

January 1, 2011

John Smith
123 First Street
Nowhere, NS BON 2T0

Dear Mr. Smith:

Re: Representation by *(insert name of lawyer)*

Thank you for consulting the firm of *(insert name of law firm)*. Our primary objective will be to provide you with the best possible legal services available to deal with your legal problem.

In order for the firm to provide the level of service which you would deserve and expect for yourself it is essential that there be no misunderstanding regarding what your financial obligations will be to the firm. My current hourly rate is *\$(insert hourly rate)*. Expected fees in this matter will be approximately *\$(insert expected fees)* **plus disbursements and tax**. You have provided a retainer of *\$(insert retainer amount)* as of January 1, 2011. We will require a further retainer in the amount of *\$(insert amount)* that will be placed in our trust account and will be used to pay for ongoing work on your file. **I wish to advise that this is only an estimate of legal fees and likely not what the final cost will be.** This retainer will be used to meet expenses incurred with respect to our representation of yourself and our interim accounts for fees. The balance of your retainer is required forty-five (45) days prior to the date set for your trial, or proof of a line of credit from your financial institution guaranteeing legal fees.

You will be billed from the trust account funds supplied by your retainer on a monthly basis (usually the last day of the month) and upon completion of services. You will be provided with invoices for all billings. If the retainer is depleted before work is completed, it is understood that you will replenish it to the original amount quoted above, or such other figure as we may agree. In the event that you do not find yourself able to maintain the retainer level as set out in this letter, you have a responsibility to discuss this with us and must be aware that we reserve the right to withdraw from further legal services on your behalf.

Although the time devoted to your matter is the primary basis for calculation of fees, our account may be adjusted from a strict time calculation to a figure which provides reasonable compensation for the services performed. Among the factors that we may consider in determining our fee are the nature, importance, and urgency of the matters involved; the skill, labour and responsibility involved; any contingencies involved; as well as the circumstances and

interests of the person by whom the fees are payable. To a large extent, the costs of our representation depend on your instructions as to the conduct of the matter for which we have been retained.

Please remember that we are here to assist you through your difficulty. I have provided you with two copies of this letter. Kindly sign one copy of the letter and return it to me in the enclosed self-addressed stamped envelope confirming your agreement with these terms.

Yours truly,

I acknowledge receipt of this letter and I understand and approve the terms set out therein.

Date: _____ **Date:** _____

Signature: _____ **Signature:** _____