



Schnee Legal Services, LLC  
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March 10, 2023

By email and First Class Mail

Township Manager Betsy McBride  
4975 DeMoss Road  
Reading, PA 19606  
mmcbride@exetertownship.com

RE: Engagement for Legal Services

Dear Manager McBride:

This letter sets forth proposed terms of our engagement. If you agree to the terms set forth below and desire to retain this firm, please sign the acknowledgement at the end of the letter and return it to me along with the necessary retainer fee.

Our proposed representation is limited to the matter described below. To the extent you wish to engage this firm to represent you regarding other matters, you will be required to sign a separate engagement agreement describing the scope of that representation prior to our initiation of services. It is our policy to confirm in writing the nature of the engagement and the terms of our legal representation. If you do not understand all of the terms or language in this engagement agreement, please contact me prior to signing this engagement agreement.

**Scope of Representation:**

This firm has been retained to serve as the Solicitor for Exeter Township.

If you wish to expand the scope of the legal services we are providing and/or new matters for which you wish to retain our services arise, a separate engagement agreement for provision of services and payment for those services will be required.

**Limited Scope of Representation:**

The scope of our representation does not include advice or services regarding accounting, tax, personal financial matters, business management, and related non-legal matters and advice. If you wish for us to consult with other professionals retained by you regarding this matter, we will communicate with you in writing to confirm the scope of such consultations prior to initiating same.

**Fees and Billing Statements:**

In the interest of providing consistency and predictability to legal billing, we have agreed that I will provide representation on a flat fee basis, paid in quarterly installments of \$45,000.00 due on 3/31, 6/30, 9/30 and 12/31 for each upcoming quarter. (For example, the fee for representation in the second quarter of 2023 would be due on 3/31/2023.) This fee (1) is a flat, non-refundable fee that is earned upon receipt and covers all services within the Scope of Representation, (2) will not be deposited into an attorney IOLTA or other Trust account to be billed against, and (3) will be deposited in the lawyer's operating account. You agree that this fee is not excessive in light of prior legal invoices and proposed hourly rates from other law firms. We evaluate our rates annually, and any rate changes take effect December 1<sup>st</sup>.

Expenses will be separately stated on the bill, including, but not limited to tolls, and parking. No travel time or

mileage will be billed for up to four (4) roundtrips to Berks County per month. A surcharge of \$250.00 and mileage at the then-current IRS mileage reimbursement rate will be charged for travel to Berks County over five (5) times per month. Our billing statements are due and payable upon presentation and are overdue if not paid by the due date set forth on the statements. You are responsible for payment of all legal fees, expenses, and disbursements, regardless of the outcome of the engagement.

**Late Payment and Failure to Pay:**

If you fail to pay our statements in full on or before the due date set forth on the statements, we reserve the right to assess a monthly service charge equal to 1% of all fees, expenses and disbursements that are past due. This monthly service charge will be billed to you at the end of each month in which a late payment occurs — in no event will the service charge be greater than that permitted by any applicable law.

In the event that we are required to file an action or proceeding to collect any late payment or assessed monthly service charge, you will be required to pay for all costs of collection, including without limitation all filing fees, third-party expenses and attorney's fees incurred for our efforts in collecting such amounts. If we use our own attorneys or legal assistants to pursue such an action or proceeding, the fees charged shall be calculated on an hourly basis using the applicable hourly rates for the attorneys and legal assistants who perform such work.

We will maintain a lien on all files in our possession and their content until we have received payment in full on all amounts due. In litigation matters in which a money judgment or settlement is rendered in your favor, we will maintain a lien on all proceeds thereof to the extent of any unpaid fees, expenses or disbursements.

**Responsibilities of Law Firm and Client:**

We will provide only legal services, as previously described in the "Scope of Representation" and "Limited Scope of Representation" sections of this engagement agreement. We will keep you apprised of developments and will consult with you as necessary to ensure the timely, effective, and efficient completion of our work. You acknowledge that we cannot guarantee either the outcome or the timing to complete legal services on your behalf.

You agree to be truthful and cooperative with us, to respond to our inquiries and communications promptly and to provide promptly all information known or available that may be relevant to our engagement. Additionally, you agree, on behalf of the Township, its officials and employees, to keep all privileged communications (as determined by the Solicitor or other legal counsel) with this firm confidential and to refrain from disclosing such communications through social media or any other means, except where authorized by a quorum of the Board of Supervisors. You will provide us with factual information and materials as we require in order to perform the foregoing services. You acknowledge and agree that you remain responsible for making all business or technical decisions and that you are not relying on us for accounting, tax, personal financial matters or business management, and related non-legal matters and advice. You also acknowledge that we are not responsible for investigating the character or credit of persons with whom you may be dealing.

We may provide to you newsletters or similar materials regarding general legal developments or matters of current interest. Similarly, we may invite you to attend seminars or symposia where legal topics are discussed. In our experience, such information or events are educational, because a well-informed client will be better able to make decisions about the need for future legal representation. However, it is understood that such communications do not constitute legal advice, and do not create an attorney-client relationship beyond the scope of the representation described herein.

**Non-disparagement:**

You, on behalf of the Township, its public officials and employees, agree to not disparage or make any defamatory or slanderous statements about this firm and/or Attorney J. Chadwick Schnee, Esq. through any means, including but not limited to social media postings, conversations or written materials. Any violation of the non-disparagement provision of this Agreement shall entitle the other party to bring a legal action for appropriate equitable relief as well as damages. In addition to any other rights or remedies available at law, in equity, or by statute, the parties consent to the specific enforcement of the non-disparagement provision of this Agreement through an injunction or restraining order issued by an appropriate court, without the requirement of posting a bond. Further, we agree that this firm may assess an additional fee up to \$1,000.00 per violation, up to an annual maximum of \$10,000.00, of the non-disparagement provision of this Agreement.

**Termination:**

You may terminate this representation at any time with or without cause by notifying us in writing of your desire to do

so. Upon receipt of the notice to terminate representation, we will cease all legal work on your behalf immediately. You will be responsible for paying all legal fees, expenses and disbursements incurred on your behalf in this matter until written notice of termination is received by our firm. You further agree that any fees designated as non-refundable flat fees are not refundable.

To the extent permitted by rules of professional responsibility and the court, we may terminate our representation at any time if you breach any material term of this agreement, fail to cooperate or follow our advice on a material matter, if a conflict of interest develops or is discovered, or if there exists, at any time, any fact or circumstance that would, in our opinion, render our continuing representation unlawful, unethical, or otherwise inappropriate.

If we elect to terminate our representation, you will timely take all steps reasonably necessary and will cooperate as reasonably required to relieve us of any further obligation to perform legal services, including the execution of any documents necessary to complete our withdrawal from representation. In such case, you agree to pay for all legal services performed and any legal fees, expenses or disbursements incurred on your behalf before the termination of our representation in accordance with the provision of this agreement.

In the event that this Agreement is terminated by the Township or this firm, the terminating party shall provide a positive reference upon request.

**File Retention and Destruction:**

At the conclusion of this matter, we will retain your legal files for a period of five years after we close our file. At the expiration of the five-year period, we will destroy these files unless you notify us in writing that you wish to take possession of them. We reserve the right to charge administrative fees and costs associated with researching, retrieving, copying and delivering such files.

**Severability:**

In the event that any provision or part of this agreement is found to be invalid or unenforceable, only that particular provision or part so found, and not the entire agreement, will be inoperative.

**Client Review of this Agreement:**

You have a right to have this engagement agreement reviewed by another law firm prior to signing it. Likewise, you have the right to review this engagement agreement outside the presence of this law firm and away from the law firm's office prior to signing it. You understand that this law firm is not retained until the signed engagement agreement is returned to the law firm.

If you have any questions or concerns about the terms of this engagement agreement, please contact me. I look forward to the opportunity to represent you in this matter.

Regards,



J. Chadwick Schnee, Esq.

By signing this agreement, I confirm that I have read this engagement agreement, have legal authority to enter into this agreement on behalf of Exeter Township, understand its provisions, and agree to abide by it. I hereby agree to retain Schnee Legal Services, LLC consistent with the terms set forth in this agreement.

DATE:

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Township Manager Betsy McBride