

June 20, 2013

Firm Name

Memorandum to New Clients

Note: This memorandum is given to you so that you will know and have a record of our policy on matters such as office procedure and payment of fees. If you require clarification about any points raised, please discuss it with us as early as possible to avoid misunderstanding. We welcome your questions and will be sympathetic to your concerns.

Personnel

This firm currently consists of lawyers, paralegals, support and administrative staff. We work together. You are retaining [Counsel Name] to assist with your matter; however, if necessary to properly look after your interests, other members of our firm may be called upon for consultation or assistance. It is in your interest that we have the appropriate person working on your file at any given time, having regard to the complexity of the issue at hand.

We do not charge for most secretarial services performed by our staff.

Ancillary matters may arise as a result of your legal matter, such as real estate transactions, wills and so on. Members of our firm specialize in these areas. We will usually delegate such work to them unless you specifically ask us not to.

Confidentiality

All information you provide to this firm is strictly confidential. None of this information is revealed outside the firm except in those cases when we reveal it to the court during the course of your litigation or to the other side's lawyer during negotiations.

Disclosure

It is in your best interests to completely reveal to us your entire position and all matters relevant to the issue. There are several reasons for this:

- a) we cannot properly represent you in a court action or in negotiation unless we are fully aware and frankly informed;
- b) the courts require full disclosure of all relevant information and have been highly critical in cases where this has not occurred;
- c) it is far less expensive for you if this information is presented to us completely so that extensive work is not required on our part to revise your court filed statements, or pleadings; and
- d) it is both embarrassing and detrimental to your position to have relevant information about you revealed by your opponent instead of by you.

Full disclosure can involve production of recent bank records, employment documents, business records, financial statements and anything else that is relevant. To the extent that you can assemble this information prior to your visit to our office, considerable time and expense can be saved.

Your statements or pleadings must be complete and accurate. You must swear an oath as to the truth of the contents and it is filed with the court. Errors and omissions can only hurt your position in negotiation and litigation.

You must disclose to us all relevant documents and all facts, even if you think they may hurt your position. We will advise you what must then be disclosed to our opponents. There is hardly anything that one side can withhold. Where the facts change after we make a disclosure, we have to disclose the changed facts, even if this hurts your case.

Contacting Us

Litigation lawyers have to spend a lot of time out of the office at court or at meetings. For that reason, your telephone calls may not be returned for several hours, perhaps even until the next day. Unfortunately, this is unavoidable. However, in case of an emergency, we are usually able to return your calls the same day if you leave an evening number. Our goal is to return your calls within 24 hours.

Very often, if [Counsel Name] is out, you can get a thoroughly satisfactory answer to your question from support staff.

When you leave a message, always give our receptionist your telephone number. Do not say, "She doesn't need my number because she already has it". Your lawyer then has to spend the time (for which you will be charged) to find your number in the file.

Occasionally we are called to court suddenly or unexpectedly detained in court when we have an appointment with a client. We can almost always avoid inconvenience to you if, when arranging an appointment, you let us know where we can reach you by telephone that day.

Knowing Your Lawyer

Perhaps you want to know more about us on a personal level. Most of our clients know we are good from past experience or because of referral from another lawyer. However, you may want to know more about such things as when we were called to the Bar, what kind of law we practice, and so forth. You have every right to know this and we encourage you to ask such questions if they are of interest or concern to you.

Fees

We must all be concerned about the cost to you of our legal services. Our fees are generally calculated on the basis of amount of time spent on your file. However, at the conclusion of your file, we may make appropriate adjustments to reflect the results achieved, amounts involved, urgency, complexity or any other relevant factors. That adjustment is the exception rather than the rule.

All of the time spent on your file is recorded in units representing one-tenth of an hour (six minutes). That includes time spent on telephone calls with you or anyone else, travelling to court, drafting and proofreading, receiving and considering non-routine letters and, of course, preparation, negotiation and attendance at court, etc.

Please Note: five separate one minute telephone calls to the firm will be billed as five tenths of an hour (\$87.50 for calls to [Counsel Name]). One single six minute call will be billed as one tenth of an hour (\$17.50). You can save considerable costs if you manage consultation time wisely.

We submit interim accounts from time to time to keep matters current. These are almost always calculated on a straight count of our hours spent on your file multiplied by our hourly rates plus disbursements. Personnel keep a record of their hours either electronically or on paper dockets. These records are available for your perusal should you have any questions regarding your account.

Our standard rates for staff are increased annually on January 1st. The adjustment is based roughly on the changes in the Consumer Price Index for the more senior staff, whereas for the more junior members of the firm, there can be a further adjustment to reflect their enhanced skills. In 2013, those rates are \$175 an hour for [Counsel Name], \$75 an hour for support staff.

Please Note: it is very rare for us to agree to defer payment of fees until the conclusion of a file. Almost invariably, we require you to pay for our services as they are incurred. That is why we send out interim accounts. We rarely make an exception to this. Therefore, unless there is a clear agreement between us expressed in a letter or memorandum signed by a lawyer in this firm, you may be assured that we will be sending you interim accounts as we spend time on your behalf and that we will stop acting for you unless these accounts are paid promptly.

You may have reason to hope that the other party will reimburse you for your legal expenses as a result of settlement agreement or a court order. We, of course, cannot be assured that this will happen, nor that the person will comply with any agreement or order. Therefore, we must insist upon looking directly to you and not to anybody else for payment of our account.

Retainer

Like most lawyers, we require a retainer. This may range from several hundred dollars to many thousands of dollars, depending on the facts of your case. The money goes into our trust account. Then we take funds out for immediate payment of disbursements made on your behalf. When we submit interim accounts to you, we pay these immediately from the retainer and expect you to send us a cheque for the full amount of the account so that any remaining balance is satisfied and the retainer is restored to its original amount.

Naturally, if the retainer exceeds our fees and disbursements, then the balance will be returned to you on the final billing.

Disbursements

Disbursements are amounts that we are required to pay to others on your behalf. It is our invariable policy to require our clients to pay these disbursements as we incur them. That is particularly true if we retain an expert on your behalf: we expect him or her to be paid immediately upon the submission of an account. Such experts (where necessary) include accountants, appraisers, doctors, tax experts, private investigators and so on. The use of experts will always be discussed with you prior to their employment so that you can decide whether it will be financially feasible for you.

Disbursements to the court are surprisingly small. They rarely exceed \$500 in total.

However, disbursements for such things as appointments and transcripts of examinations for discovery or cross-examinations can, in themselves, amount to hundreds or thousands of dollars. Our photocopying charges (\$0.30 per page) can also be surprisingly high in a lawsuit that involves the service and filing of multiple documents, lengthy factums, long motion records and so forth. Courier charges are not always incurred but can, in some cases, be quite high if documents are required in a hurry.

Unpaid Accounts

Our accounts are payable when submitted. Interest is charged on unpaid accounts at the current rate authorized by statute (may range from 2% - 8%). Where an account is unpaid for more than thirty days and no satisfactory arrangements have been made with us for payment, we will generally require that you change lawyers. We will also take steps to enforce payment.

Other Important Matters

You have probably consulted us with a very specific request. There are potentially other important issues that will arise from your changing situation that you should consider seeking our advice about. These include such things as:

- a) the desirability of a new Will,
- b) severing any joint tenancies with your spouse so that your assets are held in common rather than jointly, or
- c) notices to landlords, employers, or creditors,

We may not raise these with you on the assumption that you are already familiar with the issues: if you are not, you should be quick to raise them with us.

Dispute Resolution

If you wish a second opinion from another lawyer, we will cooperate in facilitating this.

You may terminate the retainer agreement whenever you wish. When you notify us, we will give you an up-to-date final account and you will pay it forthwith. You will also sign a Notice of Change of Solicitors or a Notice of Intention to Act in Person. As soon as you have paid us and signed the Notice, we will give your file to you or to whatever other licensee you appoint.

Similarly, we can stop acting for you whenever we wish. At our request, you will immediately give us a Notice of Change of Solicitors or a Notice of Intention to Act in Person. The only exception to this is that we may not stop acting for you (unless you agree) when a court proceeding is scheduled in the immediate future and you have both paid all interim accounts and given us a deposit sufficient to cover the estimated fee and disbursements to the conclusion of trial.

You are aware that if you are dissatisfied with the account then, providing you obtain an Order for Assessment and an Assessment Appointment within thirty days from the date of the bill (or any other time limitations provided by law), you can have it assessed at your own expense by a court-appointed Assessment Officer.

Confidentiality of this Memorandum

This memorandum is confidential and is prepared for the sole use and convenience of our clients. So that we know you understand it, please sign one copy and return it to your lawyer with the attached Retainer Agreement. Another copy is provided to you for your records.

Signature

Date