

SAMPLE JOINT DEFENSE ENGAGEMENT LETTER

September 24, 2010

PERSONAL AND CONFIDENTIAL

Re: Disgruntled Employee's Lawsuit

Dear Individual Manager Defendant:

I am writing this letter to set forth the proposed terms under which the Firm will jointly represent you, in addition to Corporation in defense of the lawsuit filed by Disgruntled Employee (the "Litigation"). This letter to you, along with a letter of even date to Corporation, will confirm the terms of the joint representation, detail the effect of that joint representation, and request signatures confirming that both you and the Corporation consent to the joint representation. You and the Corporation are sometimes referred to in this letter collectively as the "Joint Clients" and individually as a "Joint Client."

Additional proposed terms and conditions of our representation of the Joint Clients are set forth on the enclosed General Provisions. If you have any questions about any of the provisions in this letter and the General Provisions, or if you would like to discuss possible modifications, please call me.

1. Identity of Client; Scope of Representation. The Firm's clients, for purposes of this representation, will be the Joint Clients, and not any of their respective incorporators, promoters, organizers, shareholders, partners, members, directors, officers, employees, subsidiaries, parents, other affiliates, insureds, insurers, family members or other related interests.

The Joint Clients have engaged the Firm to advise and represent them in defense of the Litigation. The Firm does not represent you (Manager) with respect to any other matter.

2. Fees and Expenses. Although the Firm will be representing the Joint Clients, the Corporation has agreed to pay our fees, and to pay or reimburse our costs and expenses, in connection with the Litigation. Under the Rules of Professional Conduct to which lawyers in the Firm are subject (the "Rules"), we may not accept compensation for representing a client from a person other than the client unless the client consents after consultation, there is no interference with our independence of professional judgment or with the lawyer-client relationship, and the confidentiality of information relating to representation of the client is protected as required by the Rules.

In the present circumstances, the principal risk to your interests created by the arrangement for our fees to be paid by the Corporation is that our professional judgment might be influenced by consideration of the Corporation's interests; however, because we believe that the interests of you and the Corporation are closely aligned with respect to the Litigation, we do not believe that there will be any interference with our independence of professional judgment or the lawyer-client relationship between us and the Joint Clients, or that our representation of the Joint Clients will otherwise be adversely affected by the arrangement for payment of our fees by the Corporation.

We understand that, based on the foregoing, you consent to the payment by the Corporation of our fees, costs and expenses in connection with the Litigation. Your signature on the enclosed copy of this letter will confirm this consent.

3. Staffing. Although I will be primarily responsible for this engagement, various portions of the work may be delegated to other members of the Firm, associate lawyers and/or paralegals, as appropriate under the circumstances.

4. Professional Responsibility Issues.

(a) Applicable Rules. Under the Rules of Professional Conduct to which lawyers in the Firm are subject ("the Rules"), when a lawyer is considering the representation of more than one client in the same or related matters, the test is whether the representation of each joint client will be adversely affected by the lawyer's responsibilities to the other joint clients. The lawyer must reasonably believe that there will be no such adverse effect. In addition, it is important, and the Rules so provide, that the clients must each consent to the joint representation after consultation. That consultation requires an explanation of the implications of the common representation and the advantages and risks involved in that representation.

(b) Relevant Considerations. One important aspect of a joint representation is its effect on the attorney-client privilege and the confidentiality of information related to the representation. In general, a lawyer is required to keep each client informed of the proceedings and the subject matter of the representation so that each client can make informed decisions. At the same time, lawyers are also required to not disclose client confidences. However, when a lawyer represents multiple clients in a single matter or in related matters, the lawyer cannot simultaneously reveal important information to one client that was obtained from another client and still keep the information confidential.

Accordingly, for us to enter into this joint representation, there must be a clear understanding with all of the Joint Clients that otherwise confidential information of either one of them, relevant to the Litigation, will be disclosed by the lawyer to the others. This will continue to be the case even if a controversy arises among the Joint Clients. This does not mean that anyone else (i.e., any other client or a non-client) can gain access to such communications. Indeed, the privilege protecting the confidentiality of such communications would remain fully intact vis-a-vis third parties. Moreover, none of the Joint Clients would be able to waive that privilege without the others' consent.

The second risk which necessarily arises out of any joint representation is the theoretical possibility that a conflict of interest may one day surface among the Joint Clients. Although we presently are unaware of any facts which might give rise to such a conflict in the present matter, such a possibility always exists, at least theoretically. If such a conflict should arise, the Firm would need to withdraw from representation of you and would continue to represent our original client, the Corporation. Therefore, you would be required to engage new, separate counsel, most likely at your own expense.

The third consideration regarding a joint representation involves an assessment of various litigation factors. For example, during the course of the Litigation, there may be an opportunity to settle on behalf of one Joint Client, while the other Joint Clients are not in a position to achieve a satisfactory settlement. We must be free to negotiate separate settlements if any Joint Client so desires.

There are certain tactical advantages and disadvantages to joint representation. It may be advantageous to have separate opening statements, separate closing arguments, and separate cross-examination of witnesses at trial. These factors may favor separate representation.

On the other hand, there are several factors which favor joint representation. First, there will be a substantial savings in legal fees and expenses. Second, a united front during discovery and trial can be psychologically effective. Separate representation could suggest to Mr. Mack or a jury that there was some difference or even antagonism between the separately represented parties. Obviously, this could be counter-productive. Third, although separate attorneys might obtain some advantage at trial, there is also some detriment. For example, the total time available for opening and closing statements is usually limited by the Court and would have to be allocated among all defense attorneys and could result in insufficient time for each attorney to make a full presentation.

(c) Waiver. In addition, your signature below will confirm your agreement that the Firm may continue to represent the Corporation in the Litigation even if it becomes necessary for the Firm to cease the joint representation of the Joint Clients in the Litigation, and also will confirm your waiver of any and all conflicts of interest inherent in the Firm's continued representation of The Corporation in such circumstances. As part of this agreement and waiver, you agree that the Firm may thereafter use for the benefit of The Corporation any and all confidential information you disclosed to the Firm during the joint representation and, also, that the Firm may take positions on behalf of The Corporation that are adverse to your interests.

(d) Conclusion. Based upon the investigation we have conducted thus far with respect to the Litigation and our understanding of the issues presented by the Litigation, it is our belief that joint representation will not adversely affect our representation of any of the Joint Clients. The principal factors favoring joint representation in the present circumstances are that a united front in defending the Litigation may be more effective than if each Joint Client were separately represented and that there will likely be cost savings.

However, each of the Joint Clients must consent to our joint representation in order for that representation to proceed. Should you have any questions or comments about the proposed joint representation, you should feel free to call me. I also encourage you to discuss any questions regarding this joint representation and the waiver of potential conflicts with any lawyer of your choice.

If, after consideration, you agree to joint representation under the terms of this letter, you should sign in the space provided on the enclosed copy of this letter and return the copy to me. We are requesting a similar agreement from The Corporation, and our ability to represent you is dependent upon our receipt of its signed agreement.

We are pleased to have this opportunity to be of service and to work with you. As always, let me know if you have any questions or concerns.

Sincerely,

Attorney of the Firm

Enclosure

AGREED TO AND ACCEPTED:

INDIVIDUAL MANAGER DEFENDANT

Date: _____