

KORNFELD TRUDELL BOWEN & LINGENBRINK, PLLC

A PROFESSIONAL LIMITED LIABILITY COMPANY

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CLIENT ENGAGEMENT AGREEMENT

(Contingent Fee)

Background and Context:

This is an agreement, which establishes a professional relationship between the firm of Kornfeld Trudell Bowen & Lingenbrink, PLLC and the undersigned Client who has suffered a personal injury and seeks assistance from this firm as Client's representative in obtaining fair compensation.

Retainer and Fee Agreement:

1. **Employment of Attorneys.** Upon the signing of this agreement, you, as the Client, employ this firm as your attorney to act on your behalf by investigating, negotiating, and if necessary, litigating your claim for damages as a result of a personal injury sustained by you or a minor for whom you are guardian or parent. You agree that in employing this firm, several of the firm personnel will be involved in the tasks of this case, and, as a result, more than one attorney may be involved in representing you. The Client acknowledges that the primary contact will be with the attorney and the paralegal assigned to your case. Both the attorney and the paralegal will work on client's file. Client agrees to communicate and cooperate in providing information to both the attorney and the paralegal. It is critical to the professional relationship fashioned by this agreement that you be candid and forthright in discussing the details of your case with the attorney and the paralegal. All conversations between you and the professionals of this firm are strictly confidential and are privileged from compulsory disclosure. Client agrees to notify the firm immediately upon change of address or phone number.

2. **Fee Structure.** The billing for this matter will involve two types of items--(1) "Fees" the amount due for the attorney's services and the services of other professionals within the firm, and (2) "Costs," the expenses for the services of outside consultants or vendors, and any out-of-pocket expenses of the firm, including such items as messenger or process service fees, investigators, filing fees, recording fees, copying charges, expert witness fees, court reporter fees for depositions, travel expense, and parking. This list is not intended to be an exhaustive list of all costs which could be incurred in your case as costs.

3. **Payment of Fees and Costs.** You agree to reimburse the firm for all "costs" incurred on your behalf as your agent in this matter. The firm will advance costs on your behalf, however, arrangements for the payment of costs may be required prior to trial. You have the option of paying all or part of these costs as they are incurred, and if requested they may be billed to you

monthly. Unpaid costs may incur a finance charge assessment of up to 12% per cent per annum, to be calculated upon resolution of your case. Your total advanced costs will be reimbursed to the firm from any proceeds arising from preliminary or final resolution of the matter.

You also agree to pay this firm one third (1/3) of the amount recovered for you. The "amount recovered" includes all sums paid to you as a result of this firm's representation of you and negotiation on your behalf including PIP, UIM/UM, property damage or a third party's insurance coverage. "Amount recovered" excludes any award of sanctions or attorneys fees for services rendered by this firm. In the event that attorneys fees are awarded to this firm, such an award shall be allocated solely to the law firm, except such an award shall be credited on a dollar for dollar basis against any fee recovery which accrues by virtue of any client recovery in the case. No separate attorney fee recovery, independent of any contingent fee recovery, shall be payable to the client. Property damage recoveries are not included unless this firm is required to enter negotiations, arbitrate or litigate to recover such sums. Should there be no financial recovery in this matter for you, there will be no "fee" to you for the professional services of the attorneys and other firm professionals. Regardless of the outcome, however, you remain responsible to reimburse the firm for the costs incurred.

Finally, prior to distribution of any recovery to you, there will be deducted monies owed to "subrogated interests" and "providers." Subrogation interests are any monies owed to insurance companies or others who have paid funds to you and have a claim against any funds ultimately recovered from a third party. We will also deduct the bills of your health care providers who have agreed to await the outcome of your case before seeking payment. You authorize us to make a series of payments from the gross amount recovered in any settlement, including (1) payment of our contingent fee; (2) reimbursement to this firm of any costs advanced by the firm; (3) payment to any subrogated interests of amounts due them for funds previously advanced to you or on your behalf; (4) payment of the liens or billings of any health care providers who provided you health care or other services in this matter; and (5) the unbilled cost deposit discussed above.

To assist you in computing this recovery, the following worksheet is supplied as an example:

Gross amount recovered	\$
Less Firm's Fee (1/3)	(_____)
Subtotal	\$
Less Unpaid Firm Costs	(_____)
Less "Subrogated Interests" or Liens	(_____)
Less Unpaid Health Care Provider Bills	(_____)
Net Recovery to You	\$

In the event that the case is settled for future payments, the amount of the gross Future Value settlement shall be computed, and 1/3 of the present value of such future payment stream (reduced to its present value at the rate of 6.0%) shall be paid in cash at the time of settlement.

4. **Employment of Experts, Investigators or Other Counsel.** You authorize this firm to hire and retain such experts or investigators as shall be required in the discretion of the responsible attorney to examine, investigate and report to the attorney certain facts regarding an element of this case. Fees for such experts or investigators shall be charged to you as "costs", and billed periodically. Likewise, in the discretion of the responsible attorney, you authorize this firm to retain and utilize legal counsel outside the firm to assist the responsible attorney in other jurisdictions. The fee of such outside counsel shall be included within the contingent fee due this firm and shall not be an added expense for you.

5. **Settlement or Compromise.** This is your case. Prior to any settlement, your approval will first be obtained. Once resolved on your behalf in accordance with your instructions, the settlement will be binding upon you. In the event that funds are disbursed to you subject to an outstanding subrogation claim, left unresolved at the time of settlement, you understand that payment of that subrogation claim or other lien will be made out of your portion of the settlement funds, and this firm will be held harmless by you from payment or claim of such subrogation or lien.

6. **Absence of Guarantee of Recovery.** This firm cannot and does not guarantee any amount of recovery for you in your case.

7. **Termination of Professional Relationship.** You have the right to change attorneys to another attorney or firm at any time by sending us a letter to that effect. This right to "discharge" this firm as your representative requires that you remain responsible for all costs incurred prior to receipt of your letter and for payment at the time of settlement or collection of a judgment or verdict to this firm of a fee for professional services in an amount equivalent to the time expended on your case.

Likewise, this firm may choose to withdraw from representing you and request, in writing, that you obtain another attorney or firm to represent you. A "withdrawal" by this firm does not relieve you of the responsibility to pay costs.

8. **Physician/Patient Privileged Information.** While normally anything you tell your physician is privileged and confidential, state law requires that you waive this privilege of confidentiality, allowing the defendant's counsel to examine all of your medical records and question your physician without further consent by you. By authorizing us to file litigation in this matter, you are acknowledging that you understand that one consequence of filing the litigation will be examination by opposing counsel and the defendant of all of your medical records.

9. **Power of Attorney.** Client grants Attorneys Client's power of attorney to act as Client's attorneys-in-fact to do all things necessary and proper in handling Client's claim, including the execution of pleadings, contracts, checks, drafts, deposits, covenants and releases.

_____ **Initials**

10. **Dispute Resolution.** In the event of a dispute as to this agreement, you have the option to petition the court in which your personal injury claim was litigated within 45 days of the receipt of the final billing or accounting to have the court determine the reasonableness of the contingent fee charged in your case. In addition, the Washington State Bar Association maintains a

fee arbitration service for resolving fee disputes between clients and their attorneys. Any other dispute shall be resolved by arbitration in accordance with the American Arbitration Association.

This agreement consisting of four pages is executed by the parties on this ___ day of _____, 200__.

CLIENT:

KORNFELD TRUDELL BOWEN & LINGENBRINK, PLLC

_____ By: _____