

Non-Engagement Letter

This letter is further to our telephone conversation *[or meeting]* today. We confirm that our firm will be unable to represent *[insert client name]* in connection with *[brief reference to client matter]* and that *[insert client name]* is not our client.

We also confirm that we have not received any confidential information from *[insert client name]*.

In declining to take the case, we have not investigated the matter and are expressing no opinion as to its merits or the likelihood of success. We strongly encourage *[insert client name]* to consult with other counsel *[or professionals]* without delay to be sure that any rights of *[insert client name]* will not be lost or jeopardized.

Again, we will not be representing *[insert client name]* and will not be taking any further action on your *[its]* behalf.

[Alternative Version - if documents received]

This letter is further to our telephone conversation *[or meeting]* today. We confirm that our firm will be unable to represent *(insert client name)* in connection with *[brief reference to client matter]* and that *[insert client name]* is our client. We are enclosing with this letter the documents you left at our office.

In declining to take the case, we have not investigated the matter and are expressing no opinion as to its merits or the likelihood of success. We strongly encourage you to consult with other counsel *[or professionals]* without delay to be sure that any rights of *[insert client name]* will not be lost or jeopardized.

Again, we will not be representing *(insert client name)* in this matter and will not be taking action on your *[its]* behalf.

Note: Model letters are provided for your consideration. They are NOT meant to be used "as is", but rather, adapted to suit your practice and the specific matter.

Dis-engagement Letter- Matter Concluded

We confirm that above matter has concluded and that our representation of *[insert client name]* has come to an end.

We are returning to you documents related to the matter. We suggest that you keep all of the contents of file of *[insert client name]* in a secure place where you can easily access them, if required.

There is some follow up required. Specifically, *[insert detail]*. Our firm will not be doing those tasks and you will need to take such further action, as appropriate.

Please also find enclosed our final report and invoice for this matter.

Thank you for entrusting this matter to our firm. If you need representation in the future, we hope you will consider engaging our firm again.

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Dis-engagement Letter-Relationship Over

Thank you for the opportunity to work on this matter.

We confirm that ***[set out details of completed work]*** and that we are no longer in a position to continue to represent ***[insert client name]*** in this matter **[OR that you no longer wish us to represent you in this matter]**.

We are returning to you documents related to this matter which you provided from time to time during the time we were retained.

We bring to your attention the following outstanding matters **[OR the following upcoming deadlines]**:

Please also find enclosed our final report and account for services rendered on this matter.

We regret this action is necessary and hope we can be of service in the future.

As ***[insert client name]*** is no longer a client:

1. We will not provide any further notices, reminders of due dates or any further services of any kind. You should immediately retain the services of other professionals to ensure ***[insert client name]*** receive notice of circumstances which may affect your legal rights.

2. In circumstances permitted by the applicable professional rules, we may represent another client in any matter that is not strictly adverse to ***[insert client name]***'s immediate legal interests.

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Engagement Letter

Re: *[Brief description of matter]*

1. Description of Services

Thank you for retaining the services of *[name of firm]* to represent and advise *[insert name of client]* (“you/your”) in connection with the matter described below. Our conflicts clearing process has not disclosed any conflict of interest.

On *[date]*, we *[met/spoke]* to discuss the scope of our firm’s intended representation. We covered this subject in some detail and reviewed and considered the nature of our fee arrangement.

The purpose of this letter is to summarize and confirm the terms of our agreement with respect to your engagement of *[insert name of firm]*(“us/our”).

You have retained us to provide you with services in connection with:

[describe matter] (“Services”)

We anticipate that Services may involve taking one or more of the following steps on your behalf: patent and trademark searches and opinions, drafting and prosecution of patent and trademark applications, searches and opinions regarding the obviousness or anticipation of subject matter disclosed in a patent or patent application, opinions as to patent validity and/or infringement (“Agent Services”).

We will not be performing the following services: advising on issues such as the commercial merits of transactions, valuation, funding or investment, legal jurisdiction, pensions, employment or the taxation implications of your instructions to us. In the case of any Services provided by a professional who is a patent or trademark agent but not a lawyer, the following additional limitations apply: ***[describe any specific limitations on scope of services]***.

We do not offer or give legal advice. To the extent you may require services which are not Agent Services, such as legal advice or representation (whether or not litigation-related) in matters pertaining to patents, trade-marks, copyrights, trade secrets and confidential information and other intellectual property rights, whether or not registered under any system of registration (“Legal Services”) you agree such services will be provided by ***[insert firm name]*** All instructions received and all work undertaken with regard to Legal Services, if any, will be managed and supervised by ***[insert firm name]***.

At this time we have not been retained to represent you generally or in connection with any other matter and once our work on this matter has been completed, we will not advise you as to subsequent legal developments which may relate to this matter. You may limit or expand the scope of our engagement from time to time, provided that we agree in writing to any such expansion. If, at your request, we represent you on related or additional matters and do not ask you to enter into a separate engagement agreement, the terms of this engagement will apply to such other matters.

2. Professionals

We expect that most of the Services will be performed or supervised by me (a partner in this firm) who will be assisted by *[insert name]*, an *[insert position]* in this firm. However, we reserve the right to assign other appropriately qualified and experienced professionals in our firm to perform Services if, in our professional judgment, it becomes necessary or desirable.

3. Desired Result

We confirm your desired result, including a time frame for Services is:

[describe client expectation and considered time frame]

We will work with you towards your desired result, but Services are subject to many variables which are not within our control and, accordingly, we cannot guarantee that your desired result will be achieved either during or after the desired time frame. In any event, for us to work towards your desired result, it will be necessary for you to abide by the terms described in this letter.

4. Fees

Our fees will be based principally on the time spent by us on your behalf. Records of all time will be kept and accounts will then be prepared and sent to you periodically.

Our hourly rates range from \$**[amount]** for *[insert name]* to \$**[amount]** for me. We may change our hourly rates from time to time, generally on an annual basis.

While we expect that our fees will be calculated on the basis of our regular hourly rates, we reserve the right to charge more in appropriate cases, such as pressing circumstances, the requirement for work outside normal business hours, exceptionally successful or efficient representation, or special demands on us.

You will be charged GST on fees and GST on some disbursements.

[Optional Fee Quotation]

Based on our experience and on our review the materials and information you have provided, we estimate that our fees and disbursements, will be approximately \$**[amount]**. We cannot guarantee that we can complete the Services for that amount, but are representing to you that, in our judgment, that amount is the likely cost of Services, based on our experience and on our review the materials and information you have provided.

5. Expenses/Disbursements

You will also be responsible for reimbursing us for expenses (also called disbursements) we incur on your behalf and office charges allocated to your file. These include, among others: deliveries, travel expenses, photocopying, printing, government filing and search charges and the fees of professionals who conduct investigations, searches and registrations and other reasonable expenses and office

charges incurred in the provision of Services. Note: We typically charge for staff overtime on evenings or weekends in order to meet time deadlines.

6. Payment and Interest

Our statements of account will ordinarily be rendered on a monthly basis. Payment is due on all of our accounts when rendered. If any account is not paid within 30 days, interest will be charged on the outstanding balance at a rate of **[rate]**% per annum from the date of the account, until paid.

7. Retainer

Before we begin work on your behalf, we require a retainer in the amount of **[\$amount]**. The retainer will be placed in our trust account and will serve as a source of payment for all or part of our account or accounts when rendered. You will be asked to replenish the retainer from time to time. Any unused portion will be returned to you upon the completion or termination of our services.

8. Description of Client/Instructions

We will be representing **[insert name of client]** in this matter. We are not acting for or taking on any responsibilities, obligations or duties to related persons or entities and no professional-client or other fiduciary relationship exists between us and any related persons or entities. We will accept instructions for this engagement from **[insert name person to instruct firm]** or other person as you advise us in writing is authorized to instruct us.

It is fundamental that all reasonable steps be taken to maintain the confidentiality of our communications, and client information. What is "reasonable" is influenced by costs. We take precautions to ensure the confidentiality of your information through use of experienced IT personnel to manage our computer systems and internet connectivity. We also correspond primarily by email, secondarily by fax and periodically by Registered Mail, Express Post or Courier. We normally do not encrypt our email communications. Third party communications often involve Associate Firms that we work with on behalf of Clients, as well as searchers and other IP professionals, in Canada and elsewhere. If you would like to discuss more enhanced security beyond our normal communication procedures, please let us know.

9. Termination of Services

You have the right to terminate our Services on written notice to us.

Subject to our obligations to you to maintain proper standards of professional conduct, we reserve the right to terminate our Services to you for good reasons which include, but are not limited to:

- (a) if you fail to cooperate with us in any reasonable request;
- (b) if our continuing to act would be unethical or impractical;
- (c) if our retainer has not been paid; or
- (d) if you fail to pay our accounts when rendered.

If you terminate our services, or we withdraw, you would only have to pay our fees and expenses up until the time we stopped acting for you. As you will be no longer a client, in the circumstances permitted by the applicable professional rules, we may represent another client in any matter notwithstanding that representation may be adverse to your legal interests.

10. Governing Law

Our engagement with you is governed by the laws of the Province of **(insert province)** and the federal laws of Canada.

11. Arbitration

You and we agree that it is in our mutual interest to resolve any dispute that may arise between us in a timely, effective and confidential manner, and that any dispute or claim arising from the provision of Services under this agreement, or the validity of this agreement, will be submitted to binding arbitration. Prior to any arbitration, we agree to give each other written notice specifying any dispute or claim agree to use our reasonable best efforts, within the thirty (30) day period following receipt of the notice, to resolve the specified differences, failing which either of us may submit the specified disputes to binding arbitration.

Any arbitration commenced by either of us shall be commenced in **(insert name of City)** Canada which shall be the seat of the arbitration, and will proceed in accordance with the **(insert applicable Arbitrations Act)** as amended, subject to the following terms and conditions: i) All arbitration will be conducted by a single arbitrator; ii) The language used in the arbitral proceedings shall be English; iii) We agree to be bound by the decision of the arbitrator and not to appeal the decision; iv) An arbitrator's award may be entered as a judgement or order into any court having jurisdiction by either of us, and enforced in the same manner as a judgement or order to the same effect.

12. Agreement

You may want to have this agreement reviewed by a lawyer. We encourage you to do so.

If you want us to proceed on the basis described above, please sign the enclosed copy of this letter in the space provided and return it to us, together with the monetary retainer in the sum of **\$(amount)**. If you decide that you do not want us to represent you in this matter, please inform us promptly.

Yours very truly,

For: **(name of firm)**

Name:

Position:

Date:

"I have Authority to Bind the Firm"

Read, Understood and Accepted.

For:

Name (please print):

Position:

Date:

"I have Authority to Bind the Company"

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