

Mooradian Law PLLC

Terms of Engagement

Last Modified: December 10, 2024.

Mooradian Law PLLC (the "Firm") is committed to providing you with exceptional legal services. These Terms of Engagement outline the terms and conditions under which the Firm agrees to represent you unless we explicitly agree otherwise in writing. By engaging our services, you agree to the following terms:

Client

Our client is the entity or individual specifically identified in our engagement letter ("you" or the "client"). We do not represent any other affiliates or constituents of the client, nor any of its respective shareholders, directors, officers, partners, members, or employees.

Scope of Engagement

The scope of our engagement with any client is limited to the matter (the "Matter") specified in our engagement letter with the client (the "Engagement Letter"). The Matter does not include any advice or other legal services relating to federal or state tax or securities laws, or any actual or potential litigation, appeals, arrangements or transactions that may arise out of the Matter. The Matter will not include our assistance with your compliance with the Corporate Transparency Act ("CTA"), including beneficial ownership information ("BOI") reporting. To the extent the Matter involves filing any document with any state agency that requires a BOI filing, the Firm's services will be limited to acting as a "company applicant" (as defined in the CTA). It is your responsibility to monitor your BOI and take necessary action if CTA compliance is triggered. Our representation may only be expanded if we separately agree to do so in writing.

Expressions of Professional Judgment

Any statements on the part of our employees concerning the outcome of your legal matters are expressions of their professional judgment and are not guarantees. Our opinions are necessarily limited by our knowledge of the facts and are based on the state of the law at the time they are given. Additionally, the outcome of any matter is subject to inherent risks and other factors beyond our control and we therefore cannot make any guarantees or promises concerning the outcome of any matter.

Fees

Our fees will be outlined in the Engagement Letter. Unless agreed otherwise, our fees for services are based upon the applicable hourly rates for the attorney, paralegals and legal assistants who do the work. Our hourly rates are based on experience, training and level of professional attainment. To minimize your legal costs, we will utilize junior attorneys, paralegals and legal assistants where appropriate. With your prior approval, we may also retain contract attorneys, who are supervised by our attorneys but not employed by the Firm. When we bill hourly, we bill our rates in six minute intervals (increments of 0.1 of an hour). Our rates are revised annually, with changes effective on January 1 of each year.

Our billing statements are sent monthly. You agree to pay them upon receipt. If the billing statements are not timely paid, we reserve the right to apply the retainer to any outstanding amount and then require an additional retainer to be provided. Any unused portion of the retainer will be refunded at the end of the engagement.

Advanced Deposit/Personal Guarantees

We may require an advanced deposit (also known as a retainer) or a personal guarantee as security for fees generated. If we require an advanced deposit, the funds will be held in a trust account at Lake Michigan Credit Union. Note, all interest on attorneys' trust accounts is required by law to be paid to the Michigan State Bar Foundation.

Expenses

In addition to our fees, in the course of providing services to you, we may incur expenses such as filing fees, delivery services, certified, registered and express mail and other similar necessary expenses will be billed as they are specifically incurred. Expense items incurred on your behalf will be itemized separately on our billing statements. Note that expense disbursements may not be current at the time of billing, due to delays in our receiving invoices from third parties. Note, we may also ask you to directly pay certain costs or expenses that are invoiced by third parties for your benefit.

Billing

Generally, our billing statements for fees, expenses, costs, and disbursements will be prepared and mailed monthly. Payment is due upon receipt.

If a statement is not paid within 30 days of the statement date, the Firm will impose a finance charge computed at the periodic rate of 1.5% interest per calendar month on your account balance that is outstanding after 30 days. If full payment on the final billing statement is not received within 30 days of the billing, Mooradian Law may elect to enforce the obligation through legal process.

Any statement will be deemed to be accepted and affirmed by you unless objected to in writing within 10 days of the date of the statement. Failure to give notice of any such objection within 10 days constitutes a waiver of objection and the fees will be deemed due and owing. You agree to pay any and all fees and costs incurred in the collection and enforcement of the Engagement Letter and these Terms of Engagement, including, but not limited to, attorney fees.

In the event that you fail to remain current in the payment of legal fees as provided herein, you agree that we may at any time thereafter cease any further legal work in the matters and withdraw as counsel, on notice, subject to our general ethical obligations.

Waiver

It is possible that our attorneys may now or in the future represent parties in matters in which their interests are adverse to your interests or those of your affiliates. You hereby agree that we may continue to represent or may in the future represent new or existing clients in any matter that is not substantially related to our work for you, even if the interests of such clients in those matters may be adverse to you (directly or indirectly). If the Firm undertakes a conflicting representation, although there is a risk that we may not be able to exercise professional judgment fully in your interest, we believe that such risk is minimal and that we will be able to continue to represent you competently and diligently. In the event that an actual conflict arises, we may need to withdraw as counsel, which may result in increased expenses and delay. This risk, too, is minimal, as we will not undertake any representation that is directly adverse to your interests in this engagement. In addition, sensitive, proprietary or other confidential information of a non-public nature concerning you that we acquire as a result of our representation of you will not be transmitted to lawyers who may work on such matters. By signing the Engagement Letter, you confirm that you have had an opportunity to consult with independent counsel regarding the terms of this waiver.

Termination of the Representation

You have the right at any time to terminate our services and representation under the Engagement Letter and these Terms of Engagement.

We have the right to terminate the representation for good cause by sending you written notice, subject to an obligation to give you reasonable notice to arrange for alternative representation and subject to applicable ethical requirements. Good cause to withdraw includes, but is not limited to, (a) your failure to honor the terms of the engagement, (b) your failure to cooperate or follow our advice on a material matter, (c) circumstances where our continued representation would be unlawful or unethical, or (d) any other reason permitted by the applicable ethics rules.

In the event that our engagement is terminated as described in this letter, you remain obligated to pay for all services rendered and costs and expenses paid or incurred on your behalf in accordance with the Engagement Letter and these Terms of Engagement prior to the date of such termination. If there are any outstanding fees or expenses after the termination of representation, we will retain a lien on your files to the extent it is permitted by law until they are paid. If you have paid an advanced deposit, any unused portion will be returned to you at the end of the engagement.

Once our engagement ends for any reason, the Firm will have no further obligation to advise you on any items related to the Matter. As such, if there are any later legal developments that may impact your future rights and liabilities, including changes in the applicable laws or regulations, you will have to engage us separately to advise on such developments.

Client Documents

During our engagement, we will maintain all documents relevant to this representation. At the conclusion of this engagement, we will retain your original documents for a period of 7 years (or longer period required by the applicable rules of professional conduct) unless you request that they be returned to you. If you have not requested possession of the file or any of its contents at the end of 7 years (or longer period required by the applicable rules of professional conduct), the file will be destroyed in accordance with our record retention program then in place.

Communication; Cooperation

It is important for us to maintain open communication with each other throughout the engagement. We will regularly keep you informed of the status of the matter and will promptly notify you of any major case developments. We will consult with you whenever appropriate. You agree to communicate with us and provide us with complete and accurate information as needed to further the case. You also agree to be truthful and to fully and accurately disclose to us all facts that may be relevant to the Matter or that we otherwise may request. You will timely provide any new information that you receive about the matter so that we can represent you effectively. Further, you will timely notify us of any changes in the structure of your organization, changes to the personal information or residence of any individuals related to this matter, or any extended periods of time when you or your key personnel will be unavailable.

Unless you specifically direct us otherwise, we may use mobile phones, email and facsimile machines in the course of this engagement. Our email and facsimile transmissions may not be encrypted so the use of such forms of communication under current technologies may place confidential or privileged information at risk. Similarly, the use of mobile phones may place confidential or privileged information at risk. By signing your engagement letter, you consent to our use of these forms of communication.

Privacy

In the course of providing legal services to you, we may receive nonpublic personal information about you. All such information will be held in strict confidence and will not be disseminated to any person or entity outside this law firm without your consent, unless such disclosure is required under the applicable law. We may store some or all of your files on a variety of platforms, including third-party cloud-based servers. Although we take every precaution to make sure these servers are encrypted and secure, there still is a risk that your confidential or privileged information may be disclosed. By signing the Engagement Letter, you consent to our use of such storage services.

Use of Generative AI Tools

During our representation of you, we may use generative AI tools to assist us with performing due diligence, contract and document review, conducting legal research, drafting legal documents, or other legal tasks if appropriate under the circumstances. These tools create efficiencies that enable us to provide more cost-effective legal services. However, they are not a substitute for attorney judgment and experience. We will independently review generative AI-assisted work product for accuracy, completeness, and compliance with applicable laws, rules and regulations. Please be assured that we will not input any client confidential information into any generative AI tool without prior consent. Should you inform us that you do not want generative AI tools used on your matter, we will honor that request.

Attorney-Client Privilege

Generally, information we receive from you is subject to the attorney-client privilege. However, we may be under an independent ethical duty to reveal privileged information if (a) it involves the commission of illegal or fraudulent acts that are committed in the course of this engagement, (b) it involves the intent to commit a crime, or (c) we are required to disclose the information by law or court order.

Arbitration

Depending on the circumstances, arbitration can be more efficient, expeditious and inexpensive than litigation in court. As such, the Firm and the client agree that, other than a complaint seeking emergency injunctive relief to prevent a real and imminent danger of irreparable harm or a complaint to an attorney disciplinary authority alleging unethical conduct, any controversy, dispute or question arising out of, in connection with or relating to the Engagement Letter or these Terms of Engagement (including, but not limited to, interpretation, performance, nonperformance, breach or alleged legal malpractice), the attorney-client relationship, fees or any services of the Firm shall be determined by arbitration. The parties agree to delegate exclusively to the arbitrator the authority to determine the arbitrability of any dispute and the extent of the arbitrator's jurisdiction, including any objections with respect to the existence, scope or validity of this arbitration agreement. This agreement to arbitrate waives the parties' right to a jury trial and constitutes your informed consent to arbitration. You may wish to seek independent counsel regarding the scope and advantages and disadvantages of this arbitration provision.

Unless otherwise agreed and except as described below, the arbitration shall be conducted in accordance with the then-existing rules for Commercial Arbitration of the American Arbitration Association ("AAA"). Arbitration shall be by a single arbitrator selected in accordance with the AAA Commercial Arbitration Rules, under which the parties can select an arbitrator who is experienced in the subject matter of the dispute. Unless otherwise agreed, the arbitration shall be conducted in Ann Arbor, Michigan. The hearing shall be conducted pursuant to the normal rules of evidence applicable to such a matter in the Michigan courts. In accordance with the AAA Commercial Arbitration Rules, each party shall be financially responsible for a portion of the arbitrator's compensation and the administrative fees associated with the arbitration. The decision rendered by the arbitrator shall be final and binding upon the parties, except that any party may make one request for reconsideration by the arbitrator, provided that such request is made, in writing, within 14 days of issuance of the decision or reconsideration has been directed by a court having jurisdiction. This arbitration agreement waives the right to appeal the result of the arbitration proceeding except as otherwise established by law. Any court having jurisdiction, including a circuit court of the State of Michigan, may enter judgment, including, but not limited to, an award of damages, on the arbitration award. The arbitrator may not amend, modify, or substitute any of the terms of the Engagement Letter or these Terms of Engagement between the parties and the arbitrator's jurisdiction is thereby limited. The arbitrator may not award class or collective relief.

All arbitration proceedings, including but not limited to hearings, discovery and awards, shall be confidential. The arbitration shall be conducted as a private proceeding, unlike litigation in court. There shall be no disclosure to third parties of the existence of the arbitration proceeding, any evidence related to the proceeding or of the arbitrator's award/decision, except as necessary for the arbitration process, as necessary to enforce the arbitrator's award/decision, as necessary to disclose to attorneys, accountants or other professional advisors for legal, accounting, or tax purposes or as otherwise required by law.

Any party may seek summary disposition of the matter upon motion submitted to the arbitrator, if there are no genuine issues of material fact relevant to such resolution upon motion. Any party to the arbitration shall be entitled to discover, reasonably in advance of an arbitration hearing, relevant unprivileged documents in the possession, custody or control of any other party to the arbitration, subject to the arbitrator limiting such discovery to avoid undue burden or expense or the disclosure of information for which the possessing party has a duty of confidentiality to others. If a party will present testimony of an independent expert (i.e., not a party, employee, owner or partner of a party) at an arbitration hearing, the other party will be allowed to depose, under oath, that expert reasonably in advance of the hearing, but such deposition will not take longer than 1 day (7 hours), unless the parties otherwise agree or the arbitrator determines that a longer time is appropriate. No other depositions (i.e., of fact witnesses) will be permitted, except upon agreement of the parties or upon approval by the arbitrator as to a witness who cannot be subpoenaed or is unable to attend the hearing. This agreement waives the right to take discovery to the same extent as is available in a case litigated in court.

Choice of Law and Forum; Attorneys' Fees

The Engagement Letter, these Terms of Engagement and all related documents and all matters arising out of or relating thereto, whether sounding in contract, tort, or statute are governed by, and construed in accordance with, the laws of the State of Michigan, without giving effect to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of Michigan.

In the event that a dispute arises between the Firm and the client, unless the Firm and the client are required pursuant to these Terms of Engagement to arbitrate the claims, the state or federal courts of Michigan shall be the exclusive forums for litigation concerning the Engagement Letter, these Terms of Engagement or any other aspect of our engagement. You consent to personal jurisdiction in such courts as well as service of process by notice sent by regular mail to the address set forth above and/or by any means authorized by Michigan law. In the event of any litigation, the prevailing party will be entitled to recover its reasonable attorneys' fees and other costs of collection.

Entire Agreement

These Terms of Engagement, together with the Engagement Letter and any other documents incorporated herein or therein by reference, constitute the sole and entire agreement between the Firm and the client with respect to the subject matter of the Engagement Letter and these Terms of Engagement, and supersede all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to the subject matter. In the event of any inconsistency between the statements in the Engagement Letter and these Terms of Engagement, the statements in the Engagement Letter shall control.

We appreciate the chance to be of service and look forward to working with you.