

DOCUMENT CHARGES

Lotter & Bailin, P.C.

August 2007

ESTATE PLANNING DOCUMENTS:

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|--|--------|
| Simple will--single person: | 300.00 |
| Simple wills--married couple: | 400.00 |
| Will(s) with simple trust for minor children-- in addition to the above charge: | 100.00 |
| Durable power of attorney (financial): | 100.00 |
| Simple will, financial and health care powers of attorney: | 400.00 |
| Simple wills, health care and financial powers of attorney for married couple: | 550.00 |

Revocable Trust Documents:

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|--|-----------|
| Single Trust: | 1,200.00* |
| Revoc. Trust package, married couple: | 1,800.00* |
| Revoc. Trust package, single person: | 1,400.00* |
| Revoc. Trust pkg., non-U.S. citizen: | 2,500.00* |
| Revoc. Trust pkg., non-married couple: | 2,000.00* |

Medical Decision Documents

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|---------------------------|-------|
| Health Care Power of Atty | 30.00 |
| Living Will | 20.00 |

Irrevocable Trusts:

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|-----------------------|-----------|
| Life Insurance Trust | 1,200.00* |
| Trust for Minor Child | 1,500.00* |
| Medicaid Trust | 1,800.00* |
| Stretch IRA Trust | 2,000.00* |
| Charitable Trust | 1,800.00* |
| Special Needs Trust | 1,500.00* |

Special Clauses:

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|--|--------|
| Generation-skipping clause | 400.00 |
| Special Needs clause (disabled benef.) | 750.00 |

Transfer Documents:

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|--------------------------------------|--------|
| Deed to real estate in New Hampshire | 200.00 |
| Deed to real estate in another state | 250.00 |
| Power of Appointment Exercise | 250.00 |

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|---|-------|
| <u>Application for federal tax ID number</u> | 50.00 |
| <u>Crummey notices, per donee (\$1,000 max)</u> | 75.00 |

BUSINESS PLANNING

Formation and organization, including bylaws or
operating agreement:--

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|--|-----------|
| N.H. corporation/LLC | 800.00 |
| Delaware corporation | 1000.00 |
| Mass. Corporation | 1000.00 |
| Family Limited Partnership package | 3,500.00* |
| Trade Name registration - partnership | 100.00 |
| Trade Name registration - proprietorship | 50.00 |
| Election of S corporate status | 100.00 |
| Application for federal tax ID no. | 50.00 |
| Business, Real Estate or Nominee Trust | 800.00* |
| Annual Report of N.H. Corporation | 100.00 |
| Annual Meeting Minutes for corporation | 100.00 |
| Buy-Sell Agreement | 2,500.00* |
| Partnership/Shareholder Agreement | 1,500.00* |
| Independent Contractor Agreement | 750.00* |

TAX MATTERS

Income Tax Returns: Request separate schedule of fees charged for computerized preparation of federal and state (N.H. and others) income tax returns for individuals, trusts, partnerships and corporations.

Surcharge for first-year preparation may apply.

Estate Tax Return: At least \$1000, but the charge will vary depending on complexity of issues and number of schedules required.

PROBATE

There is no minimum or maximum charge for probating an estate. Our time is billed hourly according to the schedule of hourly rates. The amount of time involved will vary depending on the size and complexity of the estate.

* These figures include two hours of interview and consultation time. If more time is necessary for deciding upon the appropriate provisions of the documents, the additional time will be billed pursuant to hourly rate schedule.

SCHEDULE OF HOURLY RATES

SEPTEMBER 2006

| | |
|---------------|----------|
| Lawyer-AHL: | \$250.00 |
| Lawyer-DMB: | 200.00 |
| Paralegal-NGB | 75.00 |

LOTTER & BAILIN, P.C.

Counselors at Law

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Description of Billing Practices

and

Fee Schedule for Standardized Services

as of August 2007

Introduction; Retainers; the Client Trust Account:

We want you to understand the principles that we apply to setting the fees that we will be charging you. If you understand the rationale behind the charges, we hope you will better appreciate the legal services we render for you and our efforts to keep our charges reasonable. As hard as we try to avoid mistakes, errors sometimes creep into the billing procedures. If you know the billing principles, you can help us catch a mistake.

We request clients to pay retainers to cover anticipated out-of-pocket costs plus 50 percent of the estimated fees. These retainers are held in a special bank account called the Client Trust Account, and are used to pay costs and are then applied to the clients' bills for legal services. (Interest on money in the Client Trust Account is transmitted to the New Hampshire Bar Foundation for charitable activities, and none of the interest is reportable by clients for tax purposes.)

Billing by Time Expended:

For gathering information, researching the applicable laws, imparting the choices to the client, discussing and deciding on the choices, and drafting custom documents, the fee is based upon the amount of time expended by the lawyer or the paralegal. Hourly rates are actually measured in increments of 6 minutes (one tenth of an hour). The fee based on time expended will therefore depend upon who performs the service. Rates are established to reflect the education and experience of the lawyer or paralegal doing the work. Both the lawyer and the paralegal will record their time expended in telephone conversations bearing on the matters covered by the hourly rate. For the specific rates in force for each professional, see the *Schedule of Hourly Rates* .

Billing by Document:

Time expended in tailoring a basic document to the client's needs will not generate a fee based on the hourly rates. Rather, the client will be charged a flat fee, which we call a Document Charge, which includes a charge to compensate the law firm for its research and development of the basic form document. This flat fee covers the drafting, revising, editing and proofreading of the document as tailored for the client. When a client requires an unusual number of revisions or additions, we will add to the client's bill a charge based on the professional's hourly rate and the time spent by the professional in satisfying the client's specialized requirements.

Billing by Value of Service:

When time recorded by the professionals does not translate into appropriate values, bills may be adjusted to compensate. Most often, bills are adjusted downward. Sometimes, however, the opposite may occur. In either case, the adjustment will reflect the firm's estimate of fair value for the services rendered.

Reduced rates for routine or nonintensive time:

Recognizing that time spent on one client, no matter how fruitless, is time that can never be recaptured in the service of another client, we nevertheless reduce the hourly rates for services which require the presence, but not the intense concentration, of the professional. Such services include travel time and waiting time where the time lapse in rendering such service is significant (at least 20 minutes). The reduction is usually 40 percent, so that the time is billed at 60 percent of the normal hourly rate.

Reduced Rates for Nonprofit Organizations:

We offer a 25 percent discount to nonprofits and to individuals desiring to establish a new nonprofit organization. This discount covers the charges for services performed, however calculated. The nonprofit is expected to reimburse us in full for costs incurred.

Unexcused Delinquent Payments:

If a client fails to pay a bill, and has not contacted this office to explain why payment is delayed, all work on that client's behalf will be suspended until the client has paid the outstanding bill in full and has deposited a retainer to cover the balance of the anticipated costs and fees.

Out of pocket expenses/client cost disbursements:

Clients are always expected to pay the costs associated with their legal matters. We try to keep a retainer slightly in excess of anticipated costs, such as filing fees, so that the costs may be paid from client funds. Not all costs can be anticipated; some costs, such as long distance telephone charges, are accounted for only after the office has disbursed payment. Whether payments are made from client

funds held in the client trust account or from the law firm's funds to be reimbursed by the client upon billing, the transactions will be reflected on the client's bill. Even if the legal services are subject to a delayed-payment arrangement, the client is expected to reimburse the law firm immediately for costs advanced on the client's behalf.

This office does **not** normally charge for **making copies of documents**. However, if the document is unusually long or difficult to copy, or multiple copies are required, a copying charge will be added at the rate of 10 cents per page. In any event, if this office chooses for any reason to use an outside service to make the copies, the fee charged by that service will be treated like any other cost disbursement and added to the client's bill.

Computer-aided legal research will sometimes cost the firm a considerable sum for search time, plus on-line charges and printing surcharges. These costs, as they are incurred for a particular client, are passed on to the client. The time of the lawyer or paralegal employing the computer search will also be charged at the appropriate hourly rate. Although the cost of computer research sounds expensive, the computer saves the client money since the research takes less lawyer/paralegal time and will sometimes turn up more useful information than a search through books.

When, as for tax issues, online research can be done through services to which we have subscribed on an annual basis, the client is not charged for the our use of the subscription service.