



**FLOTT
& Co.**
ATTORNEYS

A Virginia
Professional
Corporation

General Terms and Conditions of Representation

(current as of January 1, 2010)

Introduction

It is Flott & Co. PC's practice to set out the scope and terms of our engagement for a client at the start of our relationship. Accordingly, we have prepared this document to explain the general terms and conditions that will apply to our representation. ***It does not contain a description of the scope of our representation. That is set forth in a separate letter.*** Please read these general terms and conditions carefully. We want you to be aware in advance of our customary fee charges, how we calculate our hourly fees, our billing practices, and our payment terms.

Responsibility

In all matters on which we act as your lawyers, as the firm's principal, I am in charge of and principally responsible for the representation. I am assisted by Benjamin Snipes and Jeanne Franklin, who are associates of the firm. Law clerks and paralegals are used to perform support tasks appropriate to their training and experience. In addition, from time-to-time, when appropriate and after consultation with you, we will use one or more lawyers who work with us on an "of counsel" basis. We take full responsibility for their work and bill you for their services through our firm. Such arrangements are subject to your approval prior to any work being done by such counsel.

Hourly Rates

Although we do not favor charging for our services on an hourly basis, it is often the most effective basis for calculating legal charges. We are very open to businesslike proposals for alternatives to the hourly billing approach and will be happy to work with you to craft a fee arrangement tailored to your needs or business. Feel free at any time to ask for an estimate of our fees on a project or to ask us to agree to a fixed fee arrangement. ***If you and the firm have agreed to something other than an hourly rate basis for calculation of the fees to be charged to you, that arrangement will be set forth in writing in a separate letter.***

The firm's current hourly rates are set out in the following chart.

<i>Flott & Co.'s Current Hourly Rates</i>			
Type of Matter	SPF	BGS	JEF
Business (corporate, contracts, commercial questions, etc.)	\$450	\$300	\$225
Transportation Regulation	\$525		
Cross-Border Transportation & US Immigration	\$525		
US Taxation of US Citizens Residing Overseas	\$475	\$275	\$250
US Taxation of International Business or US Source Income	\$475	\$300	\$225
US Taxation of International Shipping & Transportation	\$525	\$325	\$225

The firm's "of counsel" rates range from \$300 to \$700 per hour, but we will not engage any counsel to the firm without your prior written consent. Paralegals and law clerks are billed at rates ranging from \$100 to \$150 per hour depending upon the type of work they perform.

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Travel Time

We want to highlight how we charge for travel time. When we travel on client business during normal business hours (8:30 am – 6:00 pm), we charge our normal hourly rates, unless there is an opportunity to do work for other clients or other non-billable work. In that case, we do not bill for any time billed to other clients or engaged in non-client work. When we travel on client business outside normal business hours, we charge one-half of our normal hourly rates. ***Travel time outside normal business hours is shown separately on all bills.***

Expenses

The firm will bill you for all out-of-pocket costs incurred in connection with our representation. These costs include expenses for courier services, travel, long distance telephone, faxes, computerized legal research, postage, photocopying, transportation, delivery and related expenses. Generally, these expenses are billed on a pass through basis. However, we add a small mark up on postage, photocopying, courier, and communications expenses to reflect administrative time associated with billing and payment. ***These costs are in addition to our fees for services rendered.***

Retainers & Advanced Fees

Generally we do not require retainers or advanced fee payments. If one is required, it will be requested as part of a separate letter. We may require you to advance any substantial out-of-pocket costs. Any money advanced to us will be kept in our escrow account, which is maintained strictly in accordance with the rules of professional ethics of the District of Columbia, Florida, Maryland and Virginia State Bars.

Billing

Our bills itemize time charges and expenses. On hourly fee matters, we give an effective hourly rate indication on the bill. We generally do not indicate the time associated with each entry. We do not have a minimum billing unit, such as a quarter of an hour. We bill only for the time spent on your matters, to the minute or part thereof. The bill will also show any amounts deposited in our escrow account that are applied to the fees and expenses shown on that bill. We will bill you monthly as of the last day of each month. ***We will email and mail invoices to you on or before the close of business on the fifth day of the following month.***

Payment

Our invoices are due upon receipt, and should be paid by the 20th of the month. As a small firm, we must insist on timely payment unless arrangements have been made ahead of time for less prompt or partial payments.

Late Payment/Non-Payment

If an Invoice is not paid by the end of the month in which it is rendered, you will be charged a late fee of \$25, and interest on the balance owed to us at an annual rate of twelve percent (12%). We will waive the late payment charge and interest on any invoice that is paid before the close of the next billing period. Invoices that remain unpaid after sixty (60) days will be subject to monthly late charges and interest until fully paid.

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Withdrawal as Counsel

If an invoice is not paid in full with interest and late charges within seventy-five (75) days, the firm may, upon notice to you, terminate its representation and cease to act as your counsel. We will do our best to make sure that your interests are not compromised, but will move quickly to withdraw as your counsel.

Suits for Fees

In the highly unlikely event that the firm has to bring a lawsuit to collect any amounts due, you will be responsible for court costs and the firm's reasonable attorneys' fees involved in collecting the amounts due. We are confident that this situation will not arise; however, we want you to have this notice and understand the firm's policy in the unlikely event it becomes relevant.

Declining Representation

If you do not agree to any of these general terms and conditions, you must advise us as soon as possible so that we can discuss mutually acceptable alternatives. If we cannot reach mutually acceptable terms, then we cannot serve as your lawyers. If we have already started to represent you, we will immediately cease to do so and will work with you to transfer your matter(s) to a lawyer of your choice. You are free at any time to discharge us as your lawyers. If you do so, we will render an invoice immediately for any unpaid fees and expenses, and cooperate with you to transfer your matter(s) to new counsel.

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