

SCHEDULE A: PRICING SUPPLEMENT

The hourly rate of \$400.00 will be the rate for all authorized and approved Specialty Legal Services under this contract.

Attorney-Specific Rates

Littler’s standard billing rates are very competitive and frequently lower than rates charged by firms of similar size and quality. Littler focuses on employment law and labor relations matters, and utilizes technology in sharing and disseminating information internally and with clients. This enables us to deliver the highest quality services and obtain client objectives with greater efficiency for an overall lower cost than firms with lower hourly rates yet less expertise, experience and efficiency.

The billing rates for the attorneys proposed are as follows:

Position	Location	Standard Rates
Shareholder	Phoenix	\$295
Associate	Phoenix	\$255
Paralegal	Phoenix	\$95

All expenses are discussed with clients in advance and billed at the cost incurred by Littler. We charge only for expenses such as filing, court reporter, and expert witness fees; outside photocopying and messenger services; and out-of-pocket travel expenses, including mileage at the rate authorized by the IRS. Expenses that exceed \$2,000 are usually billed directly to our clients. Littler does not charge clients for photocopies or long-distance telephone costs.

Alternative Fee Arrangements

Littler has entered into many successful alternative fee arrangements (AFAs) with clients, for a wide variety of employment-related legal work. In our experience, when structured appropriately, such arrangements help align client and counsel in a collaborative partnership, providing cost predictability and value for clients while also giving Littler reasonable compensation, clear goals and incentive to be efficient.

Below we describe examples of AFAs that many of Littler’s clients have found to be cost-effective. Should you wish to explore any of these or other pricing options, we would be happy to discuss in more detail the pricing strategies best suited to meet your objectives, as well as your historical and anticipated legal needs, in order to develop tailored pricing options.

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Annual Flat Fee

If a client wishes to engage Littler for all or a significant portion of its employment and labor law needs in the U.S., we can offer an annual flat fee (plus expenses), payable in equal monthly amounts. To ensure that the annual fee arrangement is fair to both parties, it may be subject to a mutually agreed-on review and adjustment mechanism, such as the fee collar described below, that allows us to share the risk that the actual level of effort required is significantly less or greater than the anticipated level.

Monthly Advice Retainer

To provide timely day-to-day employment advice, we can offer an arrangement whereby your in-house counsel, executive management and HR representatives will have direct phone and email access to a core group of Littler attorneys, for a flat monthly fee. As with annual flat fees, the monthly flat fee is typically subject to a periodic review of the actual level of effort required.

Under this arrangement, Littler provides advice in relation to personnel matters, employment issues, labor relations matters, and compliance with federal and state employment laws. Our service includes limited legal research, review of facts and documentation, preparation of correspondence, and recommendations with respect to company action/next steps.

Fixed Fees for Different Matter Types

Littler offers fixed fee arrangements for many other types of engagements, such as those listed below. For each matter and AFA, the scope of work, price, phases (if applicable) and other terms are clearly agreed on between Littler and the client at the outset.

- **Administrative agency proceedings:** For discrimination charges and certain other types of administrative agency charges, a flat fee per charge.
- **Single-plaintiff employment litigation:** Fixed fees by phase through summary judgment. Variations on this AFA include a fixed fee per matter through summary judgment, or the inclusion of bonus mechanisms to incentivize Littler to achieve predefined success criteria.
- **Class and collective actions:** Fixed fees by phase, or monthly flat fees budgeted over the anticipated duration of the case, usually with a fee adjustment mechanism.
- **Labor arbitrations:** Fixed fees by phase or per matter, for single-grievance (discharge, suspension, and/or warning notice) labor arbitrations arising under a collective bargaining or other labor agreement.
- **OSHA hearings:** Fixed fees by phase.
- **Immigration:** Flat fees for a wide variety of U.S. and international work visas and permanent residence applications.

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- **Compliance assessments and training:** Flat fees for pay practice compliance reviews, exempt and independent contractor audits, international compliance reviews, and other employment practices audits, as well as for compliance training.
- **Employee handbooks and policies:** Flat fees for review, drafting, and updating, including state or international supplements.

Risk-Sharing Mechanism

One of the underlying principles of a flat or fixed fee structure is to create a mutually beneficial arrangement that facilitates the development of a long-term partnership, in which financial risk and rewards are shared between the client and Littler. To ensure that the arrangement yields these mutual benefits, and to address any significant changes in volume or scope of work, we often work with clients to develop a “fee collar” or risk-sharing mechanism to be applied at specified intervals (e.g., at the end of a contract year, matter or phase).

This mechanism allows for a fee adjustment if actual fees incurred are a set percentage higher or lower than the fixed fee. Littler tracks actual hours worked, calculates the value at agreed-on hourly rates, and compares that value to the fixed fee. Littler and the client jointly review the comparison and determine whether an adjustment will be applied. Using a 10% collar as an example, for illustrative purposes:

- If actual fees fall within plus or minus 10% of the fixed fee, there is no adjustment.
- If actual fees are *less than* 90% of the fixed fee, Littler will refund the difference between 90% and the actual fees incurred.
- If actual fees are *greater than* 110% of the fixed fee, Littler will bill for the difference between the actual fees incurred and 110% of the fixed fee.

Retention and Reward Approaches

We are willing to demonstrate our commitment to building a long-term, mutually beneficial business relationship with a client by offering a “fees at risk” or “retention and reward” arrangement, also known as a holdback. Under this approach, Littler puts a defined amount of fees at risk, which may be recovered subject to Littler’s performance.

In practice, Littler bills a client under the terms of the pricing agreed to by both parties, less the designated holdback percentage. Littler may recover a portion of or the entire amount withheld, including the possibility of a bonus, depending on the client’s assessment of Littler’s performance. Our performance is assessed at the conclusion of a matter or at periodic intervals, based on mutually agreed-on performance criteria. Following the assessment, the client may pay part or all of the withheld amount and bonus.

 <p>PINAL COUNTY <i>wide open opportunity</i></p>	<p>ROQ – 151721 SPECIALTY LEGAL SERVICES</p>	<p>Pinal County Finance Department 31 N. Pinal St. Bldg. A P.O. Box 1348 Florence, AZ 85132</p>
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Blended Rates

For clients who prefer a blended hourly rate structure, we can offer either blended rates for each category of timekeeper (e.g., shareholder, senior associate, junior associate, paralegal), or one blended rate for all attorneys and a second blended rate for paralegals.

We typically review these blended rate arrangements annually to determine whether the rate reflects the complexity of work, geographic distribution and level of service required, and take into account any anticipated changes to the profile of the matters assigned to Littler under the arrangement.