

[FIRM LETTERHEAD]

[Date]

John Jones and Mary Smith
123 Any Street
Anywhere, New York 10111

Re: Retainer Agreement

Dear John and Mary:

Thank you for your interest in retaining [Firm] in connection with the formation of a limited liability company (the "LLC"). This letter will confirm the scope and terms of our representation and will ensure that we have a clear understanding of these matters from the outset.

SCOPE OF REPRESENTATION

We will be representing the LLC and we will not be representing either of you individually. There may be substantial conflicts of interests between you and the LLC and between each of you. Accordingly, we recommend that each of you consider retaining separate counsel.

The scope of this representation will include meeting with you to discuss the significant [tax and] legal issues regarding the formation of the LLC. We will prepare and draft the Articles of Organization and Operating Agreement of the LLC for your review and approval and, assuming you decide to form a New York LLC, file the Articles of Organization with the Secretary of State, obtain the necessary affidavit of publication and file the affidavit of publication with the Secretary of State. [We recommend that you discuss the tax and accounting issues regarding the LLC with an accountant. We will not obtain the tax identification number for the LLC or make the necessary tax election.]

FEES AND COSTS

Our fees for services will be based upon a variety of facts, including the time and labor involved; the difficulty of the questions and the skill required to perform those services properly; time limitations imposed either by you or by the circumstances; the nature and length of the professional relationship between us; and the experience of the lawyers assigned to do the work. The hourly billing rates for attorneys in our firm vary and are re-adjusted periodically. Our current schedule of fees is annexed. [Alternate: We will bill you for our work in this matter based upon our normal hourly rates. My hourly rate is \$ _____ and I anticipate that I will perform most of the services on this matter. We estimate the total fee will be approximately \$ _____.]

Beyond hourly fees, certain other costs and expenses may be incurred in this representation. We estimate that filing fees in the amount of \$ _____ and publication fees in the amount of \$ _____ will be incurred. [Other disbursements might include corporate service fees, messenger and overnight courier fees, investigation fees, charges for obtaining copies of records, photocopying expenses, computerized legal research, travel expenses, and similar