

## ALTERNATIVE FEE SOLUTIONS

**WE RECOGNIZE THAT A FAIR FEE IS ONE WHICH PROVIDES A VALUE  
COMMENSURATE WITH THE MONEY SPENT.**

Often times hourly billing does not accurately reflect the value of the service or readily permit cost predictability. We offer ALTERNATIVE FEE SOLUTIONS to the billable hour which are intended to better suit a given client's need and enhance the value we provide.

No fee arrangement is appropriate for every situation. In addition to **hourly billing**, most clients and prospects are aware of the **standard fixed fee** and **contingent fee** approaches. From these three main forms, there are numerous permutations, including:

**Base fee plus success fee:** This method involves charging an initial base fee at the outset of the matter (or a modest hourly rate) and a final fee based on the success of the endeavor. What constitutes a "success" is determined prior to the engagement. For example, a "success" could be closing a proposed sale of a business or obtaining dismissal of a lawsuit.

**Firm estimates:** This alternative involves a cap on legal fees to be charged equal to a preliminary estimate, provided there are no unforeseen developments or contingencies. In the event of something unforeseen, the additional time spent is billed at standard hourly rates.

**Percentage fees:** This billing system involves charging a fee equal to a percentage of the size of transaction or stakes of litigation whether or not the transaction closes or a favorable result is obtained in the matter.

**Cost plus profit margin:** Under this hourly billing variant we would bill at rates based on actual costs to our firm. In addition, the client would pay a set profit amount per matter or task.

**Blended rates:** This hourly billing method uses a predetermined hourly rate for the services of all lawyers and paraprofessionals. Regardless of who does the work, the same rate is charged.

**Partner based rates:** This is an hourly billing system akin to the blended rate which utilizes a rate for partner time that is higher than "standard" partner rates with no additional charge for work of non-partners.

**Pure value fee:** Here, we obtain a retainer at the beginning of the relationship and, at the end, first credit against that retainer and then bill an aggregate amount which we believe to be the reasonable value of our services rendered. Understandably clients may be uncomfortable with this type of arrangement. However, Massachusetts Rules of Professional Conduct prohibit clearly excessive fees. More importantly, our reputation is vital to our firm's viability, and we endeavor to establish a lasting relationship with our clients where they are willing to refer others to our firm. Competitive forces simply would not permit us to charge anything but a reasonable fee - one that is fair to the client and our firm.