

## ARIZONA PROBATE ENGAGEMENT AGREEMENT

The undersigned desires to hire Arizona probate attorneys Richard Keyt, his son former CPA Richard C. Keyt and the law firm of KEYTLaw, L.L.C. (the "Firm") to represent the undersigned as Personal Representative of the estate named on the last page. Complete and sign this Agreement and deliver it with a check payable to KEYTLaw, LLC, for the \$2,500 security deposit to hire the Firm to prepare the documents to initiate a probate in the Arizona Superior Court in the county in which the deceased resided.

For a general discussion about Arizona probate law, see the Keyt's articles called "[What is an Arizona Probate and When is It Required](http://www.keytlaw.com/probate/arizona-probate/)" ([www.keytlaw.com/probate/arizona-probate/](http://www.keytlaw.com/probate/arizona-probate/)) and "[Arizona Probate Law – Frequently Asked Questions](http://www.keytlaw.com/probate/probate-faqs/)" ([www.keytlaw.com/probate/probate-faqs/](http://www.keytlaw.com/probate/probate-faqs/)). If you have questions about Arizona probate law or this Agreement, call Richard Keyt at 480-664-7478 or his son Richard C. Keyt at 480-664-7472. We do not charge for Arizona probate related questions. For information about the Firm go to the [About](#) page on our website. See Richard Keyt's [biography](#) and Richard C. Keyt's [biography](#).

Richard C. Keyt will be primarily responsible for your representation, but KEYTLaw probate legal assistant Janet Spangler will assist and perform the majority of services in connection with the probate. Janet has been an Arizona probate legal assistant since 1979 and has a great deal of experience assisting Personal Representatives. Feel free to contact Richard C. Keyt at any time, but you should work primarily with Janet because she usually knows the answers to questions and her hourly rate is \$205 versus Richard C. Keyt's hourly rate of \$275.

### SUMMARY OF SERVICES TO BE PERFORMED FOR YOU AS PERSONAL REPRESENTATIVE

The Firm will provide those services that are necessary and appropriate to administer the Estate under Arizona law, beginning with preparing a document entitled "**Application for Informal Probate of Will and Appointment of Personal Representative**," which seeks to admit the Will to probate and have you qualified as the Personal Representative of the Estate. My representation will include all legal services and court representation beginning with originating the appropriate proceeding and concluding upon the completion of your duties as Personal Representative. The Firm will prepare and file pleadings, make courtroom appearances, provide legal consultation, prepare transfer instruments and communicate with third parties.

The following list includes the types of services that the Firm may provide:

1. Prepare and complete all notices of appointment of you as Personal Representative and other notices with respect to creditors as are required by the laws of Arizona and the rules of the Arizona probate court.
2. Assist you in preparing a complete inventory of all assets of any kind or nature that are subject to probate, and any nonprobate assets such as life insurance, retirement benefits, and other assets.
3. Prepare and complete all interim reports to the Probate Court and the beneficiaries as required during the course of administration of the Estate.
4. Prepare all reports, notices, consents, receipts, and accountings for closing the Estate and your discharge as Personal Representative.
5. Counsel and advise on any related questions or matters arising out of the administration of the Estate.

If there are other legal services that you wish the Firm to perform for you as Personal Representative, you should first consult with a Firm attorney and supplement this Agreement before commencing those tasks.

In representing you, the Firm will not provide any of the following services, but as the Personal Representative of the Estate, you may be required to take appropriate action on behalf of the Estate to:

1. determine all debts, obligations and contingent liabilities of the Estate and the financial condition of the Estate.
2. secure, reinvest, or protect the probate assets and provide for the discharge of liabilities of the Estate, including death taxes of the Estate.
3. prepare all tax returns for the Estate, including federal estate tax and generation-skipping tax returns, state inheritance tax, or any local or state property tax returns, as well as federal and state fiduciary income tax returns.
4. plan for the payment of all death taxes and the source of funds to be used in payment of any tax obligations, along with any elections for installment payment of taxes if available.

One of the documents that the Firm will prepare is called "**Order to Personal Representative and Acknowledgment and Information to Heirs.**" After the Probate Court signs this Order, the Firm will submit it to you for your signature, which is required by the Court. When you sign this Order, you will acknowledge receiving a copy of the Order and agree to be bound by its provisions, whether or not you read it before signing. This Order is a very important document because it is an order of the Court that imposes legal obligations on you with respect to your duties as Personal Representative of the Estate. Be sure to read the Order carefully and keep a copy of it handy for reference as the Probate progresses. If you have any questions about your duties or are uncertain about anything, please call Janet or me.

#### **CHARGES FOR LEGAL SERVICES AND OUT-OF-POCKET COSTS**

The Firm will bill you on an hourly basis for time spent in connection with the services rendered. Current hourly billing rates are Janet Spangler \$205, Richard C. Keyt \$275 and Richard Keyt \$395. From time to time, the regular hourly rates of professionals handling your matter may be increased. We charge for time spent in connection with rendering services such as time spent giving advice; preparing, reviewing and revising documents; communicating with you and others regarding the representation; meeting time and time spent traveling to court and meetings outside our office, if necessary; and research when necessary.

We do not charge a percentage of the value of the Estate. We only charge you for attorney and legal assistant time. Legal fees for a typical simple informal probate are usually between \$2,000 to \$2,500, but unforeseen problems or issues could cause additional fees. To the extent you ask us to provide services beyond the minimum services necessary, our fees will increase. The month we open the probate typically results in legal fees of \$1,000 - \$1,250 plus costs of \$250 - \$300 for the court filing fee, \$40 for certified copies of court documents and \$40 to publish a Notice to Creditors in a newspaper.

Our legal fees and costs will be payable whether or not approved by the Probate Court. Although it is usual and customary to look to Estate assets as the source of funds with which to pay our charges, the responsibility for payment ultimately is yours.

We will also bill the Estate for out-of-pocket expenses, such as court filing fees, court costs, copies of court documents, Letters Testamentary, costs of publication, travel expenses, delivery charges, duplicating, express mail, long-distance faxing and toll telephone calls. You agree to reimburse us for the costs upon presentation of periodic disbursement bills.

#### **CONFLICTS OF INTEREST AND CONFIDENTIALITY**

Your role of Personal Representative can be compared to managing the liquidation of a corporation on behalf of the shareholders. It is your duty generally to act in the best interest of the Estate as a whole and not on behalf of any particular interested party such as a creditor, family member, beneficiary or yourself. You are in fact a fiduciary to the beneficiaries of the Estate.

The Firm will be representing you as the fiduciary of the Estate and not the Estate itself, you individually or any heir or beneficiary. Our duties of confidentiality and loyalty are solely to you. You are the only party with whom Firm personnel can discuss confidential matters and to whom we will provide legal advice. We are limited, therefore, in what we can discuss with creditors, family members, heirs and beneficiaries of the Estate. We

cannot provide them with legal advice as to their rights or interests with respect to the Estate. In appropriate circumstances, we may advise heirs or beneficiaries to obtain independent counsel to advise them with respect to the Probate and related matters because I do not represent them.

The fact that the Firm's relationship with persons other than the Personal Representative is so limited is often misunderstood. Our refusal to act beyond the limits of the relationship may cause frustration and confusion, particularly given the unfamiliar, fragile and uncertain emotions that accompany a transition such as the death of a loved one and dispersion of an Estate. Another aspect of the situation that you must be sensitive to is arises if you are both the Personal Representative and a beneficiary of the Estate because there is a potential for you to have a conflict of interest in these two capacities. In this case, however, we do not anticipate that an actual conflict will arise. If a conflict were to arise you would have to engage separate legal counsel to represent your personal interests as a beneficiary.

With respect to probate matters, ethical rules applicable to conflicts of interests and confidentiality are of primary concern because of the close relationship of the parties. We cannot overemphasize the need for complete and full disclosure to Firm personnel at all times of all your acts and doings related to the Estate and the probate to avoid problems that may arise in these areas.

Apart from any applicable legal requirement to notify the beneficiaries that the Will has been probated and the Estate administration commenced, it is good practice to do so and to provide each beneficiary with a copy of the Will. In doing so, we will make it clear that you, alone, are the Firm's client. Furthermore, we usually keep the beneficiaries advised as the administration of the Estate progresses, for example by furnishing copies of the formal inventory of Estate assets as soon as that has been filed with the Court.

#### **IF YOU ARE A BENEFICIARY OF THE ESTATE**

If you are a beneficiary of the Estate, we only represent you in your capacity as Personal Representative, and can only represent you as a beneficiary if there is no conflict of interest by reason of such relationship. For example, a conflict could arise in distribution of assets to you if one of the other beneficiaries should object to your individual ownership of a partial interest in an Estate asset or by reason of the amount of compensation, if any, that you may claim. In the event of such a conflict, you should consider hiring another Arizona attorney to represent your personal interests as beneficiary.

#### **ADVANCE PAYMENT**

It is the Firm's policy to require prospective clients without an established payment history with the Firm to pay us a security deposit in advance before we provide any services. We require that you pay KEYTLaw, LLC, \$2,500 before we will represent you and begin the probate. The entire amount you pay KEYTLaw, LLC, for fees and costs is nonrefundable, but you may nevertheless discharge KEYTLaw, LLC, and its attorneys at any time and in that event you may be entitled to a refund of all or part of the fee based upon the value of the representation. When our services are complete, we will send you a final invoice. If at that time any of your advance payment has not been used, we will refund the excess to you.

You agree that if at any time your advance payment balance is less than \$500, you will pay the Firm an amount sufficient to cause your advance payment balance to be replenished to at least \$1,000. If the probate involves any litigation or becomes contested or a formal or supervised probate, we may require that you or the estate pay an additional amount in advance as a condition to providing additional services.

#### **MONTHLY INVOICES**

We will send itemized invoices to you for our legal fees and costs. We will apply funds from your advance payment against outstanding fees and costs. When you get your monthly invoice, it will show the amount, if any, of your advance payment applied against your outstanding bill. You agree to pay the full amount of the balance owed on an invoice within ten days after it is mailed. Due to the time lag between the time we receive bills for outside services and supplies and the time it takes to prepare an invoice, your monthly invoice may not contain charges for all costs incurred during the billing period for that invoice. If you do not pay a invoice within thirty days, we may charge interest on any unpaid amounts at the rate of one and one half percent per month, and I

may terminate our services and/or withdraw from further representation of you, regardless of the status of the matter at the time of nonpayment.

#### **TERMINATION OF ENGAGEMENT**

You may terminate the Firm's services under this Agreement at any time by notifying us in writing. Upon receiving a notice of termination, subject to such court approval as may be necessary in the context of the situation, the Firm and its attorneys will promptly cease providing any service to you. You will be responsible for paying for all services rendered up to the time we receive your notice and for such reasonable services that we provide thereafter in connection with the transfer of responsibility for the matters we are then handling to your new counsel.

The Firm may terminate this Agreement if you default on your obligations under this Agreement and for any other reason allowed by the Arizona Rules of Professional Conduct. Upon termination of the representation, you will be responsible for paying for our services rendered up to the time we terminate the engagement and for such reasonable services that we provide thereafter in connection with the transfer of responsibility for the matters we are then handling to your new counsel.

Unless previously terminated, our representation of you will terminate upon sending our final invoice for services rendered. We are being hired to provide legal services in connection with a specific matter. After completion of the matter for which we were engaged, changes may occur in laws or regulations that are applicable to you that could have an impact upon your future rights and liabilities. Unless you continue to engage us to provide additional advice, we do not have any continuing obligation to advise you with respect to future legal developments.

#### **MISCELLANEOUS TERMS**

The Firm's policy is not to retain original documents or other valuable documents. We will make a copy for our file of original documents that we receive and return the original documents to you. If you give us original documents or copies of documents that are your only copies, please let us know and we will make copies for our file and return the originals or only copies to you. It is also the Firm's policy to retain client files for a limited period to time, which is usually, but not always, five years, after which we destroy the documents. You authorize us to destroy your documents after five years without giving you any prior notice. If any dispute arises over this Agreement or our providing services to you, the sole place for venue will be Maricopa County, Arizona.

Neither the Firm nor its attorneys are acting as your attorney in advising you with respect to this Agreement because we would have a conflict of interest in doing so. If you have questions about whether you should sign this Agreement, I recommend that you consult with other legal counsel.

You are not hiring us to: (i) give you income tax or estate tax advice with respect to the estate of the deceased or, (ii) prepare and file any federal or state income, gift or estate tax returns that may be due from the estate. You should contact an experienced accountant to advise you as Personal Representative of the estate with respect to all issues concerning the estate's income and estate tax liability and to prepare and file any federal or state income, gift or estate tax returns needed by the estate.

Please excuse the formal tone of this Agreement. However, we believe that a complete understanding of how we charge and what we expect will help to assure a good relationship. If the terms described in this Agreement are acceptable, please sign your name below and return a copy of it to Richard C. Keyt at your earliest convenience along with your check for \$2,500 payable to KEYTLaw, LLC, for your security deposit.

#### **WHERE TO MAIL THIS AGREEMENT AND YOUR \$2,500 CHECK**

Please mail or deliver your **check payable to KEYTLaw, L.L.C.**, and this signed Agreement to:

Richard C. Keyt  
KEYTLaw, LLC  
7373 E. Doubletree Ranch Road, Suite 165  
Scottsdale, AZ 85258

If you have any questions about this Agreement or Arizona probate law, call Arizona probate attorney Richard C. Keyt at 480-664-7472.

We appreciate this opportunity to be of assistance.

**COMPLETION INSTRUCTIONS**

Fill in the blanks online by typing the answers to the questions directly in each blank space. Push the **TAB** key to move to the next field and the **SHIFT + TAB** key to move backwards. You may also print this document and write the information on the blank spaces.

\_\_\_\_\_  
Print Personal Representative's Name

KEYTLaw, L.L.C., an Arizona limited liability company

\_\_\_\_\_  
Personal Representative's Signature

By: \_\_\_\_\_

Date: \_\_\_\_\_

Its: \_\_\_\_\_

**PERSONAL REPRESENTATIVE INFORMATION**

\_\_\_\_\_  
First Name                      Middle Initial                      Last Name

\_\_\_\_\_  
Street address

\_\_\_\_\_  
City, State & Zip Code

\_\_\_\_\_  
Primary Voice Phone

\_\_\_\_\_  
Email Address

**INFORMATION ABOUT THE DECEASED**

\_\_\_\_\_  
First Name                      Middle Initial                      Last Name

\_\_\_\_\_  
Residence street address

\_\_\_\_\_  
Residence City, State & Zip Code

\_\_\_\_\_  
County of residence

\_\_\_\_\_  
Date of death

\_\_\_\_\_  
Relationship to Personal Representative

Does deceased have a Will:      Yes                      No                      Don't Know