

**Exhibit I to Michaels Affirmation -
Affiliation Term Sheet, dated October 15, 2012
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Affiliation Term Sheet

1. Parties: Adam and Steve.
2. Initial affiliation period
 - a. 6 months commencing 1/1/13, terminable by either party in writing on 30 days notice.
 - b. At end of 6 months, jointly decide to (i) fully affiliate, (ii) extend initial affiliation period, or (iii) disaffiliate.
 - c. Matters are either "Adam Legacy" matters, "Steve Legacy" matters, or "New" matters. All legacy matters listed on schedule attached to affiliation agreement, with policy limits, litigation and settlement status listed.
 - d. Expenses
 - i. Adam and Steve create and fund bank account as joint tenants "Common Account" from which all expenses for all matters, as well as expenses not allocable to specific matters, are paid. Adam and Steve jointly and equally fund Common Account as needed.
 - ii. Adam and Steve split start-up expenses 50%/50%, except that Steve can pay his 50% in 6 equal monthly installments commencing 1/1/2013, with his obligation to pay secured by a lien in the amount of the unpaid obligation on his interest in Steve Legacy cases
 - iii. Steve and Adam agree to commit to advertising/sponsorship/marketing budget of \$10,000 to be spent in 2013 or earlier to promote awareness of new firm, provided, however, that expenditures against that budget must be approved by both Adam and Steve in advance
 - e. Staffing to include Michael ftl @ \$60K/annualized, Gale p/t @ \$22k/annualized, paralegal/receptionist ftl @ ~\$37.5K plus health insurance/annualized
 - f. Distribution of Profits. Net fees attributable to legacy matters that are received during Initial affiliation period subject to profit sharing, presumptively as follows, though parties can agree otherwise with respect to individual matters:

Stage of Lit. as of 1/1/13 Up to/Including:	% of Net Fee to Non-Legacy Party
Before Bill of Particulars Served	40%
After Bill of Particulars Served	30%
Note of Issue filed, jury selection, trial, arbitration and/or post-verdict litigation occurs post-1/1/13	20%
Note of Issue filed, except for cases in which jury selection, trial arbitration and/or post-verdict litigation occurs post-1/1/13	0%

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- g. Net fees attributable to New Matters that are received during Initial affiliation period split 50/50.
- 3. Fees for matters billed hourly earned during Initial Affiliation period to divided 60% to Steve or Adam if he is doing the work and 40% to the other, or, 50/50 if either associate is doing the work.
- 4. Full Affiliation
 - a. If parties decide to fully affiliate, they grant each other a 50% interest in the net fees from all Legacy matters, going forward and in event of subsequent disaffiliation.
 - b. All firm expenses, including litigation expenses, personnel, rent, and other expenses, shared equally.
 - c. Expense reimbursements paid to the party originally incurring them, regardless of the parties' respective interests in net fees related to those expenses.
- 5. Disaffiliation during Initial affiliation period
 - a. Legacy matters
 - i. Parties retain counsel of record status as to their own Legacy matters subject to client approval.
 - ii. Non-Legacy party retains no interest in Legacy matters of other party except to the extent of reimbursement of expenses allocable directly to the matter, and except to the extent that non-legacy attorney works on Legacy attorney matter; Legacy attorney to consider work expended in allocation of portion of fee to non-Legacy attorney.
 - b. New Matters
 - i. Counsel of Record Status. Post-disaffiliation counsel of record status to be decided by Steve and Adam on case-by-case basis, subject to client approval. Presumptively, each party entitled to remain as counsel of record in New Matters referred to firm exclusively via that party's referral network. As for New Matters where origination is not clear (or origination from a mutual/shared source, i.e. Transportation Alternatives), cases to be divided equitably between Steve and Adam based upon case values, with the fee sharing provided for in the disaffiliation fee schedule below to be taken into account in weighing the equities.
 - ii. Interest of Non-Counsel of Record. For New Matters retained by other party post-disaffiliation, non-counsel of record party retains interest in net fees according to the following fee schedule:

DISAFFILIATION FEE SCHEDULE

Stage of Lit. as of date of disaffiliation	% of Net Fee to Non-Counsel of Record
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Before Bill of Particulars Served	10%
After Bill of Particulars Served	25%
Note of Issue filed	40%

(Non-counsel of record party also receives, upon settlement, reimbursement of 50% share of expenses actually paid in during affiliation period.)

WE AGREE TO THE TERMS ABOVE:

 10/15/12
Adam White Date

Steve Vaccaro Date



VACCARO 375