**Sample Flat Fee and Hourly Agreement**

**[LAW FIRM] FLAT FEE AND HOURLY AGREEMENT**

**SCOPE: \_\_\_\_\_\_\_\_\_** hires **[NAME/LAW FIRM]** to pursue claims he or she may have in connection with the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ matter more particularly described as follows: [INSERT DESCRIPTION OF REPRESENTATION OF WHAT YOU SPECIFICALLY ANTICIPATE DOING FOR THE FLAT FEE BELOW, INCLUDING WHEN THE REPRESENTATION STARTS AND WHEN THE REPRESENTATION CONCLUDES (e.g. DECREE IS ENTERED). ALSO INDICATE WHAT IS NOT INCLUDED IN THIS FEE AGREEMENT, (e.g. APPEAL, MISTRIAL, QUADRO).

**FLAT FEE:** You have hired us on a flat fee and hourly basis. You will pay us $\_\_\_\_\_\_ as the flat fee portion for the representation described in the SCOPE section of this fee agreement, above. This fee is earned-on-receipt, and will not be deposited into our client trust account.

**REFUND OF FLAT FEE:** If you terminate the representation before we have provided all legal services described in this agreement, you may be entitled to a refund of all or part of the flat fee based on the value of the legal services performed prior to termination.

**HOURLY FEE:** You have also hired us on an hourly basis. Following your use of those services specifically described in the SCOPE above, we will bill for lawyer services at a rate of $\_\_\_\_\_\_ per hour for any additional services, identified in the attached Schedule B. Any additional services must be different than those listed in the SCOPE section of this agreement and we will begin providing additional services only after fully consulting with you and obtaining your informed consent that we may proceed with the additional services. Other lawyers and non-lawyer professionals may also work on your case. These other individuals will bill in accordance with the hourly rates set forth in the attached Schedule A, which is hereby incorporated into this agreement.

It is impossible to determine in advance how much time will be needed to handle your case. Any figures quoted to you for the total cost of our services are merely estimates. The opposing party, or others, may engage in activities beyond our control that require an expenditure of time not originally contemplated.

Neither the flat fee nor the hourly fee includes costs and expenses which must be paid or reimbursed separately.

[SCHEDULE B WILL NOT EXIST UNTIL AFTER CONSULTATION WITH THE CLIENT AND THE SPECIFICS OF ANY ADDITIONAL SERVICES ARE IDENTIFIED TO THE CLIENT. SCHEDULE B SHOULD INCLUDE A SIGNATURE LINE FOR THE CLIENT THAT THEY HAVE BEEN CONSULTED, REVIEWED THE SCHEDULE AND APPROVE THE ADDITIONAL SERVICES TO BE RENDERED AT AN HOURLY BASIS.]

**COSTS AND EXPENSES:** You agree to pay for all actual out-of-pocket costs and expenses we incur on your behalf. Typical costs and expenses include: filing fees, service of process, depositions, expert witness fees, travel costs and expenses, long-distance telephone calls, outgoing fax (at XXX per page), Federal Express, courier services, and delivery charges, photocopying (at XXX per page), wire transfers and online database retrieval charges (Lexis, Westlaw, etc.).

We may elect to cover certain out-of-pocket costs and expenses on your behalf, but we reserve the right to seek reimbursement from you. You agree to reimburse us for such out-of-pocket costs and expenses. We will not incur costs and expenses in excess of [$XXX] on your behalf without first obtaining your consent.

**TERMINATION OF REPRESENTATION AND POST-REPRESENTATION MATTERS:** Either party may terminate the representation at any time, subject to our obligations under the Rules of Professional Conduct and the approval of the court if the matter is in litigation.

Unless previously terminated, our representation will terminate upon completion of the legal services described in this agreement. You understand we have no continuing obligation to represent you unless you hire us to provide additional advice or services.

**CLIENT’S RESPONSIBILITIES:** We cannot effectively represent you without your cooperation and assistance. You agree to cooperate fully with us and to promptly provide all information known or available to you that is relevant to the representation. Your obligations include timely providing requested information and documents, assisting in discovery, disclosure and trial preparation, cooperating in scheduling and related matters, responding timely to telephone calls and correspondence, and informing us of changes in your address, telephone numbers and e-mail address. It is important that you retain all communications from and to us, including e-mails and attachments to e-mails.

**SETTLEMENT:** We will not enter into a settlement without your consent.

**DISBURSEMENTS:** The Ethical Rules place certain limitations upon the disbursement of funds from client trust accounts. In some cases, this may require us to wait 10 business days after depositing a financial instrument before disbursing the funds to you or a third party.

**DOCUMENT RETENTION:** At the end of the representation, we will turn over the file (hard copy or electronic) to you. If you do not want the file, you agree the file may be destroyed in accordance with our document retention policy. Currently, it is our policy to destroy files five years after the termination of the representation.

[NOTE TO LAWYER: You may need to modify the retention term depending on the type of representation and whether you have accepted original documents from the client. *See* Ariz. Ethics Op. 08-02]

**ARBITRATION OF FEE DISPUTES:** If a dispute arises between you and us regarding our fees, the parties agree to resolve the dispute through the State Bar’s Fee Arbitration Program. Either party may initiate fee arbitration by contacting the State Bar’s Fee Arbitration Coordinator at 602.340.7379.

**NO ADVICE REGARDING THIS FEE AGREEMENT:** We are not acting as your counsel with respect to this agreement. If you wish to be advised on whether you should enter into this agreement, we recommend you consult with independent counsel of your choice.

**NO GUARANTEES HAVE BEEN MADE AS TO THE FINAL OUTCOME IN YOUR LEGAL MATTER**.

**DATED** this day of , 20\_\_. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Client’s Name

**DATED** this day of , 20\_\_. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Lawyer’s Name