

LETTER 4—PROPOSED INCORPORATION/PARTNERSHIP

Dear Fred and Barney:

As you know, you have asked me to represent both of you and your proposed new [corporation/partnership], FastStart. Before I begin work on your behalf, however, I must discuss the matter of potential conflicts of interest with you. The reason that I must do so is that the Oregon Disciplinary Rules place limits upon an attorney's or firm's ability to represent clients whose interests do or may conflict. I want to make sure that our relationship begins on a positive note and that you are fully informed of what I may and may not do. Only in this way can you make the best choice for yourselves and your business.

During our discussion, you told me that you believe that you have worked out all of the major points between you concerning the creation of FastStart and its operation. Based upon what you have told me, it would appear that you have, in fact, agreed upon many issues, including [set forth major points of agreement already related, e.g., division of stock, compensation, amount of compensation, etc.].

Nonetheless, it is possible that one of you may change your mind with respect to one or more points as documents begin to take their final shape. It is also possible that issues of disagreement between you may arise that neither you nor I presently know. For example, [give examples—e.g., you may come to disagree with regard to buyout issues or with regard to the relative allocation of rights between you].

If differences do develop, I would not be in a position to advocate the interests of either of you as against the other one of you. In fact, the best I could do would be to lay out the possible alternatives, giving you some of the pluses and minuses pertaining to each one and urge that you review the matter with separate counsel in order to look after your separate interests. Moreover, and if the points of divergence become too numerous or too significant, I would probably have to stop representing either FastStart or you, if not both.

You should also consider that if I represent both of you, neither one of you could assume that anything that you told me would be held secret or would not become known to the other. In other words, you would need separate counsel if you wanted independent advice or to discuss matters in complete privacy.

Please review these issues and then let me know whether, notwithstanding the potential for conflict that I have described, you are willing to have me represent you. Oregon law requires that in addition to obtaining your consent, I recommend that you

consult independent counsel in order to help you decide if you should consent. Whether or not you actually consult independent counsel is, however, up to you.

If you have any questions that you would like me to address before you decide, please let me know. If you do decide to consent, please sign and date the enclosed extra copy of this letter in the spaces provided below and return it to me.

Very truly yours,

I hereby consent to the representation set forth above:

Fred Smith

Barney Jones

Dated: _____

Dated: _____