

**English Bay Law Corporation
General Terms of Service**

Thank you for asking English Bay Law Corporation to provide legal services to you. We welcome the opportunity and privilege of doing so and this brochure contains our basic terms of service. Please read it and ask us any questions you may have about it. Unless modified in writing, these terms will form an integral part of our agreement with you.

1.0 Scope of Engagement and Duties

We will always act on your behalf to the best of our ability and will provide the legal services reasonably required to represent and advise you. We may decline to perform any service requested for any reason including, without limitation, possible conflict of interest with another client or inadequate provision for the cost of services. You will co-operate with us to facilitate the services we provide. Any expressions on our part concerning the outcome of a legal matter is not a guarantee and is limited by our knowledge of the facts and the state of the law.

2.0 Fees for Services

In determining our fees, we may consider many factors, including: complexity of the matter, amount of money or value of property involved, time constraints imposed by you that result in working on a priority basis or outside normal business hours, achievement of exceptional results and any special demands made upon us. We may adjust fees accordingly.

If the scope of the project is changed, re-prioritized or revised, our fees may increase. For exceptional results, provision of special value or for taking more than usual risks in providing services, we may charge you a premium over the hourly rate or quoted fee. If another lawyer must be engaged for work not anticipated in our fee arrangement, we will seek to advise you in advance as to their charge out rates.

If we enter into referral fee arrangement with another lawyer or law firm, the rate that you pay us will not increase as a result.

If we disagree that a fee charged reflects the fee agreed, before taking other measures, you agree first to discuss the matter with us. There may be a genuine misunderstanding about what was required to resolve your legal problem.

3.0 Disbursements and Out-of-Pocket Expenses

You agree to reimburse us for disbursements incurred on your behalf. Disbursements include expenses such as long distance telephone calls, faxing, emailing, postage, deliveries, travel expenses, photocopying, preparing transaction closing books, transcripts, third party fees for investigations, searches, registrations, online access and all other reasonable out-of-pocket expenses. If we incur additional staff or agent expense in order to meet time deadlines fixed by you or others, such charges may be included as disbursements on your account. Disbursements may be included with our accounts for services or may be billed separately. On request, you will pay directly or provide us funds in advance to pay regulatory and government fees (*e.g.* to securities or exchange authorities or SEDAR).

Please note that audit fees, agent's commissions, corporate finance fees, agent's legal fees, regulatory filing fees, printing costs are also examples of disbursements that are not included in our hourly rates or project fees.

We are not required to advance any funds on your behalf for any disbursements. We may direct third party service providers to bill you directly. We may provide you with an estimate of disbursements for planning purposes, but this is not a guarantee. If we pay any disbursements on your behalf, you agree to reimburse us for them.

Our hourly rates increase annually, usually in September, and may do so without notice, taking into account inflation and legal experience.

4.0 Specific Fee Arrangements

We may be able to provide you with a fixed fee estimate or a fixed fee quote in writing. Estimates are based upon our experience they are not binding or fixed and are subject to the other terms of our engagement.

If we may agree to set a fixed fee, we will adhere strictly to the agreed fee, but will apply it only to the agreed scope and priority or timing of the project. If the scope, priority or timing changes, the fee will increase. In circumstances where no fixed fee can be or has been specified, fees are billed on an hourly basis.

5.0 Billing and Payment

Our usual practice is to charge for services based on our schedule of hourly rates or based on an agreed

fixed fee. Unless we agree otherwise with you in writing, we will bill you for our fees and disbursements and for any applicable taxes, and you will pay the amounts billed.

If our retainer with you is limited but you continue to use our services beyond the limits, the terms contained in this brochure will continue to be in effect until we agree otherwise in writing.

For project services, our usual practice is to bill on completion but for large or lengthy matters, we may issue interim bill(s). For hourly services, we usually bill monthly or bi-monthly. Accounts are due when rendered and you agree to make payment upon receipt of our account. Where we render services to more than one party, each party is jointly and severally responsible for payment of our account.

Invoices are due and payable on receipt and accrue interest at the rate of 1% compounded monthly (an effective rate of 12.68% *per annum*) from the date of the invoice if they remain unpaid more than 20 days thereafter. If your account is outstanding more than one hundred and twenty (120) days, we may ask you for security against payment of your indebtedness. We may refer unpaid accounts to an agency for collection.

If an account is unpaid and overdue, we may at any time stop providing you with services and we may pursue any collection remedy available to us. You agree to pay the costs of collecting the debt, including court costs, filing fees and any legal fees (on a solicitor and client basis) incurred.

If you anticipate payment troubles, we may at our discretion agree payment arrangements with you.

You are also liable to pay any sales tax imposed on any of our fees or disbursements. Where we are obligated to collect and remit that tax, we will add the tax to our account as a separate item.

6.0 Retainer

We will usually require an advance retainer from you. All retainers and other trust deposits we receive from you are placed in a trust account for your benefit. Without further direction, we may apply retainer funds to pay part or all of our account(s) when rendered. We may require that you replenish the retainer from time to time. If retainer funds exceed requirements, we will return them to you, net of any fees, taxes or disbursements.

If we provide legal services on more than one matter or if we have divided the services provided into distinct matters, we may apply retainer funds provided by you to some, all or any portion of those matters as we deem appropriate.

Upon rendering an account to you, we may deduct our unpaid fees and expenses from retainer deposits. By law, your deposit must be placed in a pooled account unless you request, in writing, a segregated (interest-bearing) account. We do not receive any interest from the pooled account. Interest earned on the pooled account is payable to the Law Foundation of British Columbia (established by the Government of BC) and used to fund, in part, legal aid, legal research, law reform, legal education and law libraries. You may instruct us to place your funds in a segregated interest bearing trust account but you will be charged a fee for administering this separate account and any interest earned will be taxable in your hands. Typically, it is not economic to place funds in trust unless the deposit will earn more than \$200 in interest. In addition to the fee for establishing an interest bearing account, we charge a fee of 1% *per annum* for the ongoing use of the interest-bearing account, which you authorize us to deduct from the account and to pay to us. This fee is used to defray our firm expenses, including any required audit of our trust accounts.

7.0 Tax Advice

We are not tax practitioners and do not provide tax advice but we would be pleased to provide you with a referral to a tax lawyer. Where you have been provided with tax advice by a third party, and we have prepared documents or a course of legal services based on that advice, you indemnify and save us harmless against any claim for any loss or tax payable including losses or taxes payable as a result of: (1) following such advice; (2) electing not to follow such advice; (3) regulatory change invalidating such advice; (4) any finding by a competent authority that such advice was in error; (5) failure to provide any necessary fact or other information that would have had the effect of changing the advice given.

8.0 Record Retention and File Ownership

The physical and electronic documents, notes, communications, *etc.* that make up our file or files related to legal services we have provided to you are our property regardless of termination of our retainer. We may provide you with draft documents for

comment and will provide executed copies of key documents related to a specific transaction. We will retain the files in accordance with Law Society Rules for a period of at least six years, after which time we may destroy all or any portion of them.

It is not our practice to release such files and we may refuse to do so without explanation. If we agree to provide copies of all or any part of such files, we will not provide you or any other party or provider of legal services with a copy of such files unless all outstanding accounts have been paid (or arrangements satisfactory to us have been made) and you have made provisions acceptable to us for payment of the cost of removing solicitor notes and copying the files.

9.0 Termination

You may terminate our engagement at any time by notifying us in writing. On termination and receipt of payment for all outstanding fees and expenses, your property will be returned to you. Our own files pertaining to the engagement will be retained. Your termination of our services will not affect your responsibility for payment for services rendered and disbursements incurred before termination or for an orderly transition.

We may withdraw our services at any time for non-payment of our fees or expenses, misrepresentation or failure to disclose material facts, action contrary to our advice, conflict of interest with another client or if your instructions to us are inconsistent with our duty to the Court or in any other situation where we lose confidence in our ability adequately to serve you. If withdrawal becomes likely, we will give try to discuss the situation with you and, if it becomes necessary, give you written notice of our withdrawal and we will promptly render an account for outstanding fees and disbursements.

10.0 Dispute Resolution

We expect to develop a good working relationship with you. But, if we have a dispute that we are unable to resolve through discussions between ourselves, we both agree to attempt to use the services of a qualified mediator before using any judicial process. We would either mutually agree on a mediator or proceed under a mediator appointed by the British Columbia International Commercial Arbitration Centre.

Our goal is to provide you with legal services of the highest quality in a manner that best suits your needs.

In providing legal services to you, we endeavour to maintain a free flow of communication so that you are kept fully informed of the progress of your matters. Please ask us any questions you have about our services or this brochure. We would be pleased to answer them.

Contact Information

English Bay Law Corporation
302-2695 Granville Street
Vancouver, BC V6H 3H4

General Line: (604) 488-0203

General Fax: (604) 488-1414

Toll Free: 1-888-488-0203

Jonathan J. T. Reilly

Barrister & Solicitor

jonathan.reilly@englishbaylaw.ca

Direct Dial: (604) 649-4596

Direct Fax: 1-866-218-2120

Rate Schedule

Please contact us for our most current rate schedule and to see if we are able to quote flat fees for your requirements.

Registry searches and filings: flat fee per search or filing plus taxes and disbursements.

We charge a setup fee and monthly fee to set up and maintain an interest bearing account, plus GST, PST and any fees charged by the bank.

Law Society Client Identification Compliance Form

If you are an individual, sole shareholder, or small corporate client, please fill in the following:
Full Name:
Residential Address:
Home Tel#:
Business Address:
Bus Tel#:
Bus Fax#:
Email Address:
Occupation:

If you are a Corporate Client, please also fill in the following:
Name of Company:
Inc. Number:
Business Address:
Bus. Tel#:
Registered Office: Registered Office Tel #:
Nature of Business
Authorized Individual(s):
Directors of Company
Shareholders of Company
<i>Please attach a <u>legible</u> true copy of your original government-issued identification (e.g. driver's licence, passport, citizenship card or similar record). Please confirm if there are other Directors and Shareholders for the Company.</i>

I confirm that the above details are correct.

Name: _____ *Signature*