

PATENT FEE POLICY AGREEMENT

MONTHLY BILLINGS - You will normally be billed monthly for services rendered, and cash disbursements advanced during the preceding month. Any unpaid trademark application charges must be paid in full prior to filing the trademark application.

FEE COMPUTATION - Each attorney in the firm will record time spent performing services for you, the client, including time spent conferring with you by telephone and otherwise, and this time is billed at the hourly rate assigned to the attorney. The hourly billing rates vary among the attorneys in our firm, and the rates are generally between \$200.00 and \$450.00 per hour.

FIXED FEES - Certain services may be billed at a fixed fee rather than an hourly rate, provided that a fixed fee is arranged for and quoted in advance. These services include patent and trademark searches. Fixed fees do not include any conference time.

COSTS AND DISBURSEMENTS - The above fees do not include any costs or disbursements. Costs and disbursements, including any copying charges, long distance telephone charges, postage, charges, filing fees and drawings, are recorded as incurred, for inclusion in the monthly billing.

ADVANCE PAYMENTS - For services billed at a fixed fee, and some fees estimated in advance, payment for the services and estimated costs and disbursements is requested before commencing work. All advance payments, including those for costs, expenses, and attorney's fees, are the property of the law firm when paid, and they shall not be commingled with funds or other property belonging to you.

PATENTS - After a patent application is filed, the Patent and Trademark Office may require amendments. Charges for such amendments are separate from the patent application preparation and filing fee charges. Additionally, should the application become allowed, there are issue fee and maintenance fee charges, which are also separate charges made, when required. Of course, we cannot guarantee that a patent will be granted on the application. Also, no patent application charges are refundable for any reason.

PAYMENT SCHEDULE - All billings are due and payable when rendered. Any billing remaining unpaid for more than thirty (30) days is considered overdue, and interest may accrue on the unpaid balance at the rate of 1.5 percent per month from the due date until paid in full. Should any billing become more than thirty (30) days overdue, future services may not be rendered, without first making your account current with our firm.

WITHDRAWAL OF REPRESENTATION - As a condition of the firm's acceptance or continuation of representation, the firm reserves the right to withdraw representation if there is any overdue billing. This will occur, after giving reasonable advance notice of the intention to withdraw, and you agree not to contest in any manner. The attorney-client

relationship is one of mutual trust, confidence and respect. Thus, you retain the right to discharge us as your counsel at any time for any reason. Likewise, we retain the right to cease representing you, for any reason, twenty days after giving you notice of our decision to withdraw. You agree to sign all paperwork necessary to affect our withdrawal. Should we withdraw for "cause" (including, but not limited to, your failure to follow our settlement or other significant advice, your failure to have informed us of any significant matters, or your failure to remain current on your fee and costs obligation to us, regardless of your financial circumstances), you will remain liable for all fees and costs incurred prior to our withdrawal.

INQUIRIES. We encourage questions about these policies.

GENERAL NATURE OF WORK TO BE PERFORMED. (Check the Type of Services to be Provided.)

Conduct Preliminary Patentability Search:

_____ You have requested that we conduct a preliminary patentability search to determine whether your invention appears to be patentable. We have agreed to provide such service on a fixed fee basis of \$_____, which includes providing an opinion letter and copies of the patent documents uncovered during the search. This quoted attorney fee for our services does not include preparing additional documents after conducting the search, such as preparing and filing a patent application. Such additional services will be quoted separately and no additional work will be performed without your specific approval.

Prepare and File Patent Application:

_____ You have requested that we prepare and file a patent application with the United States Patent and Trademark Office. We have agreed to provide such service on a fixed fee basis of \$_____, which is does not include costs for drawings and filing fees. This quoted attorney fee for our service does not include preparing additional documents after the filing of the application such as information disclosure statements, reviewing and responding to issued Office Actions, preparing formal drawing for issue fee activities, nor reminding you of maintenance fee obligations, or foreign filing rights. Such additional activities will only be undertaken with your specific approval and will be quoted in advance of any additional services being provided.

FOREGOING is understood, acknowledged and agreed to by the undersigned.