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ATTORNEY-CLIENT AGREEMENT FOR FEDERAL EMPLOYEES (AS OF JULY 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 (note that the firm does not handle workers comp issues):

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

II. PAYMENT BASICS

- A \$10,000 up-front deposit is required to be billed against for future work and expenses. Any money left over at end of representation will be refunded to you, but it's likely you may have to make additional deposits if the matter is not resolved quickly. Hourly rates are:

| CONDITIONS | DAVID | PARALEGAL |
|---|----------|-----------|
| prepaid rates (45% discount from standard rates) | \$442.20 | \$121 |
| standard hourly rates (Drawn from current Fitzpatrick Matrix rates set by U.S. Attorney's Office for District of Columbia for cases where United States is a defendant, as to an attorney licensed since 1989. <i>Rates subject to later increase to align with then-current Matrix.</i>) | \$804 | \$220 |
| Hourly rate for travel between larger metropolitan areas | \$0 | N/A |
| Expense charge for airfare and hotel in metro areas | \$0 | N/A |

- The discounted, prepaid rates apply only so long as either: (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.

- How rates for federal employees were set, beyond reliance on the Fitzpatrick Matrix:
 - The firm has a worldwide federal employee practice, having represented clients from Alaska to California, D.C. to Florida, Texas to Nebraska, Hawaii to Georgia, Europe to Africa, and South Korea to Brazil. We apply the same rates regardless of location.
 - Attorney David Schleicher has handled federal employee cases before federal district and appellate courts, the Merit Systems Protection Board, the EEOC, and Office of Special Counsel. He also has handled matters involving testimony to Congress.
 - Attorney David Schleicher has been licensed over 33 years and is a member of the D.C., Texas, and Washington State bar associations.
 - Consistent with the scope of the practice, this firm does not charge for attorney time spent in travel between metropolitan areas within the United States. Nor does this firm charge clients for airfare/hotel within the U.S.
 - The offer of the prepaid discount takes into account the financial burden that market rates could impose upon even a well-compensated employee. They are intended to provide an affordable option for skilled representation to public service employees.
 - Some firms handling federal employee matters charge the standard Fitzpatrick Matrix rates nationwide, with no prepaid discount, and charge clients for attorney travel.
 - The most recent fees decision involving our firm as of the time of the updating of this agreement found \$754/hour to be a reasonable hourly rate for work in the past by attorney David Schleicher. (June 2023 ruling by an EEOC judge out of San Antonio.)

- 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 agency at the applicable Fitzpatrick Matrix 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 \$45k—then we typically would attempt to recover the full \$45k from the agency. 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 earlier paid. If \$45k were recovered, you would be reimbursed \$25k and the law firm would retain the remaining \$20k (in addition to the \$25k you earlier had paid to the firm).
 - Note that later Fitzpatrick Matrix rates may increase not only as to overall amounts but also due to increased years of experience of the attorney (capped at 35+ years).

- Work by 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 other attorneys. In the unlikely event one of them travels on your behalf, travel time charges and/or hotel/airfare may apply as well.
- Charges for expenses. 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, so long as an item is 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 (if over \$50), and large copy jobs such as for exhibit books for hearing/trial.
- Rounding of attorney time. 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* the time is spent actually working on your case, such as reading a deposition while on a flight or conferring by phone while driving.
- Rejected payments. 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. An NSF fee of \$20 may be applied (\$10 for clients in Puerto Rico).
- Impact of a past-due bill. In the unlikely event that you do not make payment timely, 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 may not receive the benefit of the prepaid rate for future work; and
 - (3) if non-payment continues, representation may be terminated.

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

- No loans. The firm does not loan clients money and only in extremely rare cases handles matters on a full contingency basis (i.e., where a client pays fees only if winning).

- Bankruptcy. The filing of bankruptcy by a client substantially complicates the handling of a case and can easily end your ability to pursue your claims any 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 immediately 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 at the time).
- 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 processed electronically, appearing as an electronic funds transfer in your account, with the bank not returning the check to you.

III. BILLING

- Timing. You generally are billed about once a month. You'll 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. 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.
- Examples of 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 (for example, photocopies, FedEx shipping):
 - > 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, 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 documents 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.

- **Inherent unpredictability of total cost of pursuing case.** 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. Factors like the number of motions filed and number of witnesses can cause costs to vary. Before a district court case goes to trial, a judge typically will order a mediation before a neutral third party and that can add cost 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 EEO complaints or disciplinary history predict lengthier litigation. A large amount of money's 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 bureau reporting.** To the extent permitted by bar association rules, we may report information about delinquent accounts to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected on 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 here.

IV. WHAT YOU MIGHT RECOVER

- **Risks of loss versus recovery.** 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 widely with each case’s facts and circumstances as well as the personalities of those involved.
- **Potential recoveries.** 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 for emotional distress, humiliation, and loss of reputation. Other claims might allow only recovery of economic damages, but nothing for pain and suffering, or even allow only prospective relief. There generally is no guarantee that you will get attorney fees paid back, even if you win or settle. Sometimes being the prevailing party is sufficient to make it likely you would recover some attorney fees, but in other situations fees may not be recoverable absent a finding from the judge that, in essence, the employer should have known better than to take the action it did. While the firm hopes to recover fees/expenses from the agency as part of your claims, it may be the judge/jury or other decisionmaker might award none or a reduced amount. You remain obligated to pay for work done even if that happens. Note that you generally cannot recover punitive/exemplary damages from government bodies. Unless a claim is deemed frivolous, typically an agency can’t recover attorney fees from you.

- Deposition expenses. 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, a court often will award you the cost of 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 over \$750 or even \$1,500 or more for a lengthy one. In some types of cases, deposition charges cannot be recovered even if you win, but incurring them may still be necessary to pursue your case. Costs for things like filing fees, depositions, and copies can sometimes exceed \$1,000 or even \$5,000, with the prevailing side generally entitled to recover those sort of charges from the losing party.
- Frivolous claims. 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, a fine, and/or have your claims dismissed. Because we tell clients when it is our professional opinion they should drop a case, so far we have been fortunate in never having a client penalized for a frivolous claim.
- Frequent outcomes. A majority of cases are resolved by either being thrown out by a judge prior to reaching a trial/hearing or by being settled prior to trial/hearing. If a case proceeds to hearing/trial it typically means either the agency feels confident of victory or that it perceives the employee's demands to be unreasonable. 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 an agency, they give up the risk of owing more) in exchange for certainty about outcome and avoiding the potential for a more extreme result.

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 regularly turn down prospective clients who are so far along in their cases that there is now too low a likelihood we could make a difference in the outcome.
- 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 others that you generally will not with our firm are:
 - > 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 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 is difficult.

- > 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.
- Check with others before deciding. 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 does not relieve the need to pay for prior work.
- Examples of 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).
- Possible right to seek court intervention. You may have the right to ask a judge to deny the withdrawal, if a case already is underway.
- Conclusion of matter. You'll be notified when 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

- Rule compliance. All provisions 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).
- Applicable law. Your relationship to the Schleicher Law Firm, PLLC and its employee David Schleicher is governed by your choice of D.C. or Texas law, without applying its choice-of-law rules, so long as allowed by law/bar rules. In the event of a fee dispute, it might be possible for you to submit it to the D.C. Bar fee dispute resolution program. Fees are considered payable in D.C. or in Waco, Texas.
- Notice of 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.**

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, 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 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.legalethicstexas.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. You confirm you are not relying on information outside this Agreement in entering into it. Paragraph and section headings are reading aids rather than limits on meaning.
- 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 any 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 for 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. Any time something highly confidential is to be communicated, consider doing it via cell phone to cell phone, whether by voice or secure text message, rather than using email.
- **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, texts, posts, etc.).

