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2020 ATTORNEY-CLIENT AGREEMENT FOR FEDERAL EMPLOYEES

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 (note that the firm does not handle workers comp issues):

SAMPLE

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

SAMPLE

II. PAYMENT BASICS

- A \$5,000 up-front deposit is required for future work and expenses to be billed against, or \$10,000 if litigation (e.g., in court or before an administrative agency) already is underway. 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; via paper check, money order, or cashier's check; or texting payment information to 202-607-7921. Hourly rates are as follows:

CONDITIONS	DAVID	PARALEGAL
pre-paid rates (45% discount from standard rates)	\$327.25	\$95.15
standard rates (drawing from 2019-2020 Laffey Matrix rates set by U.S. Attorney's Office for District of Columbia for certain cases where United States is a defendant, as to an attorney licensed in 1989)	\$595	\$173
rate for travel between larger metropolitan areas (no charge for airfare or hotel either between/in such cities)	\$0	N/A

- The discounted, pre-paid rates apply so long as: (1) funds remain in your trust account from your initial deposit; (2) beyond the initial deposit, you already 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 pre-paid rates give clients discounted rates in exchange for the firm's not having to divert time and other resources to pursuing payment of invoices.
- If option (2) above is chosen, in the event that an automatic card or e-check payment is declined/returned NSF by the payment processing system, 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.
- In the event of an administrative/court decision or settlement in your favor, we will seek fee recovery from the government at the highest applicable then-current rates under the *Laffey* Matrix (www.justice.gov/usao-dc/civil-division). That is, if *Laffey* rates increase from the ones on page one of this Agreement, we'll seek recovery at the newest rates. Any difference between what you end up paying and the *Laffey* rates is in effect a contingency fee that is dependent on successful resolution of your case. Any fees and expenses recovered from the other side (whether by settlement, judgment, or otherwise), are applied in this order: (1) to any balance due on your account for fees or expenses; (2) to reimburse you for any fees/expenses you earlier paid; and any beyond that are (3) retained by the law firm to compensate for the difference between the discounted rate you received and the firm's standard rates and for the fact the firm often does not charge for travel time or hotel/airfare.
- 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 work with one or more of Kristofer Schleicher (of counsel to the firm; located in Fort Worth, Texas; licensed in Georgia and Texas), Mike Coster (located in Nevada; licensed in Virginia and Utah), and Marsha Normand (located in Beaumont, Texas; licensed in Texas). In the unlikely event one of them travels on your behalf, travel time charges and/or hotel/airfare may apply.
- You only will be billed for individual expenses that exceed \$50. Unlike many law firms, we do not otherwise charge per page for copies and faxing, nor for postage/delivery under \$50. 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.
- 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.

- In the unlikely event that you do not make payment timely, one or more of these may happen:
 - (1) interest will be applied to past-due amounts, at a compounding rate of 1/2% (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 pre-paid 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.

- 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).
- The filing of bankruptcy by a client substantially complicates the handling of a 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, the 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).
- When a pre-paid 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.
- 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

- You generally will be billed around once a month. You will be given 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.
- 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 \$50, not for every single photocopy, fax, and envelope. Items \$50 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, trademark maintenance fees, and court reporter deposition charges.

- 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.
- Unfortunately, there is no easy way to know up front the total cost of handling your case. 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 matters have had total charges of less than \$5,000, while a very complex, drawn-out case in multiple forums 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. For example, in an employment case, prior disciplinary history predicts lengthier litigation. 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.
- To the extent 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 obligation.

IV. WHAT YOU MIGHT RECOVER

- The cost of pursuing your claims should be considered an investment and one 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.
- 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, an employee with a successful discrimination claim might also recover compensatory damages, such as emotional distress,

humiliation, and loss of reputation. On the other hand, a breach-of-contract claim generally allows recovery of economic damages, but nothing for pain and suffering. There generally is no guarantee that you will get attorney fees paid back, even if you win or settle. The claims asserted in your matter may involve statutes or contracts that provide for the recovery by the prevailing party of attorneys' fees from the adverse party. While the firm intends to seek the recovery of fees from the adverse party as part of your claims, the court, jury, arbitrator or administrative tribunal may award none or a reduced amount as part of your recovery. 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.
- 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 \$500 or even \$1,000 or more for lengthy ones. In some administrative cases, deposition charges cannot be recovered even if you win, but incurring them may still be necessary to pursue your case.
- If a court finds your claims to be frivolous or actions in litigation to be abusive, you may be ordered to pay the other side's attorney's fees or a fine.
- A majority of cases settle rather than reach the point of a decision 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). Another substantial percentage of cases are disposed of by summary judgment, a 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

- 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 and believe that it significantly increases your chances of losing.
- 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 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. (However, a retainer does generally apply in cases where the charge is based on a flat-rate, rather than hourly, fee.)
- > 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 entirely 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 federal-employee 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.

VI. TERMINATION OF THE AGREEMENT

- 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 does not relieve the need to pay for prior work.
- 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).
- You may have the right to ask a judge to deny the withdrawal, if a case already is underway.

- 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

- 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).
- Your relationship to the Schleicher Law Firm, PLLC and its employee David Schleicher is governed by Texas law, without applying its 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, Texas.
- 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.**

VIII. MISCELLANEOUS MATTERS

- David Schleicher is admitted to practice in Texas, District of Columbia, and Washington State; Kristofer Schleicher in Georgia and Texas. They also are authorized to appear before various federal courts, as outlined in the biographical information at www.smallbiz.law. If your case requires filing a lawsuit (versus administrative action) in a court other than in DC, GA, TX, or WA, it might require hiring local counsel at additional cost.
- If, after representation starts, a conflict of interest arises between representing you and another client, we will determine which client we began representing first and it will be the other (newer) client from whose case we will withdraw, consistent with bar-association rules.
- 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), 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.legalethictexas.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.

- This document represents 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.
- If there is any conflict between the law or bar-association rules and 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.
- 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.
- If you are 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 services provided in the past. As well, if future medical expenses will be or are likely to be covered by Medicare, a separate account may have to be set up from 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 a work email account for personal legal matters, you may waive attorney-client confidentiality—likewise if you forward our emails to you on to someone else.
- **PRESERVE** all emails, social media posts, and other electronic and paper records related to the dispute. 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, text messages, 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:

SAMPLE

Signature

Printed Name of Client (include middle initial)

Signature Date

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

PLEASE PROVIDE YOUR CONTACT INFORMATION: Home Phone _____

Mobile Phone _____ Work Phone _____

U.S. Mail Address _____

SAMPLE

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 david@gov.law or david@deepstate.law, or via U.S. Mail or FedEx to Schleicher Law Firm, PLLC/1227 N. Valley Mills Dr., Ste. 208/Waco, TX 76710.