

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

RE: Purpose of Hybrid Fee Engagement for [Matter Name/Case Number]

Dear [Client Name],

The purpose of this letter is to set forth the terms and the specific objective of our hybrid fee arrangement regarding the legal services provided by [Law Firm Name].

1. Purpose of the Hybrid Structure

The intent of this hybrid fee agreement is to balance the financial risks and rewards between the Client and the Firm. This structure is designed to provide the Client with a reduced hourly rate while allowing the Firm to participate in the successful outcome of the matter through a contingency percentage.

2. Reduced Hourly Component

The Firm will bill for legal services at a discounted hourly rate of \$[Amount] per hour. The purpose of this component is to cover the Firm's basic overhead and operating costs during the transition of the case.

3. Contingency Component

In addition to the reduced hourly fees, the Firm shall receive [Percentage]% of any gross recovery obtained. The purpose of this "success fee" is to incentivize the Firm to achieve the maximum possible recovery for the Client.

4. Costs and Expenses

Separate from the fee components, the Client remains responsible for all out-of-pocket costs, including filing fees, expert witness fees, and travel expenses, unless otherwise agreed upon in writing.

5. Scope of Work

This fee structure applies specifically to [Describe Specific Legal Task or Litigation]. Any work outside this scope will require a new or amended engagement agreement.

Please review this document carefully. If you agree to these terms, please sign below and return a copy to our office.

Sincerely,

[Attorney Name]

[Law Firm Name]

Acknowledgment and Acceptance:

I, [Client Name], have read and understand the purpose and terms of this Hybrid Fee Engagement Letter and hereby agree to its conditions.

Signature: _____ Date: _____