

[Law Firm Letterhead]

[Date]

[Shareholder Name]

[Shareholder Address]

[City, State, Zip Code]

Re: Notice of Representation and Engagement Regarding Shareholder Derivative Claims against [Corporation Name]

Dear [Shareholder Name],

This letter confirms that [Law Firm Name] ("the Firm") has been retained to represent you in connection with a potential shareholder derivative action brought on behalf of [Corporation Name] (the "Company").

1. Scope of Representation

The Firm will investigate and, if appropriate, initiate litigation against certain officers and directors of the Company. The purpose of this action is to redress breaches of fiduciary duty, waste of corporate assets, or other legal violations that have caused harm to the Company itself.

2. Nature of Derivative Litigation

As a shareholder, you are seeking to enforce a right belonging to the Corporation that the Corporation has failed to enforce. Any recovery obtained in this matter, minus court-approved legal fees and expenses, will belong to the Corporation, not to individual shareholders directly.

3. Responsibilities of the Shareholder

By signing this agreement, you represent that you are a current shareholder of [Corporation Name] and have held such shares during the period of the alleged misconduct. You agree to cooperate with the Firm, provide necessary documentation, and remain a shareholder throughout the duration of the litigation.

4. Legal Fees and Costs

This matter will be handled on a contingency fee basis. This means the Firm will advance all costs of litigation. The Firm will only receive compensation if there is a successful recovery or "substantial benefit" conferred upon the Corporation, subject to approval by the Court. You will not be personally responsible for any legal fees or out-of-pocket expenses regardless of the outcome.

5. Conflicts of Interest

The Firm represents other shareholders in this matter. By signing below, you acknowledge and consent to this joint representation, as the interests of all participating shareholders are aligned in seeking recovery for the Corporation.

Please sign and return the enclosed copy of this letter to formalize our attorney-client relationship.

Sincerely,

[Attorney Name]
[Law Firm Name]

Acknowledgment and Acceptance:

I hereby agree to the terms of representation set forth above.

Signature: _____ Date: _____