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CONFIDENTIAL AND PRIVILEGED ATTORNEY-CLIENT COMMUNICATION

November 14, 2022

Via e-mail to: tmills3@bellsouth.net
Terry Mills
Woodlawn Heights Owners Association
1910 Navarre School Road #5458
Navarre, FL 32566

Re:

Engagement Agreement

Chapter 7 Bankruptcy of Jeffery P. Negrotto

US Bankruptcy Court for Northern District of Florida, case no. 21-30571-KKS

Dear Mr. Mills:

Thank you for contacting me recently on behalf of the Woodlawn Heights Owners Association, Inc. (the "Association") regarding the money judgment the Association obtained against Jeffery P. Negrotto ("Debtor"). I understand from our communication that the Association attached a judgment lien against property that the Debtor owns in Woodlawn Heights (the "Property"), and hired counsel to foreclose the judgment lien in that certain action currently pending before the Santa Rosa County Court, case number 2021-CC-670 (the "Foreclosure Action"). I understand that the Debtor has defended the Foreclosure Action on the basis that the property is either homestead or the lien stripped in that certain Chapter 7 bankruptcy proceeding that the Debtor commenced in the US Bankruptcy Court for the Northern District of Florida (the "Bankruptcy Court"), case number 21-30571-KKS (the "Bankruptcy Case"). This letter and engagement agreement is prepared in accordance with our communications regarding the legal services that Moorhead Law Group, PLLC (the "Firm") agrees to provide the Association (the "Client") in this matter.

Scope of Representation

The scope of the Firm's representation is limited to representing the client in an action in the Bankruptcy Court to determine the validity and enforceability of the Client's judgment lien against the Property. The Firm will handle all of the usual tasks associated with civil litigation including (i) preparation and filing of all pleadings, motions, and related court filings; (ii) participation in all phases of discovery, including service/response to written discovery requests and attendance of all depositions; (iii) attendance of any hearing, case management conference, trial or other court-mandated proceeding; and (iv) participation in any formal or informal settlement negotiation proceeding, such as mediation. Representation of the Client in the



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Foreclosure Action or any appeal from any decision issued by the Bankruptcy Court will be the subject of a separate engagement letter.

Legal Fees and Costs

The Firm's attorneys and paralegals keep close track of their time, and we will bill for their services at hourly rates that are applied to their recorded time. The fee will be based on time incurred in one-tenth hour (six minute) increments. I will be the primary attorney working on this matter. My hourly rate will be \$350.00. Should other attorneys or paralegals have occasion to work on this matter, their time will be billed at their standard hourly rates. Hourly rates range from \$140.00 to \$180.00 for paralegals and from \$225.00 to \$400.00 for attorneys. The Firm will manage fees and costs in a way so that we are as efficient as possible. Of course, we will always give you options for moving forward, and are happy to speak with you about fees and costs at any time.

The Firm will require an advance fee/cost deposit as a term of this engagement in the amount \$5,000.00 (the "Deposit"), which will be held in trust and applied to future invoices with the Client responsible for replenishing the Deposit throughout the engagement to continuously maintain the original \$5,000.00 balance. Any balance of the Deposit will be returned to the Client upon the conclusion of this engagement. You are welcome to contact Allie Cavin in my office for payment instructions.

With regard to any costs that we may incur during the litigation process, we will often advance the payment of such costs on your behalf and include these amounts in our next invoice. Such costs will usually include things such as filing fees, court reporter fees, copy fees, postage, mileage, and the like. There may be occasions where the cost to be incurred is substantial, and in such cases we may choose to send the bill directly to you and request that you pay the service provider directly. Of course, before any substantial costs are incurred, we will consult with you first and obtain your approval.

Our billing rates are reviewed each January. Should you wish to see a more detailed breakdown of our billing policy for ancillary charges and costs related to the representation, we would be happy to provide that to you upon request.

We close out our monthly billing cycle on approximately the 1st of each month. Itemized monthly statements for services and other charges are issued at the end of each month. Payment is due upon receipt. Failure to make timely monthly payment of any amount due will entitle the firm to cease work until full payment has been made. Failure to pay any invoice for more than thirty (30) days after the date of the invoice will serve as grounds for our firm to withdraw from any further representation pertaining to this matter and in accordance with any order of the court allowing such withdrawal.

Please review each invoice carefully upon receipt. Should you have any questions concerning an invoice, please bring it to my attention immediately so that we can resolve any

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problems. Again, we ask for and expect payment of our statements on a current basis, as delayed payments add to our overall cost of providing legal services.

Case Management

As you know, the rigors of civil litigation can be inconvenient, unpredictable, stressful and demanding. The Firm understands and will remain mindful of the burden litigation generally imposes, and endeavor to alleviate it to the extent practicable at each phase of this engagement. To that end, I will continually update you on the status of the matter and provide you with the information necessary to evaluate the risk of any strategic decision the Client may encounter, and the Client options to achieve a swift resolution of the matter. However, because of the inherent uncertainty of civil litigation, the potential for discovery of facts not currently known, or the possibility of intervening changes in governing law, the Firm is unwilling and unable to guarantee any particular outcome in this matter.

Unless you indicate otherwise, I will assume that you have the requisite authority to approve/disapprove any strategic decision making on behalf of the Client that may arise during the course of this engagement, including but not limited to, the terms of any settlement negotiations. Please advise if there is any other individual(s) to whom you might defer in the context of such decision making and provide me with their contact information.

Please do not hesitate to contact me at any time to discuss any questions or concerns that you may have regarding the matter status. My direct telephone number is (850) 466-4093, and my email address is rpowell@moorheadlaw.com. Please copy all correspondence to Heidi Yefremov, at hyefremov@moorheadlaw.com and Allie Cavin, at acavin@moorheadlaw.com.

Relationship with Other Clients

By signing this engagement letter, you agree that this representation does not disqualify our firm from representing another person or entity in the future with an interest materially adverse to you if (1) engagement of this firm has been terminated; (2) the adverse matter is unrelated to the matters addressed in this representation; and (3) such future representation does not conflict with any other rules regulating members of the Florida Bar.

Conclusion

Although I believe the information above covers the essential elements of our engagement, if you would like for me to explain any of the provisions in more detail, I would be pleased to do so. Otherwise, if the terms of this letter are acceptable, please sign and date the letter in the space provided below and return the executed version to my attention.

The Firm may decline to undertake representation as to any particular matter for any reason. You may terminate the engagement of the Firm at any time. Termination will not affect your obligations to the Firm for services rendered and disbursements incurred prior to such

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termination or which are incurred in connection with actions taken by the Firm after such termination for the purpose of accomplishing an orderly transfer of matters in progress.

The effective date of our engagement will be the date the agreement is signed, although any time expended to date on the matter will also be invoiced. Thank you again for this assignment. We appreciate the opportunity to work with you in this matter.

With kind regards, /s/ Robert J. Powell

Robert J. Powell

RJP/alc

ACCEPTED:
WOODLAWN HEIGHTS OWNERS ASSOCIATION BY: TERRY MILLS ITS: Regilat Whip Board of Diffector
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DATE: 11/18/22