**RETAINER AGREEMENT – PAYROLL TAX ISSUE**

February \_\_\_\_, 2020

**Via Email: EMAIL ADDRESS**

COMPANY NAME

PARTNER 1 NAME

PARTNER 2 NAME

ADDRESS

CITY, STATE ZIP

**Re: Client Retention Agreement**

Dear Mr. \_\_\_\_\_\_\_ and Mr. \_\_\_\_\_\_\_:

We are pleased you have requested that OUR FIRM LLC (“OFL” or “Firm”) provide you with representation as set forth below. We would appreciate receiving written acknowledgement of this agreement for our files. We feel that it is in the best interest of our clients that they be fully informed of our billing practices and what services we will be undertaking on their behalf. The purpose of this letter, therefore, is to set forth the scope of our engagement to you, to set forth the financial arrangements regarding our engagement and to verify our agreement of the foregoing:

**1. Scope of Engagement**

Subject to the terms and conditions herein, including without limitation advance payment of the retainer and a signed copy of this agreement OFL will perform those services which you requested and, more specifically, to represent you, the other partners and your company before the Internal Revenue Service (the “Engagement”).

**2. Potential Conflict of Interest**

We are being asked to represent both your Company and its owners. We have spoken with you and advised that each party should see their own representation. You have indicated you and the other owners do not wish to do that, and it does not appear that there is a conflict of interest at this time. However, as we discussed, there is the potential for a conflict to arise if the owners do not agree that they are each responsible. As we discussed, in the event a conflict does arise we will be required to withdraw from representing all of you and you will each be required to see independent representation. ***By signing this engagement letter, you are acknowledging we have discussed the potential conflict of interest and that you are each waiving this potential conflict. You are also agreeing that if, in our opinion, there is a conflict that would prevent us from representing each of your fully, that it is reasonable for us to withdraw and that you will each seek independent representation, as will the Company.***

**3. Fee for Representation**

Our fee for preparing the Offer-in-Compromise package to file with the Internal Revenue Service and respond to the Centralized Offer-in-Compromise requests is $4,500.00. Often the IRS centralized Offer unit refuses Offers that6 should be accepted. In the event the Offer is rejected and we decide, in consultation with you, that the decision should be appealed, we will undertake the appeal. The fee for the appeal of a denied Offer will require a retainer be paid of $2,500 and our work will be billed hourly.

Our billing practice is to charge for our services based on the hourly rate of the professional involved. We bill in increments of no less than 1/10 of one hour. Please note, we bill for all services our office provides, including but not limited to: correspondence, telephone calls, document preparation, legal research, electronic legal research, inter-office conference, depositions, trials, meetings, etc. We use the amount of time devoted to a matter by a particular attorney at that professional's hourly rate. These hourly rates are based upon experience, expertise and standing. In addition, we try to use associate, staff, assistant and/or secretarial support on projects whenever possible. All hourly rates are reviewed from time to time and may be adjusted and/or increased without notice. It is likely that all of these hourly rates will be increased annually usually commencing at the beginning of each calendar year and you hereby consent to such increase. My hourly rate is $475/hour. Our firm’s rates for staff range from $75 - $275/hour, and for partners from $350 - $550/hour.

The detail and the monthly statement will inform you not only of the fees and disbursements incurred but also of the nature and progress of the work performed. These statements are due and payable upon receipt, but in any event, no later than thirty days thereafter. We reserve the right to charge interest at an appropriate rate (currently l% per month) calculated monthly starting forty-five days after issuance of the statement and continuing until fully paid. You will be sent monthly billing statements as to work performed. We generally bill clients on either the 1st or 15th of the month. If you have a preference as to when you receive a bill, please let me know.

We do our best to see that our clients are satisfied not only with our services but also with the reasonableness of the fees and disbursements charged for these services. Therefore, if you have any questions about or objection to a statement or the basis for our fees to you, you should raise it promptly and not more than thirty (30) days after you receive a bill for discussion. If you object only to a portion of the statement, we ask you pay the remainder, which will not constitute a waiver of your objections.

**4. Disbursements**

The performance of professional services involves costs and expenses, some of which must be paid to third parties. These expenses include, but are not limited to, filing fees, court reporters, deposition fees, travel costs, copying costs, telecopier costs, messenger services, long distance telephone charges, computerized research expenses and expenses of experts whom we deem appropriate to assist in our representation of you. We do not charge for internal copying costs, but if a production job is large and must be sent out we will charge you the actual expense. We expect that you will either pay directly or reimburse us for such costs. If such costs may be calculated beforehand and appear to be substantial, we may ask you to advance us those sums before we expend them or to reimburse the vendor directly.

**5. Retainer**

We will require a payment of the $7,500.00 retainer prior to commencement of work on Your behalf. Should the Engagement go beyond that initially anticipated we may require an additional retainer be paid.. If the retainer is exhausted and you receive a bill, please pay the amount due. At the conclusion of the Firm’s representation of You, any remaining positive retainer balance will be returned to You. You also agree that the retainer payment may be deposited in the Firm’s general operating account and comingled with other funds.

Please note, we have tried to keep the retainer amount as low as possible, however, given the nature and complexity of the Engagement, it is possible that the retainer amount may be exceeded.

**6. Withdrawal from Representation**

Our firm’s relationship with you is one of mutual trust and confidence. If you, for whatever reason, wish us to cease representing you, you may request that we do so. If we feel we no longer wish to represent you, we will inform you of this so you have sufficient time to find new representation. We generally will only do so in the following circumstances: (a) a lack of cooperation by you in promptly submitting necessary requested information; (b) your knowingly providing us, your adversaries or the government with false information; (c) your disregard of advice about matters of critical importance to your case; (d) your failure to promptly pay fees; or (e) for any other reason provided advance notice is provided.

Upon such termination, however, you would remain liable for any unpaid fees and costs. We also shall be authorized to reveal this agreement and any other necessary documents to any court or agency if the same should prove necessary to effect withdrawal or collection of our fees.

It is the policy of this firm to make every effort to have our clients feel that they are treated on a fair basis. We welcome an honest discussion of our fees and our services and encourage our clients to inquire about any matter relating to our fee arrangement or monthly statements that are in anyway unclear or appear unsatisfactory. If you have any questions, please do not hesitate to call us.

**7. Future Services**

This agreement will also apply to services rendered for such future matters that we agree will be handled by the Firm. If, however, such services, are substantially different from those to which this agreement applies (for instance, an appearance on your behalf in court), either party may request that a new agreement be executed, or that this agreement be reacknowledged.

If this letter correctly sets forth your understanding of the scope of the services to be rendered to the company by the Firm, and if the terms of the engagement are satisfactory, please execute the enclosed copy of this letter and return it us. If the scope of the services described is incorrect or if the terms of the engagement set forth in this letter are not satisfactory to you, please let us know in writing so that we can discuss either aspect.

By executing this agreement, you acknowledge that there is uncertainty concerning the outcome of this matter and that the Firm and the undersigned professionals have made no guarantees as to the disposition of any phase of this matter. All representations and expression relative to the outcome of this matter, are only expressions of the said professional's opinions and do not constitute guarantees. We look forward to continuing to work with you and thank you once again for the opportunity to serve.

Very truly yours,

YOUR NAME

READ, AGREED AND CONSENTED TO:

COMPANY NAME

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_

TAXPAYER NAME, its Partner Date

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_

TAXPAYER 1 NAME, Individually Date

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_

TAXPAYER 2 NAME, Individually Date