



FEE AGREEMENT

This Fee Agreement is a contract made between [REDACTED] ("Client" or "you"); and KELLY / WARNER, PLLC ("Attorneys").

1. Subject Matter of Agreement.

Subject to a written agreement otherwise, Attorneys will appear on behalf of Clients (who are identified as anonymous alleged co-conspirators) in the action entitled AF Holdings, LLC v. David Harris, case 2:12-cv-02144, United States District Court, District of Arizona. The appearance involves a subpoena issued to Client's ISP. Attorneys will move for a protective order, motion for stay litigation and motion for reconsideration of discovery order.

2. Scope of Representation.

A. Services to be provided. Clients authorize Attorneys to act on their behalf of Clients in all matters relating to the representation. The services that Attorneys may provide for Clients include consultation with Client, drafting of documents, legal research, telephone calls, investigation, correspondence, and other work or matters required to properly represent Client in this matter. Attorneys and Clients each may withdraw from this representation at any time, for any reason or no reason at all.

B. Legal services not covered by this Agreement. This Agreement requires that Attorneys represent Clients with respect to the above-subject matter only. Any other matters, except those incidental to and necessarily included with the above matter, may be the subject of a separate agreement between Attorneys and Clients. If additional legal services are required by Clients, which may or may not be related to the above matter, Clients and Attorneys may make an additional agreement with respect to those legal services. Unless such an agreement is made, Attorneys will not be required to provide any services after the matter is disposed of at the trial level, handle any appeal, or aid in the enforcement of any judgment, order, or settlement agreement.

3. Rights and Obligations of parties.

A. Attorneys Circumstances which would cause Attorneys to withdraw include a failure by Client to pay Attorneys' fee in a timely manner, a failure by Clients to pay costs and expenses in a timely manner, or a failure by Client to cooperate fully with Attorneys that prevents Attorneys from being able to do the job for which Client is hiring Attorneys. Attorneys will put forth their best efforts to maximize Clients' position and minimize Clients' exposure in this matter, but cannot promise or guarantee any outcome.

B. Client. Clients will provide Attorneys with such factual information and documents as Attorneys require to perform the services for which Client is hiring Attorneys. Clients understand that in order for Attorneys to represent Clients most effectively Clients must provide all information requested by Attorneys, as well as all relevant information even if not requested by Attorneys. Clients understand that information Clients consider harmful can become much more harmful if Clients do not make Attorneys aware of it as soon as the information is available to Clients, and that Attorneys need as much time as possible to attempt to minimize the impact of adverse information.

4. Calculation of Legal Fees. Clients agree to pay by the hour at Attorneys hourly rate a minimum fee that is earned upon receipt in the amount of \$3,000. This sum will be proportionately divided among those who choose to become clients by signing and returning the signed fee agreement to Attorneys. The \$3,000 minimum fee pays for 12 hours of legal work, the subpoena being quashed, the action stayed or the action dismissed, whichever occurs first. If less than 12 hours of legal work is performed in connection with the legal work, the balance will be divided equally among clients and repaid to clients. Any Client may discharge Attorneys at any time and may be entitled to a refund of all or part of the minimum fee that he or she proportionately paid based upon the value of the representation up to the point of discharge based on his or her proportionate share of the hourly rate. Any transaction cost charged by a merchant

processor concerning each clients' respective payment will be deducted from the amount repaid to clients. If after 12 hours of legal work the matter has not been completed, Clients agree to pay by the hour at Attorneys' prevailing rate for time spent on the matter, and each individual client is jointly and severally liable for all fees. The client who pays more than his or her proportionate share shall have contribution rights against any other client who failed to pay his or her proportionate share. Attorneys' current hourly rates for attorneys and other members of the professional staff are based on the individual's efficiency, expertise, and experience. Currently, the billing rates are as follows: Attorney Aaron M. Kelly is \$250.00 per hour; Attorney Daniel R. Warner is \$250.00 per hour; Paul Ticen at \$250.00 per hour; Garrick McFadden at \$250.00 per hour; paralegal(s) are \$150.00 per hour, and legal assistants are \$70.00 per hour. Attorneys' rates are subject to change from time to time, and Attorneys agree to notify Client of any such changes. The hourly rate will be divided among those who choose to become clients by signing and returning the signed fee agreement to Attorneys. Attorneys have agreed to cap total time incurred in connection with legal work identified in Section 1 to 20 hours. Clients acknowledge and agree that Paul Ticen is Of Counsel to Kelly / Warner, PLLC and will be lead counsel on this matter and will share in the fee.

5. Costs and Expenses Payable by Clients. Clients understand that Clients are responsible for all costs and expenses associated with this matter, dispute, case and/or controversy. And that each individual client identified above is jointly and severally liable for all such costs and expenses. Costs and expenses include, but are not limited to photocopying fees, travel expenses, investigation fees, use of word processing and other automated equipment, etc. These costs are in addition to Attorneys' fee and are not included in the applicable hourly personnel or Attorneys' rates.

6. Payment. Attorney may require an payment up front.. Otherwise, payment is due within 5 days of issuance of the bill and balances outstanding for 30 days shall be deemed delinquent. Clients agree that delinquent status may, at the election of Attorneys, result in an interruption or termination of service. A finance charge will be assessed against balances remaining due beyond 30 days. This finance charge is calculated on the statement by multiplying the monthly periodic rate of 1.5% (18% annual percentage rate) by the principal balance of 30 days past due (previous finance charges are excluded). All attorney time and paralegal time necessary to collect past due balances, whether or not legal proceedings are initiated, shall be charged to Clients at the established hourly rates. In the event that a legal proceeding is brought on an outstanding balance, the prevailing party shall be entitled to reasonable costs and attorneys' fees in the event that Attorneys represents itself during such a proceeding and is the prevailing party, Attorneys shall be entitled to an award of attorneys' fees equivalent to its established rate for such services. Any and all work performed by attorney shall be attorneys' intellectual property unless and until the amount due and owing is paid in full. In the event of nonpayment, Attorney may seek any and all available remedies to prevent the unauthorized use, infringement, and distribution of its intellectual property. This provision does not apply to any client(s) that is not delinquent.

Attorneys may terminate legal services and withdraw, subject to Attorneys' professional obligations, from this representation if Attorneys' invoices are not paid in a timely manner, which Attorneys considers to be within thirty (30) days of the billing date. All invoices will be sent to Clients electronically. If applicable, each Clients acknowledge that they are obtaining legal services from Attorneys for the benefit of their marital community.

7. Attorneys may associate with other counsel. Clients agree that Attorneys have the right to associate and discuss all matters pertaining to the representation with other professionals and/or lawyers, as Attorneys deem necessary or beneficial.

8. Result not guaranteed. Clients understand that Attorneys have made no promises regarding the outcome of this matter. *Client may spend substantial legal fees and may not obtain a favorable outcome and/or may be liable to pay substantial damages to the adverse party.* Clients further understand that if Client's case is of the type where a money judgment may be won, winning a judgment and collecting the judgment is not the same thing, and that Client may have to expend additional time and money to collect the judgment.

9. Arbitration. Attorneys and Clients agree that disputes over fees shall be resolved by the use of binding arbitration for the following types of disputes:

- A. Any dispute by Clients over the amount of fees charged by Attorneys; and
- B. Any dispute by Clients over costs advanced by Attorneys on behalf of Client.

Arbitration of a fee dispute under this provision shall be conducted under the auspices of the Bar approved program for resolution of attorney-client fee disputes in Arizona, if any. The decision of an arbitrator or panel of arbitrators selected to resolve a dispute arising under the foregoing sections shall be final, binding, and not subject to review. If there is no Bar-approved program in place, fee disputes shall be handled according to the following sections. Disputes over the quality of legal services provided by Attorneys shall be resolved by the use of binding arbitration with the American Arbitration Association whose panel of arbitrators consist of impartial lawyers, non-lawyers and retired judges. Attorneys and Client shall bear their own fees and costs for the arbitration.

Prior to entering this Agreement, Clients represent and warrant that Clients have read this Agreement and understands it, and that Clients have the right to have this Agreement reviewed by other counsel.

IF ANY PART OF THIS AGREEMENT IS NOT CLEAR TO YOU, OR YOU HAVE ANY OTHER QUESTIONS, PLEASE CONTACT US.

“Clients”

[Redacted] Date

[Redacted] Date

[Redacted] Date

[Redacted] Date

[Redacted] Date

[Redacted] Date