



## HUSCH BLACKWELL

# Client Pricing Options

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At Husch Blackwell, pricing is a personalized process. Clients have utilized alternative fee arrangements (AFAs) with Husch Blackwell for more than 20 years, and the firm was recently recognized by the BTI Consulting Group as one of the top law firms for delivering alternative fee arrangements. We recognize that simple discounted or blended hourly rate fee arrangements fail to provide the value, predictability and risk-sharing our clients seek in a pricing structure. Client pricing options include, but are not limited to, Fixed or Flat Fees, Alternative Hourly Rates, Risk-Sharing Arrangements and Hybrid Fee Arrangements.

We have a specific process for developing customized fee arrangements that involves a collaborative discussion with the client regarding scope of services and deliverables. We strive to provide our clients with flexibility in arriving at fair and predictable pricing structures that align with their legal and business objectives.

### OPTIONS AT A GLANCE

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#### Fixed or Flat Fees

Fixed or Flat Fee

Fixed or Flat Fee with a Collar

Portfolio Fee

#### Alternative Hourly Rates

Block of Hours

Blended Hourly Rate

Blended Hourly Rate by Title

#### Risk-Sharing Options

Value Based Fee

Holdback (with or without a Success Fee)

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## Fixed or Flat Fees

### FIXED OR FLAT FEE

The client and the firm agree on a fixed (or flat) fee to cover the cost of a defined scope of services. The fee is established based on a mutually agreed upon scope of services, shared projections of cost and the value to the client.

The fixed fee can be set in a variety of ways, including –

- as a periodic payment (monthly, quarterly, annually);
- per phase or defined subset of work in a matter (motions to dismiss, discovery);
- or per “life of matter.”

### FIXED OR FLAT FEE WITH A COLLAR

An amount is agreed upon for a specific task, an entire matter or a portfolio of matters. The collar is a set percentage above and below the fixed fee amount that shares the risk between the client and the firm. This arrangement provides flexibility when a flat amount is difficult to estimate, and provides predictability regarding the fees that will be paid by the client.

### PORTFOLIO FEE

A fixed fee is agreed upon for a group of similar matters, or a fixed amount per matter for a group of similar cases. By paying a fixed fee for a portfolio of matters, the client and the firm can diversify the risk of under-budgeting or over-budgeting that is otherwise inherent in any single matter.

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## Alternative Hourly Rates

### BLOCK OF HOURS

Husch Blackwell agrees to provide a block of hours for attorney time to be used by the client at a specified hourly rate. For example, the client receives a block of 150 hours of time to be billed at \$X/hour.

### BLENDED HOURLY RATE

A flat hourly rate that applies to all attorneys working on a matter, regardless of the level of experience or individual billing rate. The amount of the blended rate will be determined on the basis of the respective rates of the attorneys expected to be working on the matter, the allocation of hours and the volume of the anticipated work.

### BLENDED HOURLY RATE BY TITLE

A variation of the Blended Hourly Rate, where a flat hourly rate is applied to specific title levels. For example, \$X/hour for all Partners, \$X/hour for all Associates and \$X/hour for all Paralegals.

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## Risk-Sharing Options

### VALUE BASED FEE

This approach allows the client to experience using our counsel and determine how valuable it is *before* agreeing to a set fee. In this arrangement, our attorneys and paralegals are available to the client as much as needed for a set period of time (typically a one- or two-month period). At the end of that time period, the client and Husch Blackwell, reasonably and mutually, propose a fee amount that they feel is commensurate with the value the firm has provided. The client could then consider whether it wants to continue using monthly value fee pricing, or consider some other arrangement. Value pricing allows the client to ignore the pressure of taking on added fees when counsel is needed, when their in-house load is too large, or just as confirmation when issues arise. Value pricing also encourages open communication between our attorneys and the client.

### HOLDBACK (WITH OR WITHOUT A SUCCESS FEE)

The client and the firm agree on a set of performance metrics against which Husch Blackwell will be measured. A percentage of the fee is “held back” by the firm (not paid by the client), contingent upon the success of a matter. If the matter is concluded successfully, Husch Blackwell receives the holdback or an agreed upon success fee. A holdback can be structured around various outcomes, such as:

- The attainment of specific results (for example, winning a motion, trial or appeal).
- Fees incurred (for example, resolving a matter below a specified amount or negotiating a transaction at or below a certain price).
- The achievement of matter milestones (for example, closing a deal by a certain date or resolving a case before discovery begins).

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## Hybrid Fee Arrangements

In certain situations, the best approach is a combination of several pricing arrangements. We have developed numerous combinations and variations of the pricing options described above. We are prepared to discuss and pursue any reasonable pricing structure that successfully aligns with our client’s legal and business objectives.