

2/22/03

VIA FAX

John Doe, President
M & M Printers, Inc.
7270 Waring Rd.
San Diego, CA 92111

Re: **Retainer Agreement**

Dear Mr. Doe:

California law now requires that nearly all attorney-client relationships be based on a written agreement. When you sign below, this letter will serve as our written agreement regarding your and our obligations. You and THE LAW OFFICE OF MARK P. KRONES (“MPK”) agree as follows:

Engagement. You have engaged MPK, and MPK agrees to represent you, with respect to **M & M PRINTERS, INC. v. JOHN ANDERSON** and such other matters that you deem appropriate. I have explained to you that it is difficult to predict with any reasonable degree of accuracy the nature or extent of legal services which will be required. I therefore have not made any predictions or commitments as to any maximum fee or as to the outcome of this matter. You hereby authorize me to take whatever action I deem advisable relating to this matter.

Tax and Securities Matters. My services, however, will not involve any advice or consultation on tax or securities matters unless otherwise explicitly provided for above. Unless otherwise provided above, I recommend that you consult your accountant or other tax or financial consultants regarding such matters.

Contingency Fee. You have authorized me to take whatever action I deem advisable with respect to this matter. This office will handle this case on a 33.333% contingency fee of all principal and interest collected with my office retaining all attorney’s fees awarded and collected. This contingency fee arrangement pertains to representation of you at the trial level as plaintiff in this case. Any work done by me on appeal or in defense of any cross-action will need to be separately negotiated. This fee is not set by law but has been freely negotiated between you and me. Upon withdrawal, I shall receive a lien for all attorney’s fees and costs incurred on any

proceeds received. I shall further be entitled to reimbursement of all costs and expenses advanced that are not paid out of the retainer agreement.

Costs. Please send me a cost deposit of \$200.00 as soon as possible. Photocopies will be billed at \$.20/page, fax charges at \$.50/page and messenger, postage, lexis (legal research computer) and telephone calls at my cost. I will send you a monthly statement showing these expenses. You shall be solely responsible for advancing such sums to pay for all costs and expenses regarding this matter and the performance of our services. All charges and expenses incurred on your behalf shall be paid directly from your retainer account, which you agree to keep current at all times. If you do not maintain your account with me on a current basis, I reserve the right to require you to maintain a minimum balance in a retainer account to assure me of payment of my fees and costs.

Assignment. You also hereby irrevocably grant and assign to me for fees and reimbursement of costs not covered by your retainer account a lien on all monies collected or recovered or otherwise held by me on your behalf on all matters I work on for you. You also hereby assign and transfer to me, from all monies collected or recovered or held on all matters I work on for you, a further sum sufficient to pay me all unpaid attorney fees and costs billed to you. This assignment shall become operative immediately upon any agreement by you to accept any sum or upon the collection of any amount relating to this or any other matter I work on for you. You further assign to me for fees a lien for time expended at one hundred percent (100%) of my then-current billing rates should I be discharged or substituted out of this or any other matter I work on for you prior to payment in full of my unpaid balance of fees and costs.

Payment . You agree that I will receive all monies from a settlement or collection regarding this matter and shall retain therefrom the contingency fee percentage as and for attorney's fees as set forth above. Before disbursing the remainder to you, I shall be entitled to deduct therefrom any unreimbursed costs and expenses I advanced on your behalf that was not previously paid to me out of the retainer account. All costs and expenses incurred on your behalf are to be paid from your share of the recovery.

Additional Consultants. If I or you retain additional counsel or consultants (e.g., expert witnesses, investigators, accountants, bankruptcy counsel, out-of-state counsel, etc.), you shall pay their fees, costs and charges on a timely basis, in addition to all fees referred to above.

If this letter correctly reflects our understanding and agreement, please ***SIGN and DATE*** this agreement where indicated below ***and FAX*** it to me forthwith.

I will have no obligation to perform legal services until you sign and fax this agreement to me. However, you agree to pay for all services rendered and costs incurred prior to the execution of this agreement. This agreement shall be retroactive to the date I first performed services for you.

If you have any questions, please feel free to call.

Sincerely,

Mark P. Kronos

ACKNOWLEDGMENT

I, on behalf of M & M Printers hereby certify that I have read this letter agreement, am authorized to sign on behalf of M & M Printers and approve and agree to its contents.

Warning: You may wish to consult with another attorney prior to signing this retainer agreement. Your signature below will certify that you have either met with another attorney prior to signing below or have chosen not to do so, but yet you understand and appreciate that you have the right to do so. In either event, you certify that you have been given ample opportunity to review and sign this letter and to seek independent advice prior to signing below.

Dated: M & M Printers, Inc.

By: _____
John Doe, President