

Jacobs and Diemer

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December 8, 2021

VIA E-MAIL

Lisa A. Anderson, Esq.
Rosati, Schultz, Joppich &
Amtsbuechler, P.C.
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Dear Ms. Anderson,

I am writing to provide additional information about me and my firm for consideration by the City of Grosse Pointe Woods as it, through City Council, selects legal counsel to represent the City in insurance coverage litigation with the City's insurer, U.S. Specialty Insurance Company. The insurance coverage case was filed in the Eastern District of Michigan, Docket No. 21-cv-12546, and concerns U.S. Specialty's coverage obligations regarding underlying class action litigation pending in Wayne County Circuit Court.

I have previously provided biographical information about me and my firm and, as requested, below is a proposed Retainer Agreement for further consideration by City Council. If you need any additional information, please let me know.

During our initial conversations, I have learned the broad contours of the case and the legal dispute the City is currently involved in. In the interim, I have downloaded the Complaint filed by U.S. Specialty and its attachments, which include the underlying complaint and the insurance policy, itself. I also know that you have secured an extension of time for the City to answer the complaint in federal court.

From these discussions, I have some preliminary thoughts on how I think the City should approach this litigation strategically. While I have proposed strategies, my practice is to offer recommendations based on my judgment, but it is ultimately the client's call on what tactics to adopt. It is the client's case, not mine, and my role as advisor is to serve the client's wishes.

In the same vein, my practice is to obtain client consent and

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approval prior to preparing and filing motions or acting on any litigation strategy. To that end, I also make it a priority to provide regular status updates to the client to make the attorney-client relationship collaborative as we weigh appropriate strategic decision-making. This also provides cost containment benefits as the tasks I undertake are always at the direction of the client.

With this letter, I also want to outline my firm's expectations about billing for our services, if we are ultimately retained. It is necessary for me to spell out such terms in some detail so as to meet the requirements of the Canons of Ethics.

The attorneys of the firm and their hourly rates which are applicable to you are as follows:

Partner Timothy A. Diemer, Esq.: \$285.00 per hour.

Partner John P. Jacobs, Esq.: \$285.00 per hour.

Associates: \$200.00 per hour.

Paralegals: \$110.00 per hour.

Attorneys' time will be billed on a per-task basis to the one-tenth of an hour. In addition, all letters and emails sent and received, as well as phone calls made and answered, will be billed in the nature of routine and standardized charges in keeping with the complexity of the matter and the length of the phone calls, emails and correspondence.

In addition to billing for attorney's time spent representing the City in this case, the City of Grosse Pointe Woods will be billed for any and all out-of-pocket expenses for legal research time, transcript expenses, motion fees, court fees, xerographic graphic expenses, binding and xerox fees and any and all out-of-pocket expenses related to litigation activity in the Trial Courts as well as a potential appeal.

The non-payment of legal fees is a growing problem in the legal world. Thus, you and the City must also understand that if the City does not pay us and if the account falls into arrears, you will be given several chances to make good on all outstanding payments in arrears, but, if and when those payments do or does not or cannot happen, this firm and its lawyers will then be free after reasonable notification to you and the City to withdraw from the proceedings and/or be given the opportunity to terminate the legal services and terminate the attorney/client relationship, and to do so at any stage of the proceedings and at any time of the proceedings, for non-payment of the outstanding bills, as our relationship is always mutually understood to be "at will."

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No result in the law is ever guaranteed. While we think that your case certainly has substantial merit, there are no guarantees of success that can be assured by us for you and the City of Grosse Pointe Woods. We can assure you that our law firm will pull out every ethical and professional "stop" we possibly can to represent you and to do all that it takes, within the Canons of Ethics, to obtain a good result for you, to the extent legally or ethically possible to do so. We are always constrained by the record and Professional Responsibility concerns, of course.

Your agreement with us is that the City will pay our bills in a reasonably expeditious and prompt fashion so that we can continue fighting for you as this cannot be done without an adequate budget and without current payments being timely made as new bills are sent out. Our responsibility and promise to you is to conduct your legal work as aggressively and as well as the record and ethical parameters permit, to the best of our capabilities.

This, then, is the general outline of how we will conduct business among ourselves and with you and we trust that it is agreeable.

Thank you for trusting us to represent the City of Grosse Pointe Woods in this very important case.

Sincerely,

Timothy A. Diemer