



FEE POLICIES MEMO

*Understanding How You Will Be Billed by
The Rushforth Firm, Ltd.*

By requesting or accepting services from us, you agree to the terms of this memo unless we agree otherwise in a document signed by us. ***If you disagree with anything in this memo, in a fee agreement, or in any communication from us regarding billing, you must instruct us not to render any services until you and we have signed a written fee agreement; otherwise, you will be bound by the terms of this memo, any fee agreement, and all billing-related communication.***

1. **General Rule.** You agree to pay our fees and costs as billed. You will be billed by the hour for all services we render except to the extent we have agreed otherwise in writing. If we provide you a written fee agreement, you will be billed under the terms of that agreement and this memo; however, that fee agreement will supersede any contrary provision in this memo. This memo, together with any fee agreement provided to you, represents a disclosure of our fee policies, and, unless you promptly object to the disclosed terms in writing, your request or acceptance of services from us will constitute your agreement to pay our fees and costs as stated, whether or not you have signed a written agreement.

2. **Hourly Charges.** When services are “billed by the hour” or when “hourly charges” apply, you agree to pay for the time that we expend on your case, as calculated at our standard hourly rates that are in effect at the time the services are rendered, subject to the minimum charges provided for in subparagraph 2.i and paragraph 3 of this memo.

a. As of January 1, 2017, the hourly billing rates for the professionals in the Firm are: \$495 for attorney Layne T. Rushforth; \$395 for attorney Joseph J. Powell; \$325 for attorney Kennedy E. Lee; \$325 for attorney Daniel P. Kiefer; \$175 for legal assistants Anne C. Stokes and Kelly L. Meade; and \$60 to \$125 for secretarial and staff services (e.g., general typing, mailing, copying, and filing) that are requested by you. The current billing rate for any employee is available upon request.

b. Time is billed in tenth-hour (six-minute) increments, rounded to the next highest tenth of an hour. For example, a six-minute phone call is billed as one tenth of an hour, and a seven-minute phone call is billed as two tenths of an hour. For office consultations, there is a minimum charge of \$200, and we have the right to bill that charge for any appointment not cancelled at least 24 hours in advance. You will not be billed for telephone calls to discuss billing matters.

c. The time expended on your matter will include the time to prepare for meetings and consultations, including a file review, plus the time to prepare or dictate file memos or correspondence summarizing the meeting or consultation. For example, a pre-consultation file review and a one-hour consultation may generate a charge for 1.3 hours, and a six-minute phone call and a related file memo may generate a charge for two tenths of an hour.

d. Billable time will include all time expended on your matter, including the time we spend meeting or communicating with you, your other advisors, opposing parties and their counsel, and/or other third parties that are involved in the matter we are handling.

e. You will be billed by the hour for — and a base fee or a document charge never includes — all time we are compelled to expend (whether before or after the termination of our services) because of our services or your engagement of us, such as (but not limited to) acting as a witness, responding to subpoenas or discovery requests, or attending trials or other hearings. If our services occur after your death, this obligation be a joint and several obligation of your estate, any trust involved, and any other successor(s)-in-interest.

f. More than one professional may work on your case, and you will be billed for the time of each professional, even when the professionals confer or work together on your case.

g. For any out-of-office event, you will be billed for each person’s mileage charges (using the rate deductible for federal income tax purposes) and for each person’s time out of the office, including round-trip travel time, with a minimum charge for one hour of time for each employee. There is never a charge for notarial services other than the notary’s out-of-office time and mileage charges. Actual travel time will be billed even if the event is cancelled.



h. If services are required by a specific deadline and an employee of the Firm is required to work outside our normal business hours, we have the right to bill you for: (i) the additional cost we pay to compensate staff whose time is not billed; and (ii) the time of our billing professionals at a rate of up to 150% of our standard hourly rates.

i. There is a minimum charge for 10 (ten) hours on any weekend or holiday on which we are required to expend billable time (including travel time) outside of metropolitan Las Vegas.

3. **Half-Day Billing.** A special “half-day billing policy” will apply when an attorney: attends a trial or an evidentiary hearing (but not a routine probate-court hearing, calendar call, or other routine motion hearing); performs services that require travel out of the Las Vegas metropolitan area; or attends a deposition other than a deposition that is specifically scheduled with a time limit of four hours or less. When the half-day billing policy applies, our hourly fees will be billed in half-day increments, with a minimum charge of five billable hours for each half day (or fraction thereof) involved, including travel time.

4. **Travel:** When out-of-town travel is required, you will pay us for all expenses incurred by us, including air fare (coach class for flights under two hours and business class or first class — whichever is available and less expensive — for longer flights), ground transportation, and meals, as well as lodging if multiple days are involved. If attendance at an event requires an air flight with a scheduled departure from Las Vegas prior to 9:00 a.m., the employee may travel the day or evening before the event, and you shall pay the expenses of meals and lodging at a hotel at or near the location of the event. If a return trip requires an air flight with a scheduled arrival time at Las Vegas later than 9:00 p.m. on the last day of the event, the employee has the option to travel the next day, and you shall pay the expenses of lodging and meals for that extra night. Travel time includes all time between the office and the event location and all time on the return trip between the event location and the office.

5. **Base Fee and Document Charge.** We charge a “base fee” or a “document charge” for some legal services. A base fee or a document charge applies in lieu of hourly charges only if expressly stated in a fee agreement or in a written communication from us to you, and the fee agreement or communication will specify what legal services are included in that base fee or document charge. Except for services we have expressly agreed in writing to be included in a base fee or a document charge, hourly charges will apply.

a. A **base fee** is a minimum fee that covers only the services specified and is not all inclusive.

i. As to document preparation, unless provided otherwise in a fee agreement or written communication from us: (i) the base fee will include the initial draft and one revision, as well as professional time to review, explain, and revise the documents; (ii) three fourths of the base fee is earned when the initial drafts are prepared; and (iii) the base fee includes one minor revision of the documents. The balance of the base fee is earned when the documents are ready for signature, 45 days after the initial draft is sent, when you request a second revision, or when you terminate our services after receiving a draft, whichever occurs first.

ii. As to matters in the probate court, the base fee includes an attorney’s attendance only at those hearings that are specifically mentioned in a written fee agreement.

iii. If the base fee includes a specific number of hours of consultation time, that consultation time includes all time spent communicating with you.

b. A **document charge** is a minimum fee that pays only for the standard forms customized with names and addresses, and all other customization, consultations, and other professional time will be billed by the hour. The document charge is earned when the initial drafts are prepared.

6. **Base Fee and Document Charge Exclusions.** The base fee or document charge for document preparation does not include the inclusion of provisions that you ask to be incorporated from or coordinated with other documents, such as: (a) clauses in a will or trust required by a corporate trustee or other fiduciary; (b) clauses from prior wills, trusts, pre- or post-nuptial agreements, property settlement agreements, contracts, or divorce decrees; or (c) specific language required in buy-sell agreements, bylaws, stock restrictions, or company resolutions. The time it takes to review such documents and to incorporate requested provisions into



your legal documents will be billed by the hour. A base fee or a document charge never includes time communicating with your other advisors, and it never includes time expended outside normal business hours.

7. Additional Services. If you request additional legal services that were not originally anticipated, the time to render such services will be billed by the hour unless we specifically agree otherwise in writing.

8. No Guarantees. As to matters that are subject to interpretation by — or subject to the discretion of — a judge, arbitrator, other tribunal, a governmental agency (e.g., the Internal Revenue Service), or a fiduciary, we cannot guarantee any specific result. Any declaration by us of an expected result is an opinion, not a guarantee, and the payment of our fees is not dependent upon any result unless we expressly agree in writing to a contingency fee arrangement.

9. Disputed Matters. Without exception, all time related to disputes (including settlement negotiations, mediation, and discovery) is billed by the hour, and no estimated fee, base fee, or document charge includes such time. In addition, you will be billed by the hour for any time we expend by reason of our representation of you, such as testifying as a witness or appearing at depositions or hearings relating to the legal services we have rendered for you, regardless of who requests or compels our participation.

10. Excluded Services. Whenever we modify existing legal documents (such as by a trust amendment, a codicil to a will, or an addendum to a contract), we will amend and revise only the provisions you specifically have asked us to modify. Unless expressly engaged to do so, we will not review existing documents to determine if they accomplish your objectives or to see if additional changes are advisable, even when you provide us with a copy of such documents. If you want us to thoroughly examine your existing documents and make recommendations for improvement, you must specifically make that request, and, if you do so, you will be billed by the hour for the time we expend.

11. Approval of Documents. When we send you documents for your review and approval, you must advise us if any document requires changes at least one business day **before** the document is scheduled to be signed. This is true whether such documents were prepared by us or by anyone else. You must review a document before signing it to confirm that all requested changes have been made. Your signing of a document confirms that you have reviewed, approved, and accepted that document without any remaining concerns or questions. You agree that the time it takes for us to make any changes made to modify or correct a document less than one business day prior to the document-signing consultation or after the documents are signed will be billed by the hour, even if the error being corrected is ours.

12. Relying on You. You agree that we may assume that all information and documents you provide us are accurate, complete, and up-to-date, and that we have no duty to independently verify anything. You agree to truthfully and completely provide the information needed for us to properly advise you, cooperate with us, keep us informed of developments that affect our work, pay the amounts due us on time, and keep us advised as to how to contact you. You agree to pay us for all the work we do, even if the inaccuracy or insufficiency of the information provided us (a) makes work we have done unnecessary or (b) triggers additional work.

13. Retainer. A retainer represents an advance payment of legal fees and costs. A retainer is not a separate charge, and any amount not used when the work is completed will be refunded, except for the amount of any minimum fee and any other amount that is considered earned when paid. We have the right to request a retainer or an increased retainer and to set or modify a minimum retainer balance that must be maintained.

14. Trust Account. Unearned retainers are deposited into a trust account. Each trust account is an interest-bearing account; however, the interest earned by this account is paid to the Nevada Law Foundation for charitable distribution, and neither you nor us will be entitled to such interest or any benefit therefrom. You agree that we have the right to make payments from the trust account for all charges due us, as billed, and our billing invoices will reflect those payments. FDIC coverage on your funds in our trust account can be affected by deposits in your name in the same bank, but we assume no responsibility for your FDIC limits. Call us if you have concerns about FDIC deposit limits.

15. Estimated Fee. Any estimate of charges is not a minimum or maximum charge and is not binding.

16. Terms of Payment. You agree to pay The Rushforth Firm, Ltd. all fees and expenses, as billed, within



fifteen (15) days of the date of each billing invoice. A billing invoice that is not disputed by you in writing within 30 days of its date shall be deemed approved by you.

17. Courtesy Discounts. Any discounts — such as a courtesy discount, a reduced billing rate, billable time entries showing “no charge”, not billing for time or costs expended, or the cancellation of any charge — are contingent upon your: (1) paying us all amounts owed us when due; and (2) not asserting any claims or lodging a complaint against us. If those contingencies are not met, we have the right to reverse all discounts at any time.

18. Interest; Late Fee; Default. We do not agree to extend credit to you. To discourage late payments, we charge high interest and late fees. From the date of each invoice that is not paid within one calendar month of the invoice date, the Firm has the right to charge interest at the rate of 1.5% (one and one-half percent) per calendar month, compounded monthly (APY/EAR 19.56%). In addition, you agree to pay a monthly late fee equal to five percent (5%) of all amounts that are more than three months overdue (APY/EAR 79.59%). To further discourage late payments, interest and late fees are added to the amount due and both the interest and late fees are compounded until paid. Even if invoices do not show interest charges and late fees, until you pay us in full, as billed, we have the right to add interest and late fees at any time. We may bill for our services under multiple billing matters, but a late payment, delinquency, or other default on one matter will be treated as a late payment, delinquency, or default in all matters. We have the right to suspend all work on all matters or to withdraw from any or all matters if any unpaid amount is over 60 days overdue or if the unpaid balance (even if not overdue) exceeds \$5,000 or double the amount held as a retainer in the trust account, whichever is less. By accepting partial payments, we do not agree to do so in the future or waive the right to seek immediate collection of all amounts due.

19. Expenses. You agree to reimburse us for expenses incurred on your behalf, such as: postage; long distance calls outside of Canada and the United States; conference-call fees; photocopying; actuarial services; computer processing services or access fees for legal or tax research, document-retrieval services, and/or tax-return preparation; recording fees; filing fees (including fees for online filings); UPS, FedEx, and other delivery services; travel (based on mileage for private vehicular travel and based on actual expenses for commercial transportation); and parking expenses. If you request — or if the expeditious handling of your case requires — urgent delivery that UPS or FedEx cannot make, you agree to reimburse us for the costs actually incurred to make the delivery. If a member of our staff makes the delivery, you will be billed by the hour for the time, and you will pay any mileage expense that we pay to the staff member.

20. Advancement of Expenses. We may, subject to our discretion, advance expenses for filing fees, registrations, etc. You agree to reimburse us for such expenses, as billed or upon request.

21. Personnel; Nonattorney Professionals. The Firm has the right to select from its employees the persons who will perform the services to be rendered. A nonattorney professional (such as a legal assistant) may be used by the Firm to perform some of the work, but all legal documents will be reviewed by and all legal services will be supervised by a licensed attorney. If you request that all work done on your case be handled by an attorney or even a specific attorney and we agree to that request, then in addition to all other amounts you have agreed to pay, you agree to pay for all time expended by the requested personnel — billed by the hour in accordance with paragraph 2 — to render services that would have been performed by nonattorneys or by other attorneys at a lower rate, even if such services would have otherwise been included in a base fee or a document charge.

22. Termination of Services. Our duty to provide services ends upon the “effective termination date”, which is the date (1) you or we terminate the engagement, which either of us may do at any time for any reason, (but only as of the date approved by the court if court approval is required) or (2) the work is completed, whichever is earlier.

a. Billing on Termination. Fees will be billed through the effective termination date and are due thirty (30) days thereafter or, if earlier, when your documents are returned to you or transferred to another attorney at your request. If and when our services are terminated, we will be entitled to compensation for all time expended by us to comply with your instructions, including — but not limited to — all time spent (whether before or after the termination): (i) to transition the file to another attorney or firm and to

cooperate with such attorney or firm in taking over the case; (ii) to contact and correspond with interested parties and third parties to inform them of the disengagement of the Firm; (iii) to perform services required by a court; (iv) to collect all amounts due us; and/or (v) as provided in subparagraph 2.e, above.

b. Responsibilities on Termination or Withdrawal. After our services are terminated, we will have no responsibility to complete the work we were engaged to do except to the extent we agree to do so in writing or are required by law or by a court to do so. You remain liable for all fees and costs incurred prior to the effective termination date and all fees provided for in subparagraph 2.e, above.

23. Fee Disputes. As to cases over which the probate court has jurisdiction, you agree to resolve fee disputes in the probate court. You agree that we may choose to resolve other fee disputes by written arbitration through the State Bar of Nevada; however, if one or more hearing or other proceedings are required, all such hearings and proceedings shall be held in Las Vegas, Nevada. Nothing herein precludes us from seeking a judgment against you in a court of law or seeking other judicial remedies, such as the imposition or enforcement of a lien.

24. Confidentiality. We will keep your confidential information private in accordance with our privacy policy, which is on our web site at <https://www.rushforthfirm.com/privacy.pdf>.

25. This Memo. This memo is kept up-to-date on our web site at <http://rushforthfirm.com/billpay/feepolicies.pdf>. Once a new version is posted on our web site, its terms will supersede any prior version as to all services subsequently rendered. While an updated memo will not supersede contrary terms in the body of a fee agreement signed by us, it will replace the Fee Policies Memo that is attached to or provided with the fee agreement.

26. Terms. “*Firm*” refers to The Rushforth Firm, Ltd., and the first person plural pronouns (“*we*”, “*us*”, “*our*”, etc.) refer to the Firm. A “*fee agreement*” includes any written document provided by us to you in which you authorize us to perform services and agree to pay our fees. It may be in the form of an engagement letter or a document authorizing us to perform services. The terms “*fees*” and “*legal fees*” refers to the compensation charged by the Firm for services rendered by attorneys and nonattorney professionals and by our staff, but those terms do not include out-of-pocket expenses. The term “*professional*” refers to an attorney, a law clerk, or a legal assistant. The term “*staff*” refers to our employees who are not professionals. The second person pronouns (“*you*”, “*your*”, “*yours*”, etc.) refer to the client or, if deceased, the estate and each other successor-in-interest of the client. If “*client*” refers to more than one person, all such persons are jointly and severally liable, which means that each person is individually liable for the full amount of the client’s obligations to pay the amounts due us. If one or more individuals who engage us does so in any representative capacity (e.g., officer, director, executor, trustee, agent, etc.), the individuals and the entities for whom they act shall be jointly and severally liable for the client’s obligations, which means that each entity and each individual acting for such entity is individually liable for the full amount of the client’s obligations. The time for a “*consultation*” with an attorney includes all time that you and an attorney are communicating. “*Communicating*” or “*communications*” includes (but is not limited to) office consultations, telephone conversations, Internet conferences, and all forms of correspondence (e.g., fax, postal mail, and/or e-mail). An “*event*” includes a consultation, a trial or other court hearing, deposition, or meeting. “*Normal business hours*” are between 8 a.m. and 5 p.m., Monday through Thursday and between 8 a.m. and 4 p.m. on Fridays and do not include any time during a weekend or a holiday.

[Version of January 1, 2017]