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**ATTORNEY-CLIENT AGREEMENT FOR BUSINESS AND NON-PROFIT MATTERS (as of Oct. 2023)**

**CLIENT NAME:** \_\_\_\_\_

*NOTICE: Until the law firm confirms receipt of this signed Agreement and the initial deposit, the firm and its attorneys are not representing you, and you should not look to them for legal advice nor expect them to track deadlines that may apply to your claims. If you have not returned this Agreement within two weeks of when it was sent, first verify we are still willing to represent you.*

**I. INITIAL MATTERS**

- The scope of representation is:

\_\_\_\_\_

- If any special provisions apply, they are typed in below by the law firm:

\_\_\_\_\_

\_\_\_\_\_

**II. PAYMENT BASICS**

- Deposit. An up-front deposit is required for future work and expenses to be billed against: \$5,000 for simple matters; \$10,000 if litigation or administrative action is expected/pending; and \$25,000 for complex matters. Any money left over at the end of representation will be refunded to you, but it is possible you might have to make additional deposits if the matter is not resolved promptly. You can make deposits by credit/debit card or e-check at our website [www.DepositToTrust.com](http://www.DepositToTrust.com) or via paper check, money order, or cashier's check.
- Hourly rates are as follows (taking into account David Schleicher was first licensed in 1989):

Conditions	David	Paralegal
prepaid rate (20% discount from standard rates)	\$380	\$140
standard rates (when prepaid discount not applicable)	\$475	\$175
hourly rate for travel between metropolitan areas	\$0	N/A
[charge for airfare, hotel, and mileage between/in larger cities]	\$0	N/A

**Principal Office** ■ 510 Austin Ave., Ste. 110 ■ Waco, Texas 76701 ■ 254.776.3939 ■ fax 254.776.4001

**National Capital Region** ■ 1629 K Street, NW, Suite 300 ■ Washington, DC 20006 ■ 202.540.9950

DAVID R. SCHLEICHER ■ licensed in DC, TX, & WA    KRISTOFER R. SCHLEICHER ■ Of Counsel—Fort Worth ■ licensed in GA & TX

- Prepaid rates. The discounted, prepaid rates apply only if: (1) funds remain in your trust account from your initial deposit; (2) beyond the initial deposit, you have a credit/debit card or checking account on file to be charged automatically as bills are issued; or (3) you have deposited sufficient additional funds to your trust account in advance of the next invoice to fully cover it when issued. The prepaid rates give clients discounted rates in exchange for the firm's not having to divert time and other resources to pursuing payment of invoices.
  - Failed payments. If option (2) above is chosen, in the event that an automatic card or e-check payment is returned NSF or otherwise declined (e.g., by bank or other payment processor), the firm may re-attempt the transaction without further notice to you. If the payment is again declined or returned, all attorney work on the matter may cease until the account is brought current and if future work is done it may be at the non-prepaid rates until the full balance is paid and arrangements are made to ensure future payments are successful and timely.
- Fees in event of favorable outcome. In the event of an administrative/court decision or settlement in your favor, you are responsible for repaying the firm the difference between the prepaid rates and standard rates. It works like this: (1) we typically seek to recover fees from the other side at the standard hourly rates; (2) any fees recovered first will be applied to reimbursing you for fees you already paid the law firm; and (3) any remaining amount you owe from the fee recovery will not exceed the total amount of fees recovered.
  - For example, if you had paid \$25,000 in fees at the prepaid rates—such that at standard rates the total would have been around \$31,250—then we typically would attempt to recover the full \$31,250 from the other side. Any fee recovery first would be applied in an effort to fully reimburse you the \$25k you had paid. Anything recovered beyond the \$25k would be kept by the firm. If less than \$25k were recovered in fees, it would all go to you and the firm would get nothing beyond what you paid. If \$31,250 were recovered, you would be reimbursed \$25k and the law firm would retain the remaining \$6,250 (beyond the \$25k you earlier had paid to the firm).

However, there are many circumstances under which fees may not be fully recovered, if at all, from the other side.

- Other attorneys. If work is needed by another attorney, that attorney's rates apply and may be different from David Schleicher's. For example, depending on the type of case, we may work with Kristofer Schleicher (of counsel to the firm; located in Fort Worth, Texas; licensed in Georgia and Texas) and/or Marsha Normand (located in Beaumont and licensed in Texas). In the unlikely event such an attorney travels on your behalf, travel expenses and travel time charges may apply.
- Expenses. You only will be billed for individual expenses that exceed \$100. Unlike many law firms, we do not otherwise charge per page for copies and faxing, nor for postage/delivery under \$100. For expenses expected to exceed \$200, or if you have any amount past due, you

may be required to make an advance deposit. Among items you may be charged for are court reporter charges, FedEx shipping (over \$50), trademark maintenance fees, and large copy jobs such as for exhibit books for hearing/trial.

- Time calculations. Attorney time is rounded to the nearest tenth of an hour; that is, in six-minute increments. For example, an email that took five minutes to draft would be billed at .1 hours (6 minutes) and a letter that took sixteen minutes to draft would be billed at .3 hours (18 minutes). As above, time spent in travel generally is at no charge to you *unless* spent actually working on your case, such as reading a deposition while on a flight or conferring by phone while driving.
- Effect of untimely payment by client. If client payment is not made timely, in addition to the prepaid discount not applying to any future work then one or more of these may happen:
  - (1) interest may be applied to past-due amounts, at a compounding rate of ½ % (one-half percent) per calendar month, or such lower rate as may be required by law;
  - (2) attorney work on the matter may cease;
  - (3) you will not receive the benefit of the prepaid rate for any future work; and
  - (3) if non-payment continues, representation may be terminated.

Depending on the stage of the case, you may have a right to have a judge review the withdrawal of your attorneys from representing you.

- No loans to clients. The firm does not loan clients money and only in extremely rare cases handles matters on a contingency basis (i.e., where a client pays fees only if winning).
- Bankruptcy. The filing of bankruptcy substantially complicates the handling of your case and can easily end your ability to pursue a claim further. You agree to notify the firm prior to filing for bankruptcy so such issues can be discussed in advance. As well, absent written approval from the firm to the contrary, a client's filing of bankruptcy ends future representation under this Agreement, unless some ethical or legal obligation requires a different outcome (for example, you might be able to object to a judge about the withdrawal if in litigation).
- Payment deadline. When a prepaid discount is not applicable, you have 30 days from the date a bill is issued for us to receive your payment of it. Whether for an initial deposit or later payment/deposit, paper checks may be scanned and processed electronically, appearing as an electronic funds transfer in your account, in which case the check may not be returned to you by your bank. For clients getting the prepaid discount due to having a card or checking account on file, payment will be processed several days after the bill is sent to you.

- NSF charges. If a check or ACH/e-check payment is refused due to insufficient funds, we may add to your bill the amount we are charged by our bank and/or payment processor as a result, but no more than the maximum allowed by law.

### III. BILLING

- Frequency. You generally will be billed around once a month, with both a statement to show recent payment history and then an invoice reflecting details for the current period. Billing may be less frequent than monthly when the amount due is small. If you have a question or concern about an item on a bill, you agree to raise it within 30 days of the bill's issuance date.
- Example charges. Some examples of categories and items for which you may be charged:
  - Attorney's fees: researching an issue, drafting a document to file with the court, talking to you on the phone, taking a deposition, negotiating a settlement, appearing at a trial or hearing, reviewing and answering emails, and attempting to enforce a settlement agreement.
  - Expenses: photocopies, FedEx;
    - > We will only charge you for any individual expense that exceeds \$100, not for every single photocopy, fax, and envelope. Items \$100 and under are FREE to you.
    - > *Where an individual expense/cost item is more than \$200, payment may be required up front, especially if there are not sufficient funds in your trust account to cover it.*  
--> *This could be in addition to other payments.*
  - Costs: court filing fees, process server charges, and court reporter deposition charges.
- Initial consultation. The initial/first consultation is FREE. However, you may be charged to the extent it ends up being more than a brief, preliminary discussion, such as when extensive papers have to be reviewed or an issue of law is researched. A charge for the extended portion of an initial consultation does not by itself establish an attorney-client relationship.
- Uncertainty. Unfortunately, there is no easy way to know up front the total cost of handling a lawsuit. Some cases settle quickly, while others have numerous depositions and a hearing/trial. Things like the number of motions filed and number of witnesses can cause costs to vary. Before your case goes to trial, a judge typically will order a mediation before a neutral third party and that adds costs as well. Some quickly resolved matters may have total charges of less than \$5,000, while a complex, drawn-out case may cost over \$100,000. Very generally, the more you have been involved in previous disputes with the same parties, the more likely it is to be expensive to resolve the latest one. A large amount of money being at stake also is an indicator for longer, more expensive litigation than otherwise might be the case. Often the more you are seeking to recover, the less likely a case is to be settled.

- Credit reporting. If permitted by bar association rules, we may report information about your account to the credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report. As required by law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your obligations under this Agreement.

#### IV. WHAT YOU MIGHT RECOVER IN EVENT OF A DISPUTE

- Risks. The cost of pursuing your claims should be considered an investment that should not be made unless you can afford to do without the money spent. Even a case viewed by a client as a “slam dunk” runs some possibility of losing. Dragging litigation out until the other side can no longer afford to continue is a frequent tactic of well-funded litigants. Some clients may end up recovering all the money they invested plus another 100% or more. Others may lose their entire investment. The outcomes vary with each case’s facts and circumstances and the personalities of those involved.
- Potential recovery. What you might recover depends on the type of claim you are pursuing and in what forum (such as administrative versus in court). For example, someone claiming a breach of contract might recover attorney fees if winning, but not mental anguish damages. Someone pursuing a tort claim such as defamation who wins might be eligible to recover mental anguish and other damages, but not attorney fees. Someone fighting the loss of a professional license might keep the license if prevailing but not be entitled to recover any damages or fees. There generally is no guarantee that you will get attorney fees paid back, even if you win or settle. While the firm intends to seek the recovery of fees from the adverse party as part of your claims where they are applicable, the court, jury, arbitrator or administrative tribunal may award none or a reduced amount as part of your recovery. Even if that happens, you are still obligated to pay the firm for fees as set out in this agreement.

You cannot recover punitive/exemplary damages from government bodies. Due to tort reform, even when suing a private party it is highly unlikely you would recover such damages.

- Deposition and expert witness charges. Depositions can be a considerable expense in litigation. You are paying not only for attorney time, but also per-page charges from the court reporter. You also may have to pay for copies of depositions taken by lawyers on the other side. If you win, it is typical for a court to award you the court-reporter charges you paid for depositions (as well as per-page charges for some filings). But if you lose, the court may order you to pay such costs to the other side. Whether your lawyer or the other side takes it, a deposition of multiple hours can cost \$750 or even \$1,500 or more for lengthy ones. In some cases, deposition and/or expert witness charges cannot be recovered even if winning, but incurring them may still be necessary for your case. Where expert testimony is needed to explain technical matters to the jury or judge, that is a considerable added cost.

- Frivolous. If a court finds claims to be frivolous or actions in litigation to be abusive, it may order the offending party to pay the other side's attorney's fees, a fine, and/or dismiss its claims. For such reasons and others, we will not pursue a claim if we conclude it is frivolous.
- Outcomes. A majority of cases that are not disposed of through a motion to dismiss or a motion for summary judgment settle rather than reach the point of a decision's being issued. When settlement is reached, it generally means that both sides have agreed to terms that are less favorable to them than they originally had hoped for. Settlement does not mean that either party won or lost. Settlement is a non-adversarial, businesslike way to conclude a dispute. You generally give up the chance to recover more (or for a defendant, to pay out less) in exchange for certainty you won't end up receiving far less (or paying out far more). A substantial percentage of cases are disposed of through the summary judgment process, in which one or both sides claim the law or facts are so clear that no trial is necessary.

#### V. ALTERNATIVES TO ENTERING INTO THIS AGREEMENT

- Delay. If you are planning to eventually hire a lawyer, keep in mind that the longer you wait to get one involved, the more likely you will have missed a deadline or failed to comply with some other requirement that may keep you from getting full relief later on. We strongly recommend against self-representation: it significantly increases your chances of losing. We decline prospective clients where a dispute has gone on too long to justify our involvement.
- Compare. You are encouraged to compare what we would charge you with the rates and terms offered by other attorneys. Among the practices you may encounter *with some other law firms that you generally will not with our firm* are the following:
  - > Charging a substantial up-front retainer that is non-refundable, even if your case is resolved shortly after you pay the retainer.
  - > As an alternative to an up-front retainer or an hourly charge (or in combination with a discounted retainer or hourly charge), a fee based on a contingency. For example, instead of charging you by the hour, a firm might charge 30%- 40% of all you recover. Finding an attorney to handle a business dispute case on a pure contingency basis often is difficult. [We only handle cases on that basis *very rarely*, involving extraordinary facts.]
  - > Charges on your bills for *all* expenses paid on your behalf, such as every document photocopied, every fax page sent, and every package mailed. We generally only charge when such items are more than \$50—items \$50 and under are FREE to you. (Note that where an individual expense is more than \$200 or you have any amount past due, we may require you pay it up front.)
- We recommend that you talk to at least two other attorneys besides our firm before you decide whether your claims are worth pursuing, which attorneys you should hire, and how much you are going to be willing to invest in the dispute. Another attorney may have a very

different view of how to handle your case, the likelihood of prevailing, or what to charge. Feel free to share this proposed agreement with other attorneys in comparing what they would charge you and for what. If our fees are too high for you, it may be that you can find a less experienced attorney whose rates would be affordable.

## VI. TERMINATION OF THE AGREEMENT

- Advance notice. Either you or we may terminate this Agreement with at least two weeks' advance written notice to the other side, with or without giving any specific reason for the termination. Termination by either side does not relieve the need to pay for prior work.
- Reasons. Among the more common reasons for termination by the firm are:
  - > non-payment, late payment, or other failures to cooperate timely in pursuing claims;
  - > inappropriate client attempts to micro-manage the dispute (as in dealing with a doctor or other professional, generally you will set the goals and then we will figure out the details of how best to try to achieve them, keeping you informed along the way);
  - > repeated client disregard of attorney legal advice;
  - > a conclusion that it would not be productive to further pursue your claims;
  - > client conduct that is dishonest or that we perceive to be so; and/or
  - > the filing of bankruptcy by a client (as noted earlier, this results in automatic termination of representation in the absence of a reason why it cannot).
- Conclusion. You will be notified at the conclusion that representation has been completed. After final bills are paid, any money remaining in your trust account will be returned to you.

## VII. DISPUTE RESOLUTION AND APPLICABLE LAW

- Bar rules control. The provisions below (and all others in this Agreement) are effective only to the extent that their application would not violate the law or bar association rules (e.g., Texas, D.C., and Washington bar associations as to David Schleicher). If there is any conflict between the law or bar association rules and any provision of this Agreement, then this Agreement is to be automatically and retroactively amended so as to be in compliance. If any provision of this Agreement is found to be unenforceable, the remainder of it and the intent of the unenforceable provision are to be given effect to the maximum extent possible.
- Texas law. Your relationship to the Schleicher Law Firm, PLLC and its employee David Schleicher is governed by Texas law, without applying choice-of-law rules, if allowed by law/bar rules. However, in the event of a fee dispute, it might be possible to submit it to the D.C. Bar fee dispute resolution program. Fees are considered earned and payable in Waco.

- Concerns. You agree to notify the attorney involved promptly of any concerns you have about how your dispute is being handled. If not resolved quickly to your satisfaction, you agree to set out your concerns in writing to the law firm.
- **BAR ASSOCIATIONS INVESTIGATE AND PROSECUTE PROFESSIONAL MISCONDUCT COMMITTED BY ATTORNEYS. ALTHOUGH NOT EVERY COMPLAINT OR DISPUTE WITH A LAWYER INVOLVES PROFESSIONAL MISCONDUCT, BAR ASSOCIATIONS CAN PROVIDE YOU WITH INFORMATION ABOUT HOW TO FILE A COMPLAINT. AS TO SCHLEICHER LAW FIRM, THE TOLL-FREE PHONE NUMBER FOR THE STATE BAR OF TEXAS OFFICE OF GENERAL COUNSEL IS 800-932-1900 AND THE DISTRICT OF COLUMBIA BAR ASSOCIATION MAY BE REACHED AT 202-737-4700. THE WASHINGTON STATE BAR ASSOCIATION MAY BE REACHED AT 800-945-WSBA OR [WWW.WSBA.ORG](http://WWW.WSBA.ORG).**

#### VIII. MISCELLANEOUS MATTERS

- Local counsel. Based on attorney licensing, if your case involves a suit outside of Texas, it likely will require hiring local counsel at additional cost and at different rates for their work.
- Conflicts. If, after representation starts, a conflict of interest arises between representing you and another client, we typically will determine which client we began representing first and it will be the other (newer) client from whose case we will withdraw.
- Ethics. We avoid unnecessarily antagonizing or being disagreeable to the other side about matters unrelated to the merits of your claims. This approach is the one least likely to needlessly run up your costs and most likely to get you the best possible outcome in settlement. This approach also is the one expected by courts and bar associations, as reflected in "A Texas Lawyer's Creed" ([www.txethics.org/reference\\_creed.asp](http://www.txethics.org/reference_creed.asp)), which you are encouraged to review. If you are looking for a lawyer to make you feel better by making the attorneys on the other side feel miserable, you should look elsewhere for representation. We likewise encourage you to read "Texas Standards for Appellate Conduct" at [www.legaethicstexas.com/Ethics-Resources/Rules/Texas-Standards-for-Appellate-Conduct](http://www.legaethicstexas.com/Ethics-Resources/Rules/Texas-Standards-for-Appellate-Conduct). The fundamental principles underlying such standards generally are that an attorney will pursue claims and arguments only if they have some merit, treat opposing counsel as a fellow professional, be honest with clients, and avoid misleading a court as to the law or facts.
- Entirety. This document is and incorporates the entire agreement between you and the law firm. This Agreement is between you and the firm, not between you and any individual attorney, unless required otherwise by bar rules. Other than what is set out in writing in this document, there are no other terms, representations, or promises, oral or otherwise. For a modification of this Agreement to be effective, it must be in writing, signed by you and an authorized attorney of the firm, be dated, and refer back to this original Agreement. You confirm you are not relying on information outside this Agreement in entering into it. Section and paragraph headings are reading aids only, not meant to limit or determine meaning.



- Lien for fees and expenses. Client assigns to the firm the right to collect any attorney fees for which the client is eligible and *grants a lien to the firm in any recovery to the extent necessary to fully pay for any law-firm charges outstanding as of the conclusion of the firm's handling of the dispute.* Except to the extent needed to repay you for amounts you earlier paid the firm (or as otherwise may be specifically set out to the contrary elsewhere in this Agreement), you hereby assign the proceeds from recovery of all fees, expenses, and costs to the law firm.
- Medical expenses. If you suing to recover medical expenses, the firm may be required by law to set aside a portion of the recovery to repay insurers/the government and pay healthcare providers for past services provided. If future medical expenses will be or are likely to be covered by Medicare, a separate account may be needed for some settlement proceeds.
- Insecurity of communications—No communication method is 100% secure or free from risk of misdirection—email, postal service, telephone, or otherwise. If you have something extremely confidential to communicate, we can make arrangements to receive it in an encrypted manner. If you use someone else's email system for personal legal matters, you may waive attorney-client confidentiality—likewise if you forward our emails to others.
- **PRESERVE** all emails, social media posts, and other electronic and paper records related to ongoing disputes. If you fail to do so, a court may assume that the lost information would have helped the other side if it had been preserved. **Exercise caution in discussing the dispute with other people**, whether in person or electronically, as you may be asked in discovery during litigation to identify all related communications (when, with whom, what was said) and to produce copies of all related documents (letters, emails, faxes, texts, posts, etc.).

*You are welcome to have an independent attorney review the terms and rates applicable to this Agreement to ensure that you understand them completely, that they are fair to you, and that they compare favorably with those offered by attorneys having similar levels of expertise and experience. By signing, you are acknowledging that you enter into this Agreement freely, aware of its meaning and likely legal effects. Do not sign until all questions you may have about this Agreement are resolved to your satisfaction. If you do not end up hiring this firm, you should immediately obtain other legal representation to protect your rights, as missed deadlines are a leading cause of death for legal claims, even if the claims otherwise have merit.*

I UNDERSTAND AND AGREE TO ALL THE TERMS ABOVE:

Name of Client (if different from signer below): \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name of Signer (include middle initial)

\_\_\_\_\_  
Signature Date

Title of Signer (if signing of behalf of company/organization): \_\_\_\_\_

PAPERLESS OFFICE: Please provide an email address to which we may send bills (Adobe PDF format) and other communications: \_\_\_\_\_

PLEASE PROVIDE YOUR CONTACT INFORMATION

Mobile Phone \_\_\_\_\_ Work Phone \_\_\_\_\_

U.S. Mail Address \_\_\_\_\_

Additional Email Address \_\_\_\_\_

Emergency/Alternative Contact Name/Number \_\_\_\_\_

*Thank you. Please return all pages of this Agreement by fax to 800-809-0473 or by email to [lawfirm@smallbiz.law](mailto:lawfirm@smallbiz.law) or [david@smallbiz.law](mailto:david@smallbiz.law), or via U.S. Mail or FedEx to Schleicher Law Firm, PLLC/510 Austin Ave., Ste. 110/Waco TX 76701.*

SAMPLE