

## MODEL FEE AGREEMENT CAVEATS

1. Attorneys must recognize the possibility of termination of the Attorney/Client relationship before the completion of the matter which is the subject of representation. Thus, contemporaneous time records must be kept to support the "reasonableness of any fee."
2. In some cases, a Court may award legal fees to one party and order the other party to pay the amount awarded. In other cases, a settlement agreement may provide that one of the parties will contribute to the other party's legal expenses. The Model Fee Agreements do not address fee-shifting issues. Thus, if there is the possibility of fee shifting, this should be addressed in the Fee Agreement.
3. The Model Fee Agreements do not address the implications of tax issues. For example, is the Attorney's fee determined before or after the Client's tax liability or is it merely based upon gross recovery? If tax issues are involved, they should be specifically addressed in the Fee Agreement.
4. The Model Fee Agreements do not require the payment of interest. If an Attorney or Law Firm desires to charge interest on unpaid bills, such a provision must be inserted in a written Fee Agreement or the Attorney will not be entitled to interest prior to the filing of a writ.
5. It was decided by the Committee not to insert the following provision in any of the Model Fee Agreements:

"If there is any dispute as to any portion of this Agreement, both parties agree to submit the dispute for final binding arbitration with the New Hampshire Bar Association Fee Dispute Resolution Committee."

This is a provision that attorneys may feel comfortable with, but the Committee decided that it is not a provision that should be in any Model Fee Agreement. It is a provision that parallels the "optional clause" endorsed by the Massachusetts Bar Association.

6. Additional fee agreements may be reviewed by the Fee Dispute Resolution Committee and Board of Governors in the future to be made available to New Hampshire Bar members as model fee agreements. The samples approved so far, however, do not include model fee agreements with respect to Social Security cases, worker's compensation cases, or cases involving claims by minors. If your case involves any of these types of claims, you should seek sample forms from other practitioners experienced in these areas because each of these types of cases should contain specialized language not in the model fee agreements.

Approved by Board of Governors **4/16/98**