent Fee Agreements.** In some instances, the Firm may consider a contingent fee arrangement, in the Firm's sole and absolute discretion. The Firm will comply with the Florida Supreme Court requirements in all such cases and required disclosures shall be furnished. Clients subject to a contingent fee arrangement are responsible for all expenses incurred in connection with their matters. The Firm reserves the right to charge and collect, upon the execution of an appropriate engagement agreement, an expense deposit to replenish expenses incurred or advanced by the Firm.

(f) **Dispute Settlement.** In the event any dispute of any nature arises concerning service by the Firm, the dispute shall be settled by the Legal Fee Arbitration Program sponsored by the Florida Bar; in the event the dispute involves an issue which the Legal Fee Arbitration Program is unwilling or unable to adjudicate, such dispute shall be resolved through binding arbitration before the American Arbitration Association (AAA) before a panel of arbitrators selected pursuant to, and operating under, the rules of the AAA. By executing the retainer agreement, the client makes a binding and final election to arbitrate in accordance herewith. In the event such arbitration is commenced, the award of the arbitrators shall be final, conclusive and binding. The expenses of such arbitration shall be paid by the non-prevailing party as determined by the arbitrators.

5. **Attorney Fees.** In the event of any judicial proceedings to enforce arbitration awards or otherwise, the prevailing party shall be entitled to recover its reasonable attorneys' fees and court expenses from the other party.

6. **Employment of Additional Professionals.** If the Firm deems it necessary to employ additional professionals with specialized skills and, after consultation with the client, the client deems it appropriate to do so, additional professionals may be employed by the Firm. In such event, where appropriate, the Firm will employ such professionals in the name of the client. Notwithstanding the form of employment of the professional, however, the client is obligated to pay the fees of the professional in full, upon the rendering of a statement. The Firm reserves the right to request and obtain an additional retainer to defray the fees and expenses of additional professionals employed in connection with a client matter. All fees and expenses of additional professionals shall be subject to the security provisions and other applicable provisions of this Policy Statement and Billing Practices.

7. **Withdrawal From Representation.** Our engagement letter provides that the client must fully cooperate with the Firm in a number of respects, which includes timely payment of progress billings. If we do not receive the full cooperation of the client or progress billings are not paid on a timely basis, we reserve the right to withdraw from representing the client from all matters in which the client has retained the Firm.

8. **Full Disclosure.** We encourage our clients to read and reread this Policy Statement from time to time, and to have a full and complete understanding of it prior to executing our engagement letter. The members of the Firm are available to answer any questions concerning it. It is our goal to serve our clients and avoid misunderstandings of any kind.