

**DENVER INJURY LAW LLC, D/B/A AVERY LAW FIRM
AND SCHACK LAW GROUP**

**CONTINGENT
FEE
AGREEMENT**

Client(s), _____ (name) and _____ (co-plaintiff, spouse, or business name) (“Client” or “Clients”) retain Denver Injury Law LLC (Colorado), and Schack Law Group (California) (“Attorneys”), and potentially other counsel with whom the Attorneys choose to associate, to perform legal services as described in Paragraph 1 below. Attorneys agree to perform faithfully and with due diligence.

1. SCOPE OF SERVICES: The claim, controversy, and other matters with reference to which the services are to be performed arise out of the "Marshall Wildfire," which occurred in Boulder County and Broomfield County, Colorado, on or about December 30, 2021. Attorneys shall investigate Client's claims and expressly reserve the right to pursue defendants whose actions may have been a substantial factor in the cause or continuation of the fire which caused Client damage, if circumstances dictate it would be economically beneficial to Client and Attorneys to engage in such a representation. Attorney shall advise Client in writing before any lawsuit is filed.

2. FEES: This is a contingent fee. **In the event there is no recovery, the Attorneys shall receive nothing for their service.** If there is a recovery, in consideration of the services rendered and to be rendered, Clients hereby assign, transfer, and deliver an undivided thirty-three and one-third percent (33 1/3%) of any total recovery so obtained to the Attorneys as the fee (20% to Denver Injury Law LLC d/b/a Avery Law Firm; 80% to Schack Law Group.) This fee is calculated based on the gross recovery prior to deduction for costs and expenses incurred, including costs and expenses shared with other plaintiffs. This fee does not include any appellate proceedings. In the event Attorneys agree to continue the prosecution of this case on appeal, all costs and attorneys' fees incurred on appeal will be recoverable in their entirety by Attorneys. This fee arrangement is not set by law and is negotiable between Attorneys and Clients. Attorneys have informed Client of other available methods of payment, such as on an hourly basis, but Client prefers to proceed on a contingency fee basis.

In the event the Client terminates this contingent fee agreement without wrongful conduct by Attorneys in a manner that would cause Attorneys to forfeit any fee, or if Attorneys justifiably withdraw from the representation of the Client, or in any other circumstance where Attorneys are entitled to compensation upon the conclusion of the representation, Attorneys may ask the court or other tribunal to order the Client to pay Attorneys a fee based on the reasonable value of the services the Attorneys provide. If Attorneys and the Client cannot agree how Attorneys are to be compensated in this circumstance, Attorneys will request the court or other tribunal to determine: (1) whether the Client has been unfairly or unjustly enriched if the Client does not pay a fee to Attorneys; and (2) the amount of the fee owed, taking into account the nature and complexity of the Client's case, the time and skill devoted to the Client's case by Attorneys, and the benefit obtained by the Client as a result of Attorneys' efforts. Any such fee shall be payable only out of the gross recovery obtained by or on behalf of the Client and the amount of such fee shall not be greater than the fee that would have been earned by Attorneys if the contingency described in this contingent fee agreement had occurred.

“The amount collected” does not include specially awarded attorneys' fees or costs. There is a possibility that a court, arbitrator, or other legal body will award costs or attorneys' fees in favor of Client. Any specially awarded attorneys' fees and costs shall be the sole property of Attorneys and shall not reduce the percentage amount due on “the amount collected.”

Costs and attorneys' fees awarded to an opposing party against the Client before completion of the case (none of which are anticipated) will be paid by the Client when ordered. Any award of costs or attorneys' fees, regardless of when awarded, will not be subtracted from the amount collected before computing the amount of the contingent fee under this Agreement.

3. COSTS AND LITIGATION EXPENSES: Client and Attorneys agree that Client will be responsible for the costs and expenses of this action to the full extent permitted by law and rules of professional conduct and that such costs may be deducted from any settlement or judgment. Attorneys may advance such costs as they deem appropriate. "Costs and expenses" include: expert witness fees, fees of investigators, court fees, deposition fees, filing fees, telephone and mobile phone charges, photocopies, travel expenses, computerized legal research, messenger services, and other items commonly defined as expense or court costs. Client agrees that all such costs and expenses will be deducted from any settlement or final judgment of this matter and Attorneys will be reimbursed by Client for any such costs and expenses. The Attorneys expressly advise Client that if judgment is entered against Client in litigation, there is a possibility that Client may be liable for payment of the defendants' costs and/or attorney's fees. To be clear, there is a possibility that a court or arbitrator may award costs and/or attorneys' fees to the opposing party. In the event a Court orders Client to pay costs or fees, Client's payment of fees will be in accordance with the methods of calculation specified throughout this Agreement. However, if no proceeds or benefit of value are obtained for the Client, no fee shall be payable to the attorney.

Client permits Attorneys to pay the reasonable expenses and disbursements they decide are appropriate to handle Client's case. Because of the nature and complexity of the issues involved in Client's case and the potential for Client's case to be brought as an individual, mass action, or multi-district litigation, it is difficult for Attorneys to accurately estimate the total anticipated expenses and disbursements at this time, although such total could exceed \$50,000.00 to handle the matter to conclusion. Authority is given to Attorneys to incur expenses and make disbursements up to a maximum of \$50,000.00, which limitation will not be exceeded without Client's further authority. Client agrees to reimburse Attorneys for these expenses and disbursements upon final resolution; however, if Attorneys do not obtain a recovery for Client, Attorneys will forego reimbursement of the expenses and disbursements of litigation as discussed above. If there is a recovery, in addition to paying Attorneys' attorney fees. Client agrees to pay Attorneys out of the recovery for the expenses Attorneys pay to handle Client's case.

4. LIENS, SUBROGATION & PAYMENTS TO THIRD PARTIES: The Client authorizes Attorneys to pay from the amount collected any lien holder (e.g., insurance subrogation claims, provider liens, Medicare, etc.). Where the applicable law specifically requires Attorneys to pay the claims of third parties out of any amount collected for the Client, Attorneys shall have the authority to do so notwithstanding any lack of authorization by the Client. Other persons or entities may have a right to be paid from amounts Attorneys recovered on the Client's behalf, for example when an insurer or a federal or state government agency has paid money or given benefits to the Client in connection with the subject of the Attorneys' representation. The right to be paid back (i.e. the subrogation right) may arise in situations such as Medicare, Medicaid, worker's compensation, medical/health insurance, no-fault insurance, uninsured/ underinsured motorist insurance and property insurance situations. In addition, sometimes a hospital, physician or an attorney will assert a "lien" (a priority right) on a claim such as the one being pursued.

Any amounts paid to third parties will not be subtracted from the amount collected before computing the

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amount of the contingent fee under this Agreement. The Clients hereby acknowledge that Attorneys will pay all known lien holders and subrogation claims, directly from the proceeds received as final compensation for the injury claim either through settlement or verdict. The Attorneys will base the payments on the most up-to-date information from all known lien holders, the Clients and elsewhere.

5. FEE SHARING AND ASSOCIATE COUNSEL: Client understands and agrees that attorneys' fees paid to Attorneys will be shared by Attorneys pursuant to a co-counsel agreement between them (the "Co-Counsel Agreement"), based on their joint responsibility for the representation and the proportion of services performed by each. The Co-Counsel Agreement does not require Client to pay any fees in excess of those set forth in this Agreement. Client further understands and agrees that Attorney may hire a lawyer in another firm to assist in handling this matter ("associated counsel") and if so, Attorney will notify Client of the identity of the associated counsel and that (A) the hiring of associated counsel will not increase the contingent fee, unless the Client otherwise agrees in writing, and (B) the Client has the right to disapprove the hiring of associated counsel and, if hired, to terminate the employment of associated counsel. Client is advised that the Schack Law Group is based in San Diego, California and one of their attorneys will apply pro hac vice to be admitted in Client's lawsuit. Client agrees to this fee sharing agreement between Avery Law Firm and this out of state firm.

6. SERVICES: This Agreement does not pertain to any other matters on which Client may ask Attorneys to work on during the course of this case including, but not limited to, prosecution or defense of litigation or counterclaims. Any such other representation will be at the Attorneys' regular hourly rates.

7. DISPUTES: Any dispute pertaining to this Agreement shall be resolved via arbitration according to the rules of the American Arbitration Association, unless otherwise agreed by the parties, in Denver, Colorado. The decision of the arbitrator shall be final and binding on all parties.

8. WITHDRAWAL: If a settlement offer is received that in the opinion of Attorneys is fair and reasonable, Client agrees to accept that offer or agrees to have the offer reviewed and approved by a third-party mediator to be selected by the court or arbitrator(s) presiding over the litigation. If Client refuses to agree to the fair and reasonable settlement offer after review and approval by the appointed mediator, Attorneys may withdraw, after ten days' notice, from the case and assert an attorneys' lien for the fair value of all fees, costs, and expenses due Attorneys.

9. CONFIDENTIALITY: Client understands the effect of joint representation on attorney-client confidentiality. Attorney-client communications are privileged and are protected against disclosure to a third party. Client agrees that Attorneys may represent, and consents to Attorneys representing, multiple plaintiffs. Client waives any right Client may have to require that Attorneys disclose to Client any confidences Attorneys have obtained from any other plaintiff in connection with the subject matter of this Agreement.

10. DISCLAIMER: Client understands and agrees that Attorneys have not made any guarantees, warranties, or representations about the results of the Claims covered hereunder and Client expressly acknowledges that Attorneys make, and have made, no such guarantees, warranties or representations. Neither this Agreement nor any statements made in connection therewith are to be construed as a prediction or guarantee of recovery. Further, Attorneys expressly state that, due to the nature of legal disputes and litigation, no specific or general results are represented, warranted or guaranteed in any manner with respect to the Claims covered

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hereunder.

11. FILE RETENTION: Client has been advised that client files are required to be retained for ten (10) years after completion or termination of representation pursuant to Rule 1.16A of the Colorado Rules of Professional Conduct and Client expressly waives such requirement of retention in accordance with the provisions of said Rule. Attorneys shall retain files for one (1) year from the conclusion of the case and thereafter are free to destroy them. We shall make copies available to Client at Client's cost and expense if Client so desires and so notifies the Attorneys in writing.

WE HAVE EACH READ THE ABOVE AGREEMENT BEFORE SIGNING IT. THIS AGREEMENT IS NOT VALID UNLESS SIGNED BY BOTH PARTIES.

CLIENTS:

Date:

Print Name

Signature of Client

Date:

Print Name

Signature of Client

Address of Property Loss

Email Address

Phone Number

ATTORNEYS:

Date:

For the Attorneys

AVERY LAW FIRM

DISCLOSURE STATEMENT

Type of Attorney Fee Agreements:

I have been informed and understand that there are several types of attorney fee arrangements: (1) time based, (2) fixed or (3) contingent. "*Time Based*" means a fee that is determined by the amount of time involved, such as so much per hour, day or week. "*Fixed*" means a fee that is based on an agreed amount, regardless of the time or effort involved or the result obtained. "*Contingent*" means a certain agreed percentage or amount that is payable only upon attaining a recovery, regardless of the time or effort involved. I understand I have the right to choose the type of attorney fee arrangement.

Specially Awarded Attorney Fees and Costs:

I have been informed and understand that the court or an arbitrator sometimes may award attorney fees in addition to the amount of recovery being claimed. I understand that the fee agreement I enter into with my attorney should contain a provision as to how any specially awarded attorney fees and costs will be accounted for and handled.

Expenses:

I have been informed and understand that there may be expenses (aside from any attorney's fee) in pursuing my claim. Examples of such expenses are: fees payable to the court, the cost of serving process, fees charged by expert witnesses, fees of investigators, fees of court reporters to take and prepare transcripts of depositions, and expenses involved in preparing exhibits. I understand that an attorney is required to provide me with an estimate of such expenses before I enter into an attorney fee agreement and that my attorney fee agreement should include a provision as to how and when such expenses will be paid. I understand that the fee agreement should tell me whether a fee payable from the proceeds of the amount collected on my behalf will be based on the "net" or "gross" recovery. "Net Recovery" means the amount remaining after expenses and deductions. "Gross Recovery" means the total amount of the recovery before any deductions. The estimated amount of expenses to handle my case will be set forth in the contingent fee agreement.

The Potential of Costs and Attorney Fees Being Awarded to the Opposing Party:

I have been informed and understand that a court or arbitrator sometimes awards costs and attorney fees to the opposing party. I have been informed and understand that should that happen in my case, I will be responsible to pay such award. I understand that the fee agreement I enter into with my attorney should provide whether an award against me will be paid out of the proceeds of any amount collected on my behalf. I also understand that the agreement should provide whether the fee I am obligated to pay my attorney will be based on the amount of recovery *before* or *after* payment of the awarded costs and attorney fees to an opposing party.

Associated Counsel:

I have been informed and understand that my attorney sometimes may hire another attorney to assist in the handling of a case. That other attorney is called an "associate counsel." I understand that the attorney fee agreement should tell me how the fees of associated counsel will be handled.

Subrogation:

I have been informed and understand that other persons or entities may have a subrogation right in what I recover in pursuing my claim. "*Subrogation*" means the right to be paid back. I understand that the subrogation right may arise in various ways, such as when an insurer or a federal or state agency pays money to or on behalf of a claiming party like me in situations such as Medicare, Medicaid, workers' compensation, medical/health insurance, no-fault insurance, uninsured/underinsured motorist insurance and property insurance situations. I understand that sometimes a hospital, physician or an attorney will assert a "lien" (a property right) on a claim such as the one I am pursuing. *Subrogation rights* and *liens* need to be considered and provided for in the fee agreement I reach with my attorney. The fee agreement should tell me whether the subrogation right or lien is being paid by my attorney out of the proceeds of the recovery made on my behalf and whether the fee I am obligated to pay my attorney will be based on the amount of recovery *before* or *after* payment of the subrogation right or lien.

Alternative Attorney Compensation:

I have been informed and understand that if, after entering into a fee agreement with my attorney, I terminate the employment of my attorney or my attorney justifiably withdraws, I may nevertheless be obligated to pay my attorney for the work done by my attorney on my behalf. The fee agreement should contain a provision stating how such alternative compensation, if any, will be handled.

I acknowledge that I received a complete copy of this disclosure statement and read it.

[A fax copy of this may be used as an original.]

Dated:

By: _____
Client Signature