

September 25, 2020

Via Electronic Mail Only (cmillar@litustolet.com)

South Hampton Property Owners Association, Inc.
c/o Chris Millar
LITUS* To Let
P. O. Box 9000
Myrtle Beach, SC 29578

Re: Professional Services Engagement Letter

Dear Chris:

This letter is in response to our recent discussions concerning my representation of the individual homeowners at South Hampton in that lawsuit entitled *Structural Waterproofing, LLC v. Tribune Holdings, LLC, et.al.* (civil action no. 2020-CP-26-04842). Specifically, the scope of my representation is limited to those individuals listed on Exhibit A to the Complaint, excluding Kingston Plantation Master Association. Although I am not representing the South Hampton Property Owners Association, the Association is agreeing to be responsible for all costs and fees associated with my representation of the individual homeowners.

At this time, I will be the primary attorney involved in this matter, although, if it is necessary or appropriate to involve a paralegal or another attorney on a particular issue or aspect of our activities, they will be billed at their customary hourly rates. Generally, I work closely with my staff on matters such as these and expect to do so on this matter as well. We record time expenses on hourly fee matters in increments of one-tenth of an hour, which serves as the basis for the hourly charges. Our hourly rates at this time on this matter will be billed according to the following schedule: Principal and Senior Attorneys: \$315.00, Sr. Associate Attorneys: \$250.00, Associate Attorneys: \$175.00, Paralegals/ Law Clerks: \$110.00, and Legal Assistants: \$45.00. While we try not to implement fee increases often, we do reserve the right to periodically adjust our hourly rates. We will submit a bill to you on a monthly basis. It is our firm's practice to itemize all time entries and any charges advanced on your behalf. Payment for services rendered is due upon receipt of the statement, and we reserve the option to charge 1.5% interest per month on all unpaid balances that exist after 30 days.

Please read the attached Statement of General Terms of Engagement carefully as it sets forth the terms that are generally applicable to engagements of our firm to provide legal services, except to the extent otherwise provided in this letter or other arrangements that have been mutually agreed upon in connection with a particular engagement.

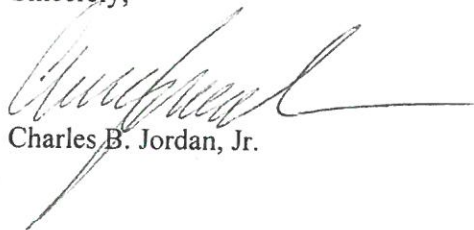
While I certainly do not anticipate that this would ever be an issue, our bills would include any time necessary to collect any fees or costs advanced under this letter agreement, as well as any time or expenses if I, or anyone else in our firm who furnishes services to you, should ever be called upon to testify about the subject matter of our representation of you.

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Also, please note that at this time I am waiving the requirement for any retainer to be deposited with our firm. However, we reserve the right to immediately stop work upon non-payment of services for a period exceeding thirty (30) days. If this proposal is acceptable to you as the agent for the Association, please execute the signature page and return it to this office as soon as possible so that we can begin our work for the homeowners.

We sincerely appreciate your calling on us for legal representation, and look forward to working with you in this matter. The contact information we have on file for you is listed below. If this is incorrect or at the time it becomes invalid, please contact us immediately to update our records. We welcome your comments at any time as to how we can improve our service to you.

Sincerely,



Charles B. Jordan, Jr.

AGREED TO AS SET FORTH ABOVE.

SOUTH HAMPTON PROPERTY OWNERS ASSOCIATION, INC.

By: _____

Chris Millar
c/o LITUS* To Let
P. O. Box 9000
Myrtle Beach, SC 29578
Phone: 843-448-9000 ext. 114
Email: cmillar@litustolet.com

THE PEARCE LAW GROUP, P.C.

Statement of General Terms of Engagement

This statement sets forth terms that are generally applicable to engagements of The Pearce Law Group, P.C. to provide legal services for our clients, except to the extent that other arrangements have been mutually agreed upon in connection with particular engagements. This statement should be read in conjunction with any engagement letter to which it is attached, and the terms set forth herein are subject to any additions and modifications with respect to a particular engagement as are specifically stated in such an engagement letter.

Legal Fees.

In general, our fees for legal services are typically based upon our standard hourly billing rates for the time we spend on the engagement, as reflected in the daily time records maintained by our attorneys and paralegals working on the engagement. If additional services are required that exceed the above-described scope of work, our standard rates will apply. That being said, we will notify you in writing should that occur and/or obtain your pre-approval for any hourly legal services. In relation thereto, each attorney and paralegal is assigned a standard hourly rate, with the differentials in rates based generally upon levels of experience and years of practice. In providing legal services on any matter, we endeavor to see that our personnel are deployed on the most cost-effective basis practicable under the circumstances and to use paralegals, law clerks, and junior attorneys for tasks commensurate with their skills, training, and experience. Our standard hourly rates are reviewed periodically and are subject to change, both to reflect the additional experience of individual attorneys and paralegals and to reflect the other considerations discussed in the next paragraph.

In accordance with applicable Rules of Professional Conduct, our hourly rates and rate structure are designed to reflect various factors to be considered in determining legal fees for any matter, including the time and work required; the novelty and difficulty of the questions involved; the skill requisite to perform the legal services properly; the fees customarily charged for similar services; the amount involved and the results obtained; the time limitations imposed by the client or by the circumstances; the nature and length of the particular professional relationship; and the experience, reputation, and ability of the particular attorneys performing the services. We review each statement in light of those considerations and, to the extent we determine that they are not reflected in the calculation of our fees based upon our standard hourly billing rates, we make appropriate adjustments to our fees.

Subject to the above considerations, the time for which we charge our clients is the actual time devoted to the engagement by our attorneys, law clerks, and paralegals, including conferences and telephone conferences; factual investigation; legal research; review and preparation of correspondence; preparation, drafting and review of contracts, pleadings, briefs, memoranda, and other documents; time in depositions and other discovery proceedings; participation in meetings, negotiations and closings; court appearances; waiting time in court; travel time; and responding to clients' requests to provide information to auditors. In preparing our statements, we review the

time spent on the matter being billed and make appropriate adjustments to avoid billing for unproductive time or duplication of work.

Expenses.

In addition to our fees, clients are also charged for our costs and expenses incurred or advanced in connection with the particular engagement, including postage, delivery and courier charges; photocopying; long-distance telephone charges; travel expenses (including mileage, parking, airfare, lodging, meals, and ground transportation); court costs; filing fees; fees for certified documents; costs of minute books, stock certificates, seals and other corporate supplies; and other out-of-pocket expenditures. Unless special arrangements are made, we will generally not advance fees and expenses of others (such as experts, investigators, witnesses, consultants, court reporters, and local counsel engaged with the client's consent), and such fees and expenses will be the responsibility of and billed directly to, the client. We may also request clients to advance funds for large expense items, such as documentary transfer fees or title insurance premiums.

If we determine that computerized legal research will be more cost-effective than traditional research methods in connection with any legal research necessary for the engagement, the client will also be charged for the computer time at standard rates.

Costs of clerical support, word processing, and other general office support systems are considered part of our overhead and are not charged as client expenses, except that secretarial overtime resulting from clients' scheduling requirements and not avoidable by planning on our part will generally be charged as a client expense. Charges for photocopying, computer printing, and telecopies are on a per-page basis.

Retainers.

It is our general policy to request an appropriate retainer when commencing a new engagement for any client whom we have not regularly represented in the past. However, this requirement has been waived in this instance. Notwithstanding the above, we reserve the right to request an appropriate retainer during the course of our engagement under other circumstances or as new requests for legal services occur. Our trust account is an "IOLTA" account maintained in accordance with applicable guidelines of the State Bar, and neither we nor the client may earn interest on that account. We are pleased to provide our clients with information about the IOLTA program upon request.

Billing.

In order to maintain accuracy and appropriate detail, our statements are computer generated and specifically detail the service provided, the date of the service, the identity of the attorney or paralegal providing the service, and the amount of time expended. Additionally, all costs incurred in the handling of the file which are passed on to the client are itemized on the statement. Expenses for third-party services exceeding \$50.00 (e.g. title abstracting, filing costs, etc.) would be submitted to you for direct payment to the vendor, rather than included on our statement.

It is our objective to provide our clients with effective, responsive, and high-quality legal services at a reasonable cost. We encourage our clients to contact us at any time to discuss any questions or concerns they may have about our services or our fees.

Confidentiality.

Once the terms of our engagement have been agreed upon with a client and we commence work on the engagement, an attorney-client relationship is established between our Firm and the client as to the legal matters subject to our representation. Confidential information communicated between the attorney and the client in the course of that relationship is generally subject to the "attorney-client privilege," which means that neither the attorney nor the client may be compelled by law to disclose the substance of those communications. There are circumstances, however, in which the attorney-client privilege for confidential communications may be deemed to have been waived by the client, such as by disclosure (even inadvertent disclosure) to third parties. Our clients should, therefore, exercise great care in communicating to others legal advice and other communications from us that the client considers to be confidential. We will be pleased to consult with our clients regarding the application of the attorney-client privilege to particular communications.

Confidential information that is subject to the attorney-client privilege and other information gained by us in our professional relationship with a client that the client has requested be held in confidence or that, if disclosed, would be detrimental or embarrassing to the client are also protected under applicable Rules of Professional Conduct to which we adhere. Without the client's consent, we are prohibited from knowingly revealing such confidential information to others or using it for our own advantage or the advantage of others, except that we may reveal it when necessary to carry out the goals of our representation or under other limited circumstances provided in the Rules of Professional Conduct.

Our obligation to preserve the confidences of our clients is taken very seriously by our Firm, and all of our personnel, both attorneys and staff, are cautioned to strictly observe it at all times. Effective representation of our clients requires that they be candid with us in providing information necessary for us to perform our services for them, and the attorney-client privilege and the ethical requirements of confidentiality encourage free and candid communications between the lawyer and the client. We consider both our obligation to preserve client confidences and our client's obligation to disclose to us the information necessary for our proper representation to be material terms of our engagement with the client.

Conflicts of Interest.

Applicable standards of professional responsibility and ethics also impose special obligations on us to avoid conflicts of the interests of a client with the interests of other clients or with our own interests, where our ability to effectively represent one or more of such clients may be materially limited. We endeavor to monitor carefully new engagements and new matters so that we can identify potential conflicts at an early stage, and at the outset of each new engagement, we perform internal procedures to try to determine whether any potential conflict of interest exists.

We also have a continuing obligation to evaluate all situations involving potentially conflicting interests. There may be occasions on which an existing client asks us to represent it in a particular matter in which its interests are adverse to those of another client of our Firm, or on which a potential conflict of interest comes to our attention after an engagement has commenced. In some cases, where the interests are not directly adverse, the conflict may be resolved by the consent of both clients. In other cases, where the conflict cannot be resolved by consent, we may be required to withdraw from or decline the representation of one or both of the clients in connection with the particular matter. Each client should therefore be aware that situations may arise during our engagement in which we could be precluded from handling particular matters for such clients.

Termination and Withdrawal.

A client is free to terminate our engagement at any time upon notice to us, but such termination shall not affect the obligation of the client to pay for all services rendered and expenses incurred prior to the time of such termination.

We reserve the right to withdraw from our representation of any client upon reasonable notice if our fees and expenses are not paid when due under the terms of our engagement, or if any other material terms of our engagement are not honored by the client, or if the client does not reasonably cooperate with us or follow our advice as we deem necessary for us to perform our engagement properly, or if such withdrawal is otherwise required or permitted by applicable Rules of Professional Conduct. Upon such withdrawal, the client shall continue to be obligated to pay for all services rendered and expenses incurred prior to the effectiveness of such withdrawal.

If our engagement is terminated by the client or we withdraw from representation, we expect the client to take all steps necessary to free us of any obligation to perform further services, including the execution and filing of any papers necessary to terminate our representation or effect our withdrawal.

Upon client request, the file may be returned to you. Otherwise, retention of the client file will be handled under the Firm's adopted document retention policy. A copy of this policy is available to you if you request the same.