



THE FEE POLICIES OF RUSHFORTH FIRM LTD.

How legal services and costs will be billed

Overview

This memo is part of the Fee Disclosures¹ that Rushforth Firm Ltd. (“RFL” or “we”) provide you to make our billing policies transparent. The Fee Disclosures are binding on you when you accept services from RFL (or “us”), even without your signature. If you disagree with anything in a fee-disclosure document, you must instruct us not to render any services until you and we agree on the fee arrangements in writing.

1. General Rule. By accepting our services, you agree to pay our fees and costs as billed. If we provide you a written fee agreement, the terms of this memo are part of that agreement, but the main body of the fee agreement will supersede any contrary provision in this memo.

2. Hourly Charges; Billing Rates. When services are “billed by the hour” or when “hourly charges” apply, you agree to pay for the time that we expend on your matter at our standard hourly rates that are in effect at the time the services are rendered, subject to any minimum charges provided for in our Fee Disclosures. As of January 1, 2022, the standard hourly billing rate for attorney Layne T. Rushforth is \$500. Legal assistant time is billed at \$180. Time is billed in tenth-hour (six-minute) increments, rounded to the next highest tenth of an hour.

3. Base Fee. For some services, we charge a “base fee” instead of hourly charges, which is, in part, a research-and-development charge for the documents being prepared. If a base fee applies, it will be disclosed and explained in a fee-disclosure document. Except for services we have agreed in writing to be included a base fee, all time will be billed by the hour.

3.1 A base fee includes only the preparation of documents and such other services that are expressly provided for in our Fee Disclosures. The base fee is earned when the first draft of the specified documents is provided.

3.2 Unless expressly provided otherwise in a fee-disclosure document, a base fee does not include the time that we spend:

- (a) Communicating with your other advisors;
- (b) Time that we expend outside of our office or outside of normal business hours;
- (c) Communication related to additional planning techniques and the preparation of documents that are not included in the base fee;
- (d) The expense of a mobile notary service; or
- (e) Reviewing, revising, or incorporating provisions in a document that you draft or that you ask to be incorporated from or coordinated with other documents, such as: (a) exhibits to be appended to a document; (b) clauses from other documents, required by a fiduciary, an advisor, or an affected person; (c) language to coordinate with existing agreements or court orders; and (e) custom personalized statements or declarations of intent.

4. Minimum Fee. For some services, we charge a “minimum fee”, in which case you will be billed that minimum fee unless the hourly charges exceed that fee.

5. Additional Services. If you request additional legal services that were not originally anticipated, the time to render such services will be billed by the hour unless we specifically agree otherwise in writing.

6. Tax Advice. Any tax-related communication will not constitute a tax opinion unless we state in writing that it is, and we always encourage you to get a second opinion on tax matters. Anticipated tax consequences may be frustrated by changes in the law, whether by legislative action or by court rulings, and we are not responsible

¹ “Fee Disclosures” and other terms are defined in paragraph 25.

to keep you apprised of any such changes. We do not offer tax advice with respect to any state, county, or municipality, and no communication from us should be construed as such.

7. **No Guarantees.** We cannot guarantee any specific result, especially as to matters that are dependent upon the actions of you or other persons or subject to interpretation by — or subject to the discretion of — a judge, arbitrator, other tribunal, a governmental agency (e.g., the Internal Revenue Service), or a fiduciary. Any declaration by us of an expected result is an opinion that we believe in good faith is more likely than not to be true. No opinion is a guarantee, and you agree to pay our fees regardless of the result. We do not accept contingent-fee cases.

8. **Disputed Matters.** Without exception, all time related to disputes (including settlement negotiations, mediation, litigation, and discovery) is billed by the hour, and no estimated fee or base fee includes such time.

9. **Limited Scope of Engagement.** We will do only the work that you have engaged us to do, and we are not responsible for services that we have not agreed to perform in writing. For example, unless we agree otherwise in writing, an engagement to amend a document does not include a review of existing documents to determine if they accomplish your objectives or to see if additional changes are advisable. Similarly, an engagement to review a document for compliance with Nevada law does not include a review of the tax consequences or compliance with the clients' needs or desires.

10. **Your Review and Approval.** At least two business days before a document is to be signed or sent for signature, you must approve that document as being "signature ready". Requests for changes after that time will trigger additional charges and will almost always delay the preparation and the signing or sending of the documents. By signing or approving a document, you confirm that you have reviewed and accepted that document without any remaining concerns or questions.

11. **Our Reliance on You.** You agree that we may rely on all information and documents you provide us as being accurate, complete, and up-to-date and that we have no duty to independently verify anything that you provide us. You agree to truthfully and completely provide the information needed for us to properly advise you, to cooperate with us, to keep us informed of developments that affect our work, to pay the amounts due us on time, and to keep us advised as to how to contact you. You will pay us by the hour for any work triggered — or performed unnecessarily — by the inaccuracy or insufficiency of the information provided us.

12. **Retainer.** A retainer is an advance payment of legal fees and costs and is not a separate charge. Any amount not earned when the work is completed will be refunded, but a minimum fee is earned when paid and is not refundable. Until our engagement is completed, we have the right to request a retainer or an increased retainer and to set or modify a minimum retainer balance that must be maintained. Unless you instruct us otherwise in writing, we may transfer a retainer on one matter to another matter without prior authorization from you.

13. **Trust Account.** Retainers are deposited into RFL's trust account. Our trust account is an interest-bearing account; however, the interest earned by this account is paid to the Nevada Law Foundation for charitable distribution, and neither you nor we will be entitled to such interest or any benefit therefrom. You agree that we have the right to make payments from the trust account for all charges due us, as billed.

14. **Estimated Fees.** Any estimate of charges is not a minimum or maximum charge and is not binding on you or us, whether the estimate is given orally or in writing.

15. **Terms of Payment.** You agree to pay Rushforth Firm Ltd. all fees and expenses, as billed, within one month of the date of each billing invoice. A billing invoice that is not disputed by you in writing within 30 days of its date shall be deemed approved by you.

16. **Courtesy Discounts.** All discounts — such as a courtesy discount, a reduced billing rate, billable time entries showing "no charge", not billing for time or costs expended, or the cancellation of any charge — are contingent upon your: (1) paying us all amounts owed us when due; and (2) not asserting any claims or lodging a complaint or fee dispute against us. If those contingencies are not met, we have the right to reverse all discounts at any time.

17. Interest; Default. We do not agree to extend credit to you. To discourage late payments, you agree to pay interest at a high rate. If an invoice is not paid within one calendar month of the invoice date, RFL has the right to charge interest from the date of the invoice at the rate of 2.0% (two percent) per calendar month, compounded monthly (APY/EAR 24.34%), or, if lower, the highest interest rate permitted by applicable law. Even if invoices do not show interest charges, until you pay us in full, as billed, we have the right to add interest at any time retroactively to the date of the earliest invoice that remains unpaid. If we bill you or an affiliate for our services under multiple billing matters, a late payment, delinquency, or other default on one matter will be treated as a late payment, delinquency, or default in all matters. We have the right to suspend all work on all matters or to withdraw from any or all matters if (a) any unpaid amount is over 45 days overdue, (b) any unpaid balance that is overdue for more than 30 days exceeds \$5,000 after any existing retainer balance is applied, or (c) if you decline to pay a reasonable retainer to cover future work. By accepting partial payments, we do not agree to do so in the future or waive any right under the terms hereof or under our Fee Disclosures.

18. Expenses. You agree to reimburse us for expenses incurred on your behalf, such as: filing or recording fees (including fees for online processing); certified-copy expenses for legal documents; mobile notarial services; postage; long distance calls outside of Canada and the United States; conference-call fees; photocopying; actuarial services; computer processing services or access fees for legal or tax research, document-retrieval services, and/or tax-return preparation; courier and delivery services; travel (based on mileage for private vehicular travel and based on actual expenses for commercial transportation); and parking expenses.

19. Personnel; Non-Attorney Professionals. RFL has the right to select the persons who will perform the services to be rendered, which may include independent contractors.

20. Unauthorized Practice of Law. No attorney will provide legal advice or legal services that relate to the laws of any jurisdiction in which the attorney is not licensed to practice law. Any opinion expressed about the laws of a jurisdiction in which an attorney is not licensed shall be considered an informal opinion and not legal advice or a legal opinion upon which you may rely.

21. Termination of Services. Subject to the provisions of subparagraph 21.3, our duty to provide services ends upon the "effective termination date", which is the date (1) you or we terminate the engagement, which either of us may do at any time for any reason, (but only as of the date approved by the court if court approval is required) or (2) the work is completed, whichever is earlier.

21.1 Billing on Termination. Fees will be billed through the effective termination date and are due fifteen (15) days thereafter. If and when our services are terminated, we will be entitled to compensation for all time expended by us to comply with your instructions, including — but not limited to — all time spent (whether before or after the termination): (i) to transition the file to another attorney or firm and to cooperate with such attorney or firm in taking over your legal services; (ii) to contact and correspond with interested parties and third parties to inform them of the disengagement of RFL; (iii) to perform services required by a court; (iv) to collect all amounts due us; and/or (v) as provided in subparagraph 21.3.

21.2 Responsibilities on Termination or Withdrawal. After our services are terminated, we will have no responsibility to complete the work we were engaged to do except to the extent we agree to do so in writing or are required by law or by a court to do so. You remain liable for all fees and costs incurred prior to the effective termination date and all fees provided for in subparagraph 21.3.

21.3 Delayed Termination; Post-Engagement Activities. Notwithstanding anything herein to the contrary, if, after we have withdrawn or after you have discharged us, RFL or any of its employees is legally required by subpoena or otherwise to testify, to act as a witness, to provide an opinion, to defend our work, to respond to discovery requests, attend a court proceeding, or to render any other services with respect to your matter, we will be entitled to the same fees and costs incurred in conjunction with such testimony, opinion, and/or services as if the withdrawal or discharge had not occurred, regardless of who compelled our involvement. If our services are not paid for or even rendered prior to your death, this continuing obligation will be a joint and several obligation of your estate, of any trust involved, and of any other successor(s)-in-interest. You are agreeing to pay us by the hour for any time that we expend to explain, defend, or justify our work in behalf of you or any successor-in-interest, such as work to support the enforceability of the documents that we prepared for you even if we are not engaged to do so by any fiduciary or beneficiary and even if we are

defending against a lawsuit brought by a fiduciary who is acting on behalf of you, a trust or other entity that you created, your estate, or any of your successors-in-interest.

21.4 **Future Work.** Once we have completed work outlined in any fee agreement, your engagement of us will terminate, and we will have no ongoing duty to advise you, and we will perform no services until you engage us to render them. Unless you sign a new engagement agreement, you will be billed by the hour for any new work subsequently requested by you, and the provisions of the most current version of this memo that is provided to you will apply.

22. Fee Disputes. You agree that we may choose to resolve other fee disputes by written arbitration through the State Bar of Nevada; however, if one or more hearing or other proceedings are required, all such hearings and proceedings shall be held in Las Vegas, Nevada. Nothing herein precludes us from seeking a judgment against you in a court of law or seeking other judicial remedies, such as the imposition or enforcement of a lien.

23. Confidentiality. We will keep your confidential information private in accordance with our privacy policy, which is online at <https://rushforthfirm.com/privacy.pdf>.

24. Payment of Bills by Non-Client. Whenever someone other than the client pays a client's fees, it does not create an attorney-client relationship between the payor and us, and the payor has no right to confidential information belonging to the client. Whenever an entity, such as a business or a trust, pays the legal fees for one or more individuals, we accept no responsibility to determine the propriety of that payment, and it is up to the entity making the payment to properly account for the funds disbursed.

25. Terms. In this memo and any fee-disclosure document to which it may be attached:

25.1 "*RFL*" refers to Rushforth Firm Ltd., and the first-person plural pronouns ("*we*", "*us*", "*our*", etc.). The second person pronouns ("*you*", "*your*", "*yours*", etc.) refer to the client or, if deceased, the estate, and each successor-in-interest of the client.

25.2 A "*fee agreement*" includes any written document provided by us to you that describes the services we are being engaged to render and the fees and expenses that will be charged. This memo, a fee agreement, and any fee-related communication (including billing invoices and a base-fee disclosure statement) that we provide you each constitutes a "*fee-disclosure document*", and, collectively, all fee-disclosure documents constitute our "*Fee Disclosures*". The terms "*fees*" and "*legal fees*" refer to the compensation charged by RFL for services rendered by professionals and by our staff, but those terms do not include out-of-pocket expenses. The term "*professional*" refers to an attorney, a law clerk, or a legal assistant. The term "*staff*" refers to persons who are not professionals. If "*client*" refers to more than one person, all such persons are jointly and severally liable. If one or more individuals who engage us does so in any representative capacity (e.g., officer, director, executor, trustee, agent, etc.), the individuals and the entities for whom they act shall be jointly and severally liable for the client's obligations.

25.3 The time for a "*consultation*" with an attorney includes all time that you and an attorney are communicating. "*Communicating*" or "*communications*" includes (but is not limited to) office consultations, telephone conversations, video conferences, and all forms of correspondence (e.g., fax, postal mail, and/or e-mail). An "*event*" includes a consultation, a trial or other court hearing, deposition, or meeting. "*Normal business hours*" are between 8 a.m. and 5 p.m., Monday through Thursday and between 8 a.m. and 12 p.m. on Fridays and do not include any time during a weekend or a state or federal holiday. "*Joint and several liability*" means that each person is individually liable for the full amount of the client's obligations.

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