

Sample Letters

Disclaimer

The following sample letters are to be used as a guide or example, and must be adjusted to suit your client's needs. Lawyers Mutual Insurance Company of Kentucky hereby disclaims any and all responsibility or liability that may be asserted or claimed arising from, or claimed to have arisen from, reliance upon the use of any of these samples by any person.

Sample Letters And Optional Paragraphs

The basis for the following sample letters and optional paragraphs are taken from a variety of sources to include the state bars of California and Wisconsin, and several Internet risk management websites. They have been edited as necessary to better accommodate Kentucky practice.

Optional Letter of Engagement Clauses

1. Fixed Fee Clause

Client agrees to pay a fixed fee of \$___ for Attorney's services under this Agreement. The fixed fee is due by___. Attorney shall have no obligation to provide services to Client until the fixed fee is paid in full. The fixed fee is earned as services are provided. At the conclusion of the matter any portion of the fixed fee unearned will be refunded to the Client.

2. Division of Fee Clause

It is agreed that Attorney will associate with another attorney, [*name*], who will assist Attorney regarding the representation. [*name*] will be compensated out of the fees which Attorney otherwise will earn under this Agreement. This division of fees will not increase the fee or expenses due from Client should Attorney obtain a recovery on behalf of Client.

3. Interest Charges Clause

If a billing statement is not paid when due, interest will be charged on the principal balance (fees, costs, and disbursements) shown on the statement. Interest will be calculated by multiplying the unpaid balance by the periodic rate of ___% per month (___ PERCENT [__%] ANNUAL PERCENTAGE RATE). The unpaid balance will bear interest until paid.

4. Evergreen Retainer Clause

To commence the representation, Client has provided [must provide] Attorney with a \$___ advance retainer. Attorney will hold the retainer in Attorney's trust account and apply it to each statement when rendered by Attorney. Client will pay any additional balance due upon receipt of Attorney's statements each month and also will replenish the retainer each month in the amount of all payments made to Attorney from the advance retainer. At the conclusion of the matter, the retainer will be applied to the final statement, in which event Client will be responsible for any amount due over and above the retainer or be entitled to a refund of any amount remaining after the final statement is satisfied in full.

5. Non-Refundable Retainer Clause

Client agrees to pay a nonrefundable retainer of \$___ applicable to Attorney's services described in this Agreement. This non-refundable retainer agreement is effective until the completion of those services. The non-refundable retainer is due by___. Attorney shall have no obligation to provide services to Client until the non-refundable retainer is paid in full. The non-refundable retainer is earned in full by Attorney upon payment.

I hereby acknowledge that I have been informed in writing of the requirement for payment of a non-refundable retainer of \$_____ for the services to be provided under this Agreement. I hereby give my informed consent to payment of this non-refundable retainer.

Client's Signature

Date