

Standard Terms of Engagement

The following are our standard terms of engagement. You accept these terms by requesting any services from us or by allowing us to continue providing services to you. Please let us know if you have any questions regarding our standard terms of engagement.

In the event of any inconsistency between these standard terms of engagement and any written engagement agreement that we may enter into with you, the terms of that written engagement agreement will govern our relationship.

1. OUR CLIENT

- 1.1. The terms “you” and “your” means our client as identified in the client identification form provided to you by us, and “we” and “us” means Oyen Wiggs Green & Mutala LLP.
- 1.2. Unless we expressly agree otherwise, where our client is a company, our representation extends to that company only and does not extend to any of the company’s affiliates or subsidiaries, or to individual employees, officers, directors or shareholders of the company, or to any other company. We will assume that any employee, officer or director of the company who provides instructions to us is authorized by the company to provide such instructions unless we are instructed in writing to accept instructions only from certain individuals.
- 1.3. Where our client is an individual, our representation does not extend to any other individual or company.

2. THE SCOPE OF OUR ENGAGEMENT

- 2.1. We are Canadian lawyers, registered patent agents and registered trademark agents. We are also entitled to represent applicants located in Canada before the United States Patent and Trademark Office. Our practice is restricted to intellectual property matters. We will represent you in relation to those matters for which you have asked for our assistance and we have agreed to act (as long as we are not prevented from acting for any reason).
- 2.2. We are not obligated to provide any services that you have not requested, even if such services may be in your best interest. You should instruct us periodically to consider whether it may be in your best interest to take any action with respect to your intellectual property in addition to action already being taken.
- 2.3. Where we assist you in securing registration of an intellectual property right, unless we expressly advise you otherwise in writing, we have not conducted any investigation into and express no opinion on whether exploitation of that intellectual property right may infringe rights owned by some third party.

- 2.4. After any particular matter has been concluded, changes may occur in the applicable laws or regulations, or their interpretation, which could affect your current or future rights, obligations and liabilities. We have no continuing obligation to advise you with respect to future legal developments, unless we are specifically engaged to do so after the completion of a particular matter.
 - 2.5. Before we can agree to act in any matter which involves a dispute or potential dispute with any other party we must conduct a conflict check. You must not provide us with any confidential information regarding such a dispute or potential dispute until we confirm that we can act for you in relation to that matter.
 - 2.6. This is not an exclusive agreement. You are free to retain any other counsel of your choosing. Unless you agree otherwise we will be disqualified from representing any other client with interests materially and directly adverse to yours (i) in any matter which is substantially related to our representation of you and (ii) with respect to any matter where there is a reasonable probability that confidential information you furnished to us could be used to your disadvantage. You understand and agree that, with those exceptions, we are free to represent other clients, including clients whose interests may conflict with yours, in litigation, business transactions, or other legal matters. You agree that our representing you in a particular matter will not prevent or disqualify us from representing clients adverse to you in other matters, and you consent in advance to our undertaking such adverse representations. You understand and agree that our ongoing payment of renewal, annuity or maintenance fees for any granted or registered intellectual property right does not, by itself, create a conflict of interest that would prevent us from taking on representation of other clients.
 - 2.7. Our engagement in relation to any particular matter is not an entire contract. This means that you and we are both entitled to terminate our engagement in respect of the matter prior to completion of the matter as provided in Section 7 below.
 - 2.8. We are Canadian lawyers licensed to practise in British Columbia. Should any matters arise concerning the laws of another jurisdiction, it may be necessary for qualified legal counsel to be engaged to render services in that jurisdiction.
3. **LAWYERS AND STAFF**
 - 3.1. It is anticipated that most of the work with respect to your matters will be performed by the lawyer(s) responsible for those matters. We may, however, assign other lawyers in our firm to represent you, or other lawyers, students or support staff to perform specific tasks if, in our judgment, that is necessary or desirable.
4. **FEES AND BILLING**
 - 4.1. Our fees are based either on quotations for performing certain work or on a basis which takes into account the time spent by each professional (lawyer or paralegal) as well as the nature of the services provided. For some aspects of our work we charge fixed fees. Our fees are subject to periodic adjustment.

- 4.2. We can provide on request advance estimates of the fees and other charges that you may incur in connection with a particular matter. Such estimates are based on our professional judgment and on the information that we have when the estimate is prepared. Our estimates do not represent maximum or fixed-fee quotations unless we expressly state that this is the case. The ultimate cost can be more or less than the amount estimated.
- 4.3. By instructing us to take responsibility for a matter, you authorize us to perform routine services relating to that matter, for example, reviewing the status of the matter, reporting office actions and the like, reminding you of upcoming deadlines, and to bill you for those services. Occasionally we may reasonably consider it necessary to take urgent action thought to be in your best interest in cases where attempts to contact you have failed or it is not practical to consult you first. You agree to pay all reasonable fees and disbursements for taking such action.
- 4.4. We will bill you for considering and reporting developments in matters that you have entrusted to us. In some cases developments can occur a long time, sometimes years, after the matter begins. Where a case involves a foreign associate, the foreign associate will normally charge for reporting developments and other routine services. You agree to pay for those charges. Where you have decided to abandon a particular matter, you should advise us of that decision as soon as possible to minimize any such costs.
- 4.5. We may charge additional fees in appropriate cases, such as pressing circumstances, the requirement for work outside normal business hours, or special demands on us. For example, where we are provided instructions very close to a deadline such that action must be taken urgently, additional charges may apply. We may also charge for travel time where travel is required on a particular matter.
- 4.6. In addition to professional fees we charge for: disbursements including printing, photocopying, scanning, faxes, long distance telephone charges, postage, patent copies, couriers, government fees, database access, agent's fees, travel costs, and so on, as well as applicable taxes on our fees and disbursements.
- 4.7. In some cases we may retain a third party, such as a trademark agent, a patent agent, a searcher, or an attorney in a foreign country or jurisdiction to act on your behalf. You will be responsible for all fees and disbursements charged to us by the third party in relation to activities performed or disbursements incurred in relation to your matters.
- 4.8. You are responsible for prompt payment of our bills. We expect to receive payment within 30 days from the date of the bill. We reserve the right not to provide further services and to withdraw from representing you in any or all

matters in cases where our account is not up-to-date. We charge interest after 30 days from the date of our bills at a rate of 1.63% per month.

- 4.9. We levy a \$25 fee for NSF cheques.
- 4.10. You are entitled to have our bills reviewed. Your right to have our bills reviewed expires twelve months after delivery or, if paid, three months after payment. We encourage you to discuss any questions regarding our bills promptly with the responsible lawyer so that we can address any concerns you may have.
- 4.11. In any case where we agree to submit invoices to, and receive payment from, some other entity (for example, a related company), you will remain responsible for paying all invoices if the other entity does not do so in a timely fashion.
- 4.12. Where a person provides us with instructions which result in our incurring disbursements on a client's behalf and the client has not provided retainer funding to cover those disbursements, then that person personally guarantees payment of our invoices for such disbursements.

5. RETAINER FUNDS

- 5.1. In the course of our engagement, we may request that you provide us with retainer funding to be applied toward our anticipated fees and disbursements.
- 5.2. This retainer will serve as source of payment of disbursements incurred and of our accounts for fees when rendered. It will be necessary for you to provide and replenish this retainer on our request from time to time so that it is sufficient to cover the work which has been done and is not paid for as well as the work which remains to be done. Until the retainer is provided or replenished as requested, we will not be obliged to carry out further work for you on any matter. Our retainer does not reflect a flat fee charged for services and you will be responsible for fees and disbursements not covered by the initial or replenished retainer.
- 5.3. You authorize us to apply any unused portion of any retainer we are holding for you to any outstanding invoice for any services or disbursements provided to you, or as a retainer for work in progress or against a retainer requested for other matters we may be handling on your behalf, or to refund the unused portion of the retainer to the party who provided the retainer at our discretion. If you wish any unused retainer funds to be refunded upon the completion or termination of our services specific to one matter, you must advise us at the time those funds are provided.

6. COMMUNICATIONS AND INSTRUCTIONS

- 6.1. If we receive late instructions then we may not be able to implement them in time or at all. Providing late instructions often significantly increases costs. Please give us instructions as far in advance of the applicable deadlines as possible. We generally indicate a date by when we should have instructions. If you do not

- provide instructions by the date requested then you assume all risk in relation to the outcome of the late instructions.
- 6.2. We routinely communicate by email and you hereby acknowledge and accept the risk that the confidentiality of the information contained in emails may be breached. In specific cases we may arrange to exchange encrypted email with you. You should not assume that we have received any email from you until we have confirmed receipt of that email.
 - 6.3. If you choose to provide oral instructions to us then you accept full responsibility for any misinterpretation or misunderstanding of such instructions. You should follow up any oral instructions with a timely written confirmation.
 - 6.4. If we do not have both your timely instructions and any required retainer funds, we reserve the right to take no action even if this would result in the irretrievable abandonment of a potentially valuable intellectual property right.
 - 6.5. You warrant that all information provided to us will be complete and accurate and that you have the right to provide such information to us. You authorize us to complete and sign in your name such documentation as we reasonably consider to be desirable or necessary to carry out your lawful instructions.
 - 6.6. You will inform us promptly of any changes of address or other contact information and any changes in ownership of any intellectual property rights to which our services relate.

7. TERMINATION AND FILES

- 7.1. You may terminate our representation at any time, with or without cause, by notifying us in writing. We will provide a final bill as soon as practical. Your termination of our services will not affect your responsibility to pay for all services rendered and other charges incurred both before termination and in connection with an orderly transition of the matter.
- 7.2. We will return your papers and any other of your property to you promptly upon request for those materials unless they are appropriately subject to a lien (i.e. unless your account with our firm - including any final bills, whether rendered or not at the time of your request - is not fully paid).
- 7.3. Upon termination or completion of a matter, we will retain our files pertaining to the matter or case, including our drafts, notes, internal memos, and work product. We generally retain files for such period as we consider appropriate. After such period we may destroy the files.
- 7.4. We may withdraw from representing you in any matter where we have or may develop a conflict of interest which prevents us from acting. We may also withdraw from representing you if we have good reason to withdraw. For example, if you fail to: pay our bills promptly; provide requested retainer funding;

provide us with timely instructions; keep us adequately informed of developments affecting work we are doing for you; or the like. Our termination of services to you for any good reason will not affect your responsibility to pay for all services rendered and other charges incurred both before termination and in connection with an orderly transition of the matter.

- 7.5. If you fail to provide timely instructions in regard to any matter, the failure to provide instructions will constitute authorization for us to request to be removed from any official records as your solicitors, agents or representatives, should we decide to do so, without further authorization.
- 7.6. If we cease acting for you for any reason, then you are responsible for identifying and taking any steps to ensure that any pending applications which we may have been prosecuting on your behalf, any issued trademark registrations, designs or patents, and any other rights which may be important to you do not become abandoned or lapse due to the failure to take some step.

8. PRIVACY

- 8.1. We recognize our professional obligation to maintain the confidentiality of our clients' information as well as our obligations concerning the personal information of all individuals that we collect, use or disclose in our practice. Our complete privacy policy can be viewed at our web site www.patentable.com.

9. LIABILITY

- 9.1. Oyen Wiggs Green & Mutala LLP is a registered limited liability partnership (LLP) established under the laws of the province of British Columbia, Canada. A partner in a British Columbia LLP is not personally liable for any debt, obligation or liability of the LLP merely because that person is a partner in the LLP, and is not personally liable for an obligation under an agreement between the LLP and another person. The fact that a partnership is a British Columbia LLP does not relieve a partner of liability for the partner's own negligent or wrongful act or omission, or for the negligent or wrongful act or omission of another partner or an employee of the partnership if the partner knew of the act or omission, and did not take the actions that a reasonable person would take to prevent it.
- 9.2. In this paragraph "we", "our" and "us" include Oyen Wiggs Green & Mutala LLP, Barwest Office Services and their respective partners, officers, directors, shareholders and employees. To the extent permitted by law, our aggregate liability to you, including any attorney's fees, in relation to any matter shall be limited to five times the fees that you have paid to us in relation to that matter. This limitation of liability applies to all claims under any theory of law or equity including, without limitation: any and all claims of contribution and/or indemnification related to any third party claims arising directly or indirectly out of any services provided by us; and, any and all losses, injury or damages to any legal entity or property of any kind. In no event shall we be liable under any theory of law or equity for any special, incidental or consequential damages.

- 9.3. When it is necessary, or desirable, to retain a third party to perform services for any client, we attempt to select competent third parties who are qualified to perform such services. These third parties are not part of our firm. We will not be liable for any losses, liabilities, costs or expenses arising out of any action, or any failure to act properly or at all, of any third parties, whether or not such action or inaction is negligent.

10. APPLICABLE LAW AND FORUM

- 10.1. Our engagement is subject to the laws of British Columbia, Canada and applicable federal laws of Canada. The Courts of the province of British Columbia shall have exclusive jurisdiction in regard to any dispute arising from or relating in any way to any services performed for you.

11. OUR COMMITMENT TO YOU

- 11.1. At all times we endeavour to represent you to the best of our ability while observing the law, professional ethics, and our duties to any courts, intellectual property offices and other tribunals.
- 11.2. Whenever we provide you with advice regarding the potential outcome of any matter, we will use our best professional judgment. However, we cannot guarantee the outcome of any matter. Any expression of our professional judgment regarding any matter or any potential outcome is limited by our knowledge of the facts and our current understanding of the applicable law. It is also subject to any unknown or uncertain factors or conditions beyond our control.