

HALL, ESTILL, HARDWICK, GABLE, GOLDEN & NELSON, P.C.

Standard Terms of Engagement for Legal Services

Introduction

This statement contains the standard terms of our engagement as your attorneys. Unless modified in writing by mutual agreement, these terms will be an integral part of the letter to which this statement is attached (collectively, "Engagement Letter"). Therefore, we ask that you review this statement carefully and contact us promptly if you have any questions. We suggest that you retain a copy of the Engagement Letter in your file.

Scope of Hall Estill's Representation

The scope of legal services we will provide is described in the accompanying letter. Any questions that you have about that scope of services should be addressed to us immediately.

We will at all times act on your behalf to the best of our ability. Depending upon the scope and requirements of the engagement, we may perform certain services in a jurisdiction other than where our attorneys are admitted, and you agree to the performance of these services. Any expressions on our part concerning the possible outcome of your legal matters are expressions of our best professional judgment, but are not guarantees. Such expressions are necessarily limited by our knowledge of the facts and are based on the state of the law at the time they are expressed.

It is our policy that the person or entity we represent is the person or entity that is identified in our Engagement Letter and does not include any affiliates of such person or entity, unless specifically referred to.

It is also our policy that the attorney-client relationship will be considered terminated upon our completion of the specific services that you have retained us to perform in this engagement. This will not affect any obligations we might have with respect to the maintenance of client confidential information or with respect to the attorney-client privilege. If you later retain us to perform additional services, our attorney-client relationship will be revived subject to these terms of engagement, as they may be supplemented at that time.

You agree to cooperate fully with us and to promptly provide all material information known or available to you relevant to our representation.

Approach to Providing Services

Customarily, a Relationship Attorney serves each of our clients. The Relationship Attorney should be someone in whom you have confidence and with whom you enjoy working; you should assume the attorney sending the Engagement Letter is the designated Relationship Attorney for this matter. You are free to request a change of Relationship Attorney at any time.

Subject to the supervisory role of the Relationship Attorney, other attorneys and support personnel in the Firm may perform the work or parts of it. Such delegation may be for the purpose of involving attorneys or support personnel with special experience or expertise in a given area or for the purpose of providing services on the most efficient and timely basis. Whenever practicable, we will advise you of the names of those attorneys and support personnel who work on your matters. If you are concerned about our performance or the performance of the Relationship Attorney, you may call our President, Stephen W. Ray at (918) 594-0415, or Jason Fiscus, our Executive Director, at (918) 594-0525.

Methods of Communication

We are mindful of our obligation to preserve the client's confidential information. To that end, it is important that we agree from the outset what kinds of communications technology we will employ in the course of this engagement.

The exchange of documents using the Internet, or even direct computer-to-computer data transfer, may involve some risk that information will be retrieved by third parties. Even the use of fax machines can cause problems if documents are sent to numbers where the documents sit in open view.

As part of these general issues, please be aware that (1) e-mail communication is not a secure method of communication in all circumstances; (2) any e-mail that is sent to the client or by the client may be copied and held by various computers that it passes through as it goes from the sender to the recipient; and (3) persons not participating in our communication may intercept such messages by improperly accessing the client's computer or the lawyer's computer, or even some computer not related to either the client or the law firm which the e-mail passes through. However, it has been our experience that most current business communications are accomplished by electronic means. Hall Estill will assume that you have no objections to such communications and consent to receive communications via electronic means unless you notify us in writing to the contrary.

Establishment of Fee Structure

In determining the amount to be charged for the legal services we provide to you, we will consider:

1. The time and effort required, the novelty and complexity of the issues presented, and the skill required to perform the legal services properly;
2. The fees customarily charged in the community for similar services and the value of the services to you;
3. The likelihood that our representation will preclude other employment by the Firm;
4. The amount of money or value of property involved and the results obtained;

5. The time constraints imposed by you as our client and other circumstances, such as an emergency closing, the need for injunctive or other emergency relief, or substantial disruption of other office business;

6. The nature and longevity of our professional relationship with you; and

7. The experience, reputation and ability of the attorneys performing the services.

Among these factors, the time and effort required are typically weighed most heavily. We will keep contemporaneous records of the time we devote to your work, including conferences (both in person and over the telephone), negotiations, factual and legal research and analysis, document preparation and revision, travel on your behalf and other related matters. We record our time in units of tenths and quarters of an hour, depending upon the attorney involved and any specific requests you may make.

The hourly rates of our attorneys and support personnel have an important bearing on the fees we charge. The range of our hourly rates for attorneys, including Shareholders, Associates, Special Counsel and Of Counsel, as well as Paralegals is set to reflect current levels of experience, changes in overhead costs and other factors. These rates are adjusted periodically, typically on an annual basis. We are often asked to estimate the amount of fees and costs likely to be incurred in connection with a particular matter. If requested we will endeavor to furnish such an estimate based upon our professional judgment, but always with a clear understanding that it is not, unless otherwise agreed, a maximum or fixed-fee quotation.

The ultimate cost frequently is more or less than the amount estimated.

For certain well-defined services (for example, a simple business incorporation), we may quote a flat fee. It is our policy not to accept representation on a flat-fee basis except in such defined-service areas or pursuant to a special arrangement tailored to the needs of a particular client.

Generally speaking, our fees are not contingent and payment is due within 30 days of your receipt of our invoice or statement. In undertaking representation of a client on a contingent fee basis, any such contingent fee arrangement must be reflected in a separate written contingent fee agreement.

Potential Conflicts Regarding Affiliates

You agree that our representation of you in this matter does not give rise to an attorney-client relationship between Hall Estill and any of your affiliates, unless specifically set forth herein. You also agree that during the course of our representation of you, we will not be given any confidential information regarding any of your affiliates unless you believe it necessary to do so. In such circumstances, you agree to identify such information as being confidential and discuss your reasons for revealing it with us prior to disclosing the information. Accordingly, in most instances, representation of you in this matter will not give rise to any conflict of interest in the event other clients of the Firm are adverse to any of your affiliates. If such conflicts do arise you agree that you will not unreasonably withhold your written consent to a waiver of such conflicts.

Services We Expressly Do Not Provide to You

Members of our Firm, whether attorneys, paralegals, or other persons employed by the Firm, are from time to time serving in elected or appointed positions with various governmental or regulatory bodies at the federal, state, county, municipal or local level. Such service could include, but is not limited to, service in the state legislature, as a board member of a state agency, board, or commission, or the executive branch of state government, as a county commissioner, mayor, city council member, alderman, as a member of a planning and/or zoning board in charge of land use and entitlement issues, or a board of adjustment or variance.

Members of our Firm must discharge those duties without regard to their employment or association with the Firm, and more importantly, it could be a prohibited conflict of interest for them to give any special consideration, benefit or access to you or any other client of the Firm by virtue of your engagement of the Firm in any capacity, including the actual lobbying of any such governmental body or agency. Accordingly, you acknowledge and confirm that this engagement of the Firm is not in consideration for or in contemplation of any expected benefit to be derived from the activities of such persons in elected or appointed positions.

You also understand that in the course of such public service these persons may be called upon to take positions, cast votes, adopt rules and regulations or otherwise act in a manner adverse to your actual or perceived business interests, and you acknowledge that such events are not conflicts of interest or ethical violations of the Firm's duties to you as a client.

Billing Arrangements and Terms of Payment

We will bill you on a regular basis, normally each month, for both fees and disbursements. You agree to make payment upon receipt of your invoice. Such payment should be received by us within 30 days from the date of your receipt of invoice.

Moreover, you agree that your obligation to pay our fees is not dependent on the outcome of our legal representation.

We will give you prompt notice if your account becomes delinquent, and you agree to bring the account or the retainer deposit current. If the delinquency continues and you do not arrange satisfactory payment terms, we may terminate the representation. In litigation matters, our ability to terminate or withdraw from the case may be subject to court approval. We reserve the right to pursue collection of any unpaid balance of your account. You agree to pay the costs of collecting the debt, including court costs, filing fees and a reasonable attorney's fee.

Additional Charges

Typically, we will charge our clients not only for legal services rendered, but also for other ancillary services provided. Examples include long distance telephone, travel expenses, legal courier charges, overnight carrier charges, computerized research services, and the use of our facsimile, laser printing and photocopy machines. While our charges for these services are measured by use, they do not, in all instances, reflect our actual out-of-pocket costs. For many of these items, the true cost of providing the services is difficult to establish.

We are constantly striving to maintain these charges at rates that are lower than those maintained by others in our markets, in some instances the amounts charged may exceed the actual costs to the Firm.

In addition, we generally will disburse funds on your behalf for filing fees, overnight deliveries, necessary travel and other miscellaneous items as required to complete the scope of our services. We will bill you at actual cost for these types of expenses. When disbursements are significant, we often request that you pay the vendor direct. Fees and expenses of others, such as governmental verification, lien searches, consultants, appraisers and local counsel, are required to be paid directly by you unless agreed otherwise.

We do not regularly bill for our clerical or administrative staff directly to the client. These employees and their efforts are considered as overhead and calculated into the hourly rates of the professionals who may provide services to you. Secretarial or administrative overtime is only passed through to the client when deadlines or extraordinary circumstances related to the client's representation necessitate the overtime work.

Retainer and Clients' Funds

In accordance with Firm policy, we may have asked you to provide a retainer deposit, and the Engagement Letter will state the amount of the retainer and any special agreement regarding the retainer. By providing a retainer, you grant us a security interest in the amount of the retainer deposit. Typically, the retainer is equal to the fees and costs likely to be incurred during a two-month period of anticipated peak activity on your behalf. Unless otherwise agreed, the retainer deposit will be credited toward your unpaid invoices, if any, at the conclusion of services, and you will be expected to pay our bills within 30 days as provided above. If our bills are not timely paid, we may apply the retainer to those unpaid bills.

At the conclusion of our legal representation or at such time as the deposit is unnecessary or is appropriately reduced, the remaining balance or any appropriate part of it will be returned to you. If the retainer deposit proves insufficient to cover current expected expenses and fees on at least a two-month basis, it may have to be increased. Any understanding regarding a retainer deposit, which is inconsistent with the foregoing, must be expressly confirmed in the Engagement Letter or subsequent written communication from us.

Retainer deposits will be disbursed as provided in our agreement with you, and you will be notified from time to time of the amounts applied or withdrawn. Any amount remaining after the representation is concluded will be returned to you.

All retainers and clients' funds are held in clients' funds accounts in trust for your benefit at qualified financial institutions in accordance with our ethical obligations in the states where we regularly practice. The name and address of the financial institution holding your funds will be provided to you upon your request.

If the deposit, whether it be a retainer or other amount which we will hold for you, represents a significant amount and/or will be held for a long period of time, the deposit may, at your request, be placed in a segregated account (or other form of investment approved by you) provided that you supply us with a tax identification number and other necessary information. Interest earned on the segregated clients' funds account will be added to the deposit for your benefit and will be included in your taxable income.

When the funds are small or are to be held for only a short period of time, it is our practice to place the funds in a pooled account maintained in accordance with State Bar of Oklahoma rules. Unless you instruct us otherwise, we will follow the above practices with respect to client funds held on your behalf.

Making Retainer or Bill Payments

Instructions regarding how to pay a bill with either an ACH or wire transfer may be found at the end of these Terms. Likewise, instructions regarding how to pay a retainer using a wire transfer for each of our office locations may be found on pages two and three of the addendum.

If mailing a payment or retainer by check, please mail to:

Hall, Estill, Hardwick, Gable, Golden & Nelson, P.C.
521 East 2nd Street, Suite 1200
Tulsa, OK 74120

See also our online Payment Portal tab at hallestill.com.

Questions about Your Bill

If you disagree with the amount of our fee, please take up the question with your Relationship Attorney or with our President or Executive Director. Typically, such disagreements are resolved to the satisfaction of both sides with little inconvenience or formality.

Ending Your Relationship with Us

You may terminate our representation at any time, with or without cause, by notifying us. If we terminate the engagement, we will take such steps as are reasonably practicable to protect your interests with respect to the scope of our representation. If permission for withdrawal is required by court, we will promptly apply for such permission, and you agree to engage successor counsel to represent you.

Unless previously terminated, our representation of you with respect to the agreed upon scope of representation will terminate upon sending you our final statement for services rendered relative to the specific engagement undertaken. Following such termination, any otherwise nonpublic information you have supplied to us, which is retained by us, will be kept confidential in accordance with applicable rules of professional conduct.

Your papers and property will be returned to you upon receipt of payment for outstanding fees and costs unless a court orders otherwise. We will retain our own files, including lawyer work product, pertaining to the representation. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to destroy or otherwise dispose of any documents or other materials retained by us five years after the termination of the engagement.

You are engaging us to provide legal services in connection with an agreed upon scope of representation. After completion of the representation, changes may occur in the applicable laws or regulations that could have an impact upon your future rights and liabilities.

Unless you actually engage us to provide additional advice on issues arising from this representation, we have no continuing obligation to advise you with respect to future legal developments.