[Law Firm Letterhead]

[Date]

[Name of Insurance Company/Payor]
[Attn: Claims Representative]
[Address]
[City, State, Zip Code]

Re: Engagement for Legal Services
Insured: [Name of Insured/Defendant]
Claim Number: [Claim Number]
Matter: [Case Caption/Litigation Name]
Court/Docket: [Court Name and Case Number]

Dear [Name of Claims Representative],

This letter confirms that [Law Firm Name] has been retained by [Insurance Company Name] to represent your insured, [Name of Insured], in connection with the above-referenced matter.

Scope of Representation
Our firm will provide legal defense services to the Insured regarding the claims asserted in the aforementioned litigation. While our professional duties and attorney-client privilege extend to the Insured, we understand that [Insurance Company Name] is the third-party payor responsible for the legal fees and costs associated with this defense.

Billing and Fees
Our legal services will be billed at the following agreed-upon rates:
- Partners: $[Rate]/hr
- Associates: $[Rate]/hr
- Paralegals: $[Rate]/hr

Invoices will be submitted on a monthly basis. We agree to adhere to your company's formal litigation management and billing guidelines. All expenses, such as filing fees, expert witness fees, and travel costs, will be billed at actual cost without markup.

Reporting and Communication
We will provide regular status reports and updates regarding the progress of the litigation, including discovery developments, liability assessments, and settlement evaluations. We will seek your authorization prior to any settlement negotiations or the retention of outside experts.

Conflicts of Interest
We have conducted a conflict check and have determined that no conflict of interest exists that prevents us from representing the Insured or accepting payment from [Insurance Company Name]. Should a conflict arise during the course of this representation, we will notify all parties immediately.

Please acknowledge your agreement to these terms by signing below and returning a copy to our office.

Sincerely,

[Attorney Name]
[Law Firm Name]

Acknowledged and Agreed:

By: _____
Name: [Representative Name]
Title: [Title]
Date: _____