

WARD LAW OFFICE

REGISTERED PATENT ATTORNEYS

Ward Law Office LLC – Ohio
120 1/2 S. Washington Street, Suite 207
Tiffin, Ohio 44883
Direct: (419) 408-5500

Bar Admissions: U.S. Patent and Trademark Office; and
Canadian Intellectual Property Office, Non-Resident
Virtual Offices Across the United States of America
legal@wardpatent.com | www.wardpatent.com

Ward Law Office PLC – Michigan
21415 Civic Center Drive, Suite 100
Southfield, Michigan 48076
Direct: (248) 579-2197

June 18, 2024

Mr. Pu Justin Yang
1111-6651 Minoru Blvd
Richmond, BC V6Y 1Z2
CANADA

VIA ELECTRONIC MAIL
pujustinscarfyang@icloud.com

Re: Intellectual Property Information
Engagement Letter

Dear Justin,

Thank you for speaking with attorney Chloe Goodlive recently. We appreciate your consideration of our law firm for your intellectual property concerns.

Basic information about the processes for obtaining patents, trademarks, and copyrights in the United States, including typical costs, is found in the attached letter. We suggest that you carefully review this letter and maintain a copy in your records for future reference.

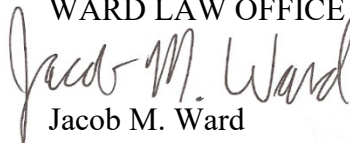
It appears your interests will be served by having us complete an optional patentability search and/or file an attorney-prepared Provisional Patent Application (PPA) for your invention. The filing of the PPA will make the invention PATENT PENDING for a period of one year, during which you can test the market, develop prototypes, seek investment, approach licensees, etc. before needing to file a utility patent application to begin the examination process.

If you would like us to proceed with a course of action, kindly provide your instructions on the following sheet and return them to us by email, fax, or regular mail. Please include with your instructions a retainer check in the amount indicated below or call our office to arrange payment when faxing or emailing the engagement letter. If electronic payment is preferred, let us know and we will forward you a weblink for payment. The retainer will be applied against invoices for services rendered.

We are prepared to begin promptly upon receipt of the signed authorization. Thank you.

Respectfully,

WARD LAW OFFICE LLC



Jacob M. Ward

Enclosure

ENGAGEMENT INSTRUCTIONS

Please sign and date below indicating all services for which you would like to engage our firm.

(1) Please complete an optional patentability search for the invention (retainer required in advance: \$1200, per invention)

Date: _____

Signed: _____
(Pu Justin Yang)

(2) Please prepare and file a patent application as follows (select only one, per invention):

_____ *Applicant-prepared provisional application (retainer required in advance: \$600)*

_____ *Attorney-prepared provisional application (retainer required in advance: \$2,000)*

Date: _____

Signed: _____
(Pu Justin Yang)

WARD LAW OFFICE

REGISTERED PATENT ATTORNEYS

Ward Law Office LLC – Ohio
120 1/2 S. Washington Street, Suite 207
Tiffin, Ohio 44883
Direct: (419) 408-5500

Bar Admissions: U.S. Patent and Trademark Office; and
Canadian Intellectual Property Office, Non-Resident
Virtual Offices Across the United States of America
legal@wardpatent.com | www.wardpatent.com

Ward Law Office PLC – Michigan
21415 Civic Center Drive, Suite 100
Southfield, Michigan 48076
Direct: (248) 579-2197

GENERAL INFORMATION:

Thank you for allowing Ward Law Office to represent you in intellectual property matters. This paper contains some general information relating to the processes for securing patents, trademarks, and copyrights in the United States of America. You should review this information carefully and maintain a copy in your records for future reference.

FEES, INVOICES, AND PAYMENT:

With respect to costs provided below, understand that these are estimates only. Actual fees will be higher or lower depending on the complexity of the invention, trademark, and/or the legal issues involved. Unless we have otherwise agreed to perform services on a fixed-fee basis, professional fees at Ward Law Office are based primarily on the amount of time spent to address each matter and are assessed on a time basis.

Obtaining a patent or trademark registration also involves a process, in which work is completed by both our law office and the U.S. Patent and Trademark Office (USPTO) and/or foreign patent offices after an application is initially filed. The process is lengthy, complicated, and rarely straight-forward. Ward Law Office takes our role in securing and protecting your rights seriously, and so every communication from the USPTO is carefully reviewed and docketed so that your matters remain in good form. There will also be occasional later fees, typically totaling about \$125 apiece, for such regular work in the process and advice about USPTO correspondence received after the application has been filed. Such fees are not merely for forwarding papers or emails. These occasional fees for handling and moving your case forward through the process are normal and should be expected.

Ward Law Office strives to operate in a paperless environment. Internet access to your electronic files can be made available upon request. In addition to maintaining electronic files, all invoices from the firm will be provided to you by electronic mail.

Payment of invoices is due within 30 days of receipt. If payment is not received within this period, or without prior authorization from Ward Law Office, the firm reserves the right to charge 1.5% compound interest on the total amount per exceeded month. We also reserve the right to require payment in advance of services being rendered, and to charge for our time spent collecting payment that is overdue.

Note that you are responsible for any expenses we incur on your behalf. These expenses may include official fees charged by the USPTO and foreign patent offices, patent artist fees for preparation of patent drawings, and the costs of search professionals or other agents (including any translators or foreign lawyers).

Ward Law Office accepts payment by cash, check, credit card, or bank transfer. Online payment options are also available, and there is no surcharge for online payment.

LawPay financing to schedule monthly payments is also available for eligible clients. To determine eligibility or to schedule a payment plan, you can complete the LawPay financing application at <https://secure.lawpay.com/pages/wardpatent/clientcredittr>.

TIMELY INSTRUCTIONS:

We rely on you to give us timely, complete and accurate information and instructions in relation to your cases. We prefer instructions confirmed in writing in order to avoid any possible misunderstandings. If it is unavoidable for you to provide us with oral rather than written instructions, we will confirm in writing the instructions, as we understand them, where time permits.

The USPTO and foreign patent offices often impose strict time limits. Failure to meet these deadlines can be fatal to your patent and trademark rights. While it is our responsibility to inform you of relevant time limits and deadlines, we cannot accept any responsibility if you fail to provide us with timely and complete instructions. In the absence of instructions, we cannot take action and your rights may be lost irrevocably.

We therefore strongly recommend that you carefully read all correspondence from our firm and respond as soon as possible where your instructions are required. If we receive late instructions, we may not be able to implement them in time, in which case your rights may again be irrevocably lost. In the event of late instructions, government surcharges and late fees may also be incurred.

PATENTS:

There are three criteria which an invention must meet in order to obtain patent protection. Specifically, the invention must be new, useful, and non-obvious. Eligible inventions cannot be directed to an abstract idea, law of nature, or physical phenomena, or must represent significantly more in order to be patented.

A prior art search is typically recommended, in order to determine whether the invention is new. The records of the USPTO can be searched on the Internet at <https://ppubs.uspto.gov/pubwebapp/static/pages/landing.html>. Another helpful patent database may also be accessed at <https://patents.google.com/>. A professional search may be conducted, and an opinion on patentability may be prepared, for about \$1,000. Note that, although typically recommended, a prior art search is not a legal requirement and one can proceed directly to a patent application without conducting a formal search.

Under current U.S. law, patent rights are awarded to the first inventor to file. Accordingly, the first step after the invention has been conceived is to file with the USPTO. There are two general types of patent applications covering inventions which should be considered, namely: 1) provisional; and 2) utility.

A provisional patent application includes a written description and drawings of the invention. The application is given a filing date and a serial number but is not examined by the USPTO. The formal requirements and the Government filing fee are less stringent than a regular patent application. If the provisional application is converted to a utility patent application within one year of its filing date, the later filed application may obtain the benefit of the filing date of the earlier-filed application.

The filing of a provisional application provides the inventor with the comfort of having the disclosure lodged in the USPTO and provides the inventor a year to improve the invention; seek licensees; seek investment capital; test the market; etc. The cost to prepare and file a provisional patent application will be about \$2,000. Should you decide to prepare the provisional application yourself, the cost to review, prepare a claims set, and file the provisional application will be about \$600. In both cases, there will also be later minor fees, typically less than \$125 apiece, for reviewing, docketing, and rendering advice in relation to USPTO correspondence received after the provisional has been filed.

A utility patent application includes a far more detailed written description, including a set of claims defining the metes and bounds of the invention sought to be protected, and formal drawings of the invention.

The Government filing fee for the utility application is about \$1,820 compared to about \$300 for a provisional application, with discounts available for applicants who qualify as “small entity” or “micro entity” under the law. The cost to prepare and file a regular application covering an invention should be approximately \$8,000, including the Government filing fee and the formal drawings fees.

Patenting a new invention is a process, in which work is completed by both our office and the USPTO after a patent application is initially filed. There will be occasional later fees, typically totaling less than \$125 apiece, for

reviewing and rendering advice in relation to the patent process and USPTO correspondence received after the utility application has been filed. Other regular costs of about \$300 apiece may also be incurred for later preparing an information disclosure statement (IDS) as required by the U.S. patent law, and for later preparation and recordation of Assignment papers to transfer ownership to another party or business entity.

The utility patent application will be assigned to a USPTO Examiner after filing. The Examiner will begin to examine the application typically within 1-2 years after filing and will mail one or more papers called “Office Actions.” It is common to receive Office Actions, which the Examiner uses to set forth objections and rejections to the application. The Examiner will often cite patents and other publications in the Office Actions as evidence that the invention is not new, useful, and non-obvious. Our office will advise you of suitable courses of action upon receipt of these Office Actions, and you will have an opportunity to respond. We are also available to prepare and file suitable responses to the Office Actions.

The process of arguing and negotiating with the Examiner, and amending the application to further define the invention in these responses, is called “prosecution.” If you are successful in persuading the Examiner that the invention is patentable, the Examiner will allow the application and a patent will issue upon payment of the Government Issue fee. The term of a utility patent is 20 years from the date of application.

It is reasonable to expect that prosecution may also cost up to about \$8,000, including the Government Issue fee, over a period of 1-4 years after the utility patent application has been filed. However, the costs associated with prosecution can vary considerably. Total prosecution costs can be significantly less or more, depending upon what occurs during prosecution.

Patents are also territorial in nature, i.e., the patents operate to prevent others from making, using, selling, and importing a claimed invention only in the countries where the patents are issued. Thus, foreign patent applications can also be considered. Costs for filing and prosecuting vary widely between countries, and estimates are available upon request. An International patent application under the Patent Cooperation Treaty (PCT) can also be considered. The cost to file a utility patent application as an International patent application is approximately \$4,500 in addition to professional fees in preparing the utility patent application. Discounts are also available for applicants who qualify as “small entity” or “micro entity” under the law.

Additionally, a design patent application can be considered. A design patent covers the overall ornamental appearance of an invention. The term of the design patent is 15 years from the date of issue. The protection afforded

by a design patent is typically narrower than that of a utility patent. Please note that both a design patent application and a provisional or utility patent application covering a single invention can be filed. The cost to prepare and file a design application is about \$2,500, with discounts available based on entity status. Similar prosecution costs, although typically less than for a utility patent application, should also be expected.

As soon as a provisional, utility, International patent application, or design is filed, any documentation, sketches, drawings, prototypes, etc. may be marked with “pat. pending,” “pat. applied for,” or the like.

Note that in the event the invention has been publicly disclosed, offered for sale, or sold, a patent application must be filed within one year of the date of disclosure or sale to obtain a valid patent in the U.S. International rights may be lost immediately upon public disclosure or offer for sale prior to filing a patent application.

TRADEMARKS:

Trademarks can be an important means of protecting your goods and services. A trademark is a “source identifier” used to identify the source of goods or services. In the United States, trademark rights are developed through use of a mark in commerce. However, registration of a mark with the USPTO can be sought to protect your rights with respect to use of a trademark.

The cost to prepare and file an application seeking trademark registration, for a single mark in a single class of goods and services, should not exceed \$900, including the cost of the government-filing fee of approximately \$250 for the single class of goods and services.

The filing of a trademark application begins a process, in which work is completed by both our office and the USPTO after a trademark application is initially filed. There will be occasional minor fees associated with the trademark process after filing, typically about \$125 apiece, for review and provision of advice in relation to papers received from the USPTO.

Following the filing of a trademark registration application, the application will be examined by a Trademark Examining Attorney at the USPTO. This takes place over a period of about one year after filing, and the total costs associated with examination are typically between \$500-\$2,000. For example, there is a possibility that the Trademark Examining Attorney will issue one or more formal papers called “Office Actions”, in which objections to the registration are raised. Our office reports on Office Actions when received and will also provide advice on how to respond. The cost for response to an Office Action will vary depending on the complexity.

Prior to filing an application seeking registration, we also recommend conducting a trademark clearance search to

determine whether the mark is actually available for use. Registered trademarks may be informally searched at <http://tmsearch.uspto.gov>. A formal trademark clearance search for the proposed mark is approximately \$800, plus the cost of electronic database access charges which have an average cost of \$150. Although we recommend it in most cases, note that the full clearance search is not a legal requirement. “Knockout” searches based on only the USPTO records can also be performed for about \$500, although this is not normally recommended.

Typically, you should expect to invest a total of approximately \$3,000 per trademark for the typical government costs and our fees for (1) a full clearance search, (2) preparation and filing of an application with the USPTO, and (3) prosecution of the application with the USPTO until a Certificate of registration is obtained. The process takes approximately 12-18 months.

If you have not yet used your mark in commerce, but have a good faith intention to do so, you can file an application under an intent-to-use (ITU) filing basis. Once allowed, a statement of use (SOU) must be filed with a specimen and a fee per class paid to complete the registration within six months. Up to five six-month extensions of time (EOT) are also available by payment of additional government fees, also per class. For applications with a single class, the total fee for an SOU is \$500, and for an EOT is \$375.

Foreign rights can be sought later and can claim priority to the federal registration application in the United States.

COPYRIGHTS:

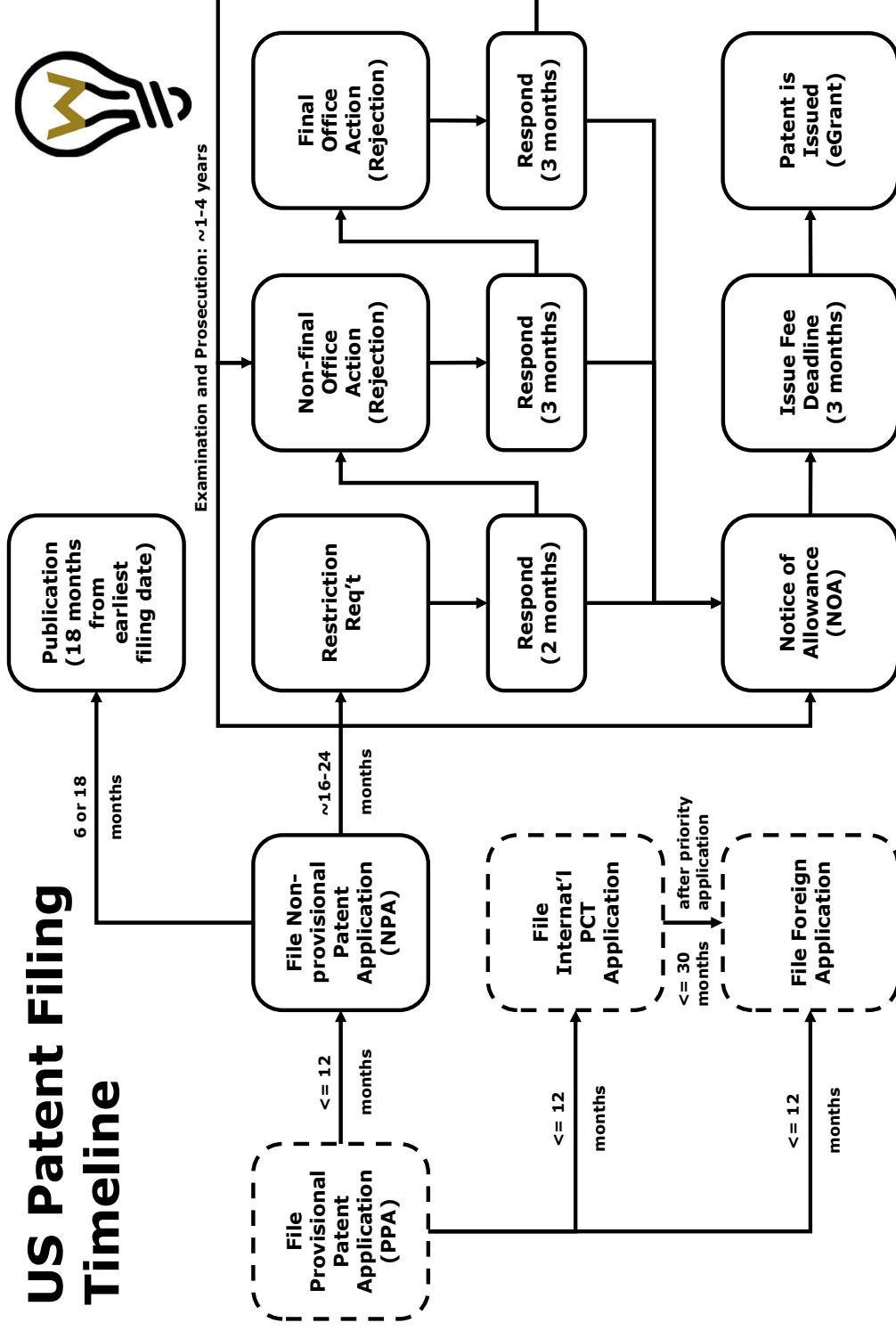
Protection of creative works (e.g., a sculpture, photograph, presentation, manual, book, website, software code, etc.) can sometimes be obtained by copyrights. Copyrights exist from the moment a work is created and fixed in a tangible form. To put others on notice of your copyright, each work or product should be marked with a proper copyright notice. The notice should be one of the following:

- (1) The letter C in a circle (©), the word “Copyright”, or the abbreviation “Copr.”;
- (2) The date (year) of first publication;
- (3) The name of the copyright owner; and
- (4) The phrase “All Rights Reserved” is optional but recommended.

An example of a copyright notice is: “© 2024 ABC, Inc., All Rights Reserved.”

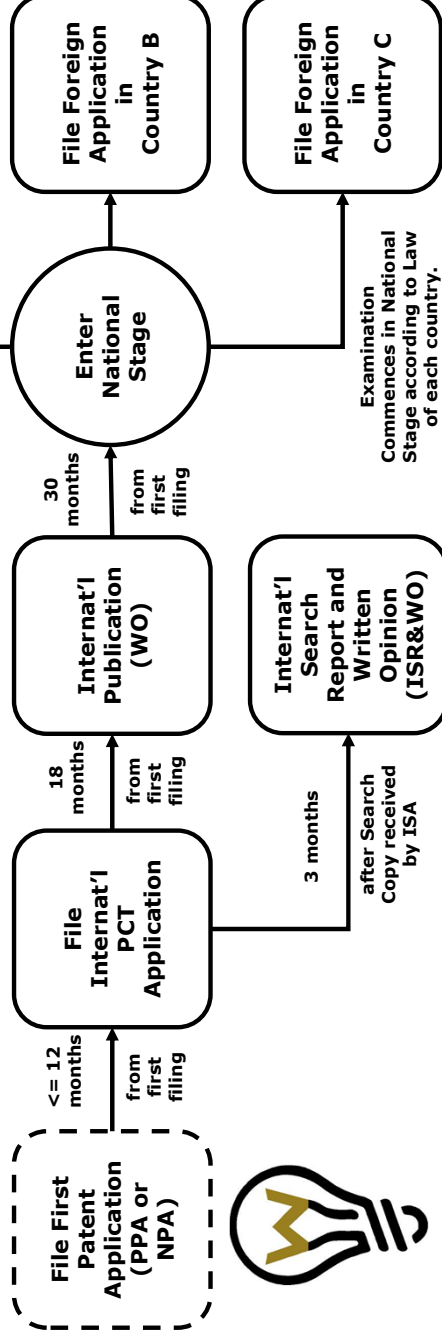
Registration of a copyright with the U.S. Copyright Office affords certain benefits, including the availability of statutory damages to a successful plaintiff in infringement litigation. In general, the cost for us to prepare and file a copyright registration application at the U.S. Copyright Office will be about \$900 per work, including the Government fees of \$65.

US Patent Filing Timeline



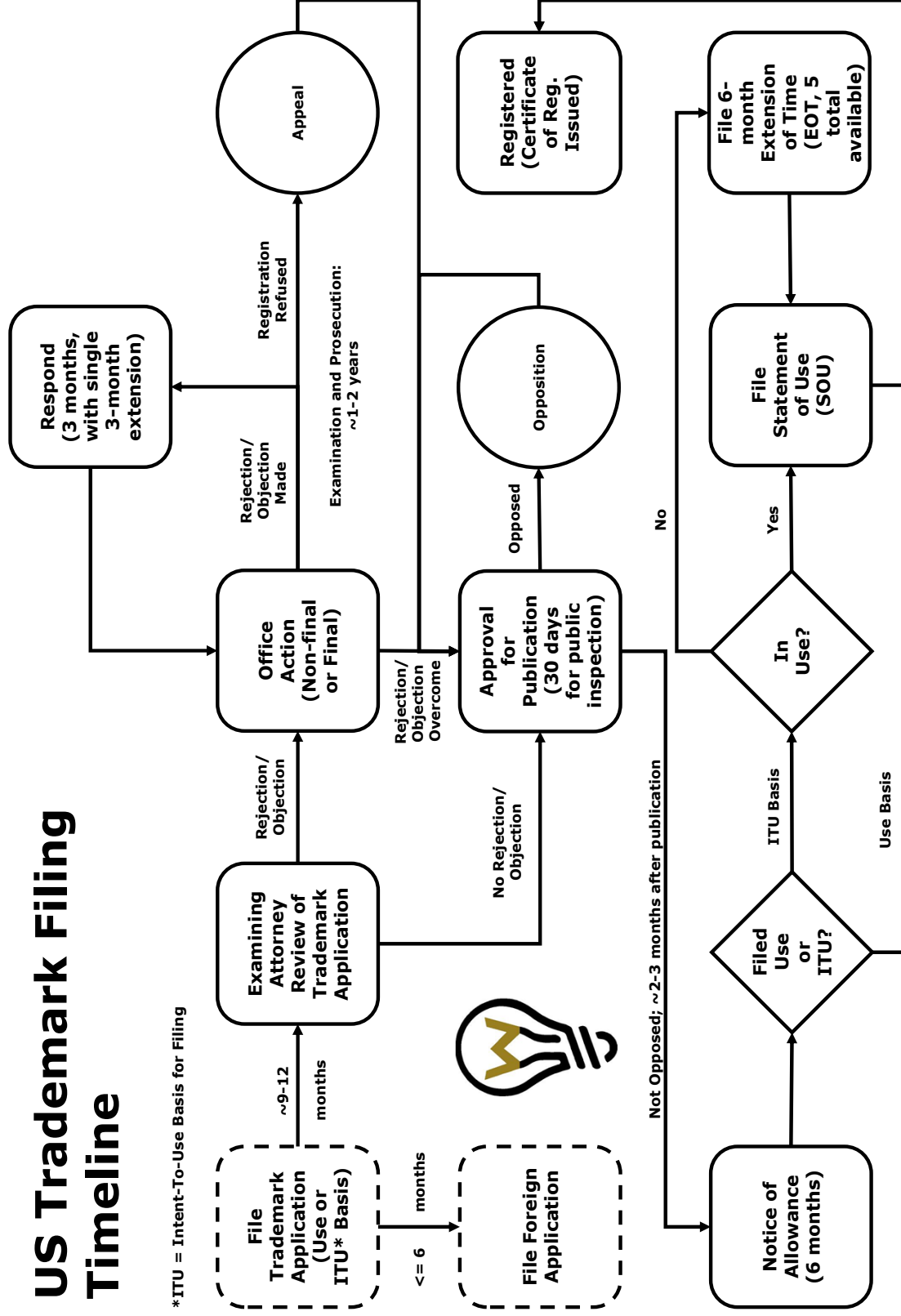
International PCT or Foreign Filing Timeline

International Stage: 30/31/32 Months, Depending on Foreign Country or Jurisdiction



US Trademark Filing Timeline

*ITU = Intent-To-Use Basis for Filing



WARD LAW OFFICE

REGISTERED PATENT ATTORNEYS

***Estimates Only – All fees are listed in US Dollars. Actual fees will be somewhat higher or lower depending on the complexity of the invention.**

These figures represent time charges for our professional services only. Official fees will be additional, and may be subject to discounts based on entity status.

2024 Professional Hourly Rates – Between \$100- and \$300-per-hour

| US Patent Application and Prosecution Cost Estimates | Estimated Costs* |
|--|--|
| Patentability Search and Opinion | \$800 - \$1,500 (plus any database charges) |
| Preparation and filing of a provisional patent application | |
| Attorney-prepared | \$1,500 - \$2,500 |
| Applicant-prepared (including review and preparation of claims) | \$600 |
| Preparation of a utility patent application | \$7,000 - \$9,000 |
| For Paris Convention priority or U.S. National Stage filing, amending foreign application per U.S. standards | \$500 - \$2,000 |
| Preparation and filing of a design patent application | \$1,500 - \$2,500 |
| Amendment in response to Office Action | \$1,500 - \$3,500 |
| Examiner Interview in response to Office Action | \$1,250 (plus travel expenses if argued in-person) |
| Notice of Appeal (plus optional Request for Pre-Appeal Brief Review and Statement) | \$500 (\$2,500) |
| Assignments (preparation and recordation) | \$300 |
| Preparing and filing an Appeal Brief | \$4,000 - \$7,000 |
| Information Disclosure Statements (IDS) | \$300 |

Official fees can also be found at the website of the U.S. Patent and Trademark Office (USPTO) here:
<https://www.uspto.gov/learning-and-resources/fees-and-payment/uspto-fee-schedule>

WARD LAW OFFICE

REGISTERED PATENT ATTORNEYS

| <u>US Trademark Registration Cost Estimates</u> | <u>Government Fees</u> | <u>Professional Fees</u> | <u>Estimated Cost</u> |
|--|--|--------------------------|---|
| Trademark search and opinion with full written clearance search report (per trademark) | NA | \$800 | \$800 (plus any database charges) |
| Application for registration (preparation and filing)- use based or intent to use | \$350/\$250 per class of goods/services, based on application type | \$650 | \$900 (for 1 class of goods/services) |
| | | | + \$350/\$250 for each additional class of goods/services |
| <u>US Trademark Application Prosecution Fees</u> | <u>Government Fees</u> | <u>Professional Fees</u> | <u>Estimated Cost</u> |
| Office Action – Review and report with advice | NA | \$125 | \$125 |
| Office Action Response – Basic | NA | \$500 | \$500 |
| Office Action Response – Medium complexity | NA | \$1,250 | \$1,250 |
| Office Action Response – Complex / Multiple issues | NA | Hourly rate | Calculate |
| <u>Intent to Use Applications Only:</u> | <u>Government Fees</u> | <u>Professional Fees</u> | <u>Estimated Cost</u> |
| Reporting Notice of Allowance and docketing Statement of Use Dates | NA | \$125 | \$125 |
| Request for Extension of Time to File a Statement of Use | \$125 | \$250 | \$375 |
| Statement of Use | \$100 | \$400 | \$500 |

| <u>Post Registration:</u> | <u>Government Fees</u> | <u>Professional Fees</u> | <u>Estimated Cost</u> |
|--|---|--------------------------|-----------------------|
| Reporting Certificate of Registration & Docketing for Section 8 & 15 | NA | \$125 | \$125 |
| Requesting Instructions & Specimen for Section 8 & 15 | NA | \$125 | \$125 |
| Section 8 and 15 Declarations (5th year) | \$425 | \$425 | \$850 |
| Requesting Instructions & Specimen for Renewal | NA | \$125 | \$125 |
| Renewal application (10 year) | \$525 | \$525 | \$1050 |
| <u>Miscellaneous Trademark Costs</u> | <u>Government Fees</u> | <u>Professional Fees</u> | <u>Estimated Cost</u> |
| Assignments (preparation and recordation) | \$40 + \$25 each add'l mark | \$300 | Calculate |
| Assignments/change of name – recordation only | \$40 + \$25 each add'l mark | \$150 | Calculate |
| Preparing and filing Opposition/Cancellation/Expungement/Reexamination | \$600 per class (Oppos./Cancell.) \$400 per class (Expung./Reexam) | \$2,000-\$3,500 | Estimate only |

Official fees can also be found at the website of the U.S. Patent and Trademark Office (USPTO) here:
<https://www.uspto.gov/learning-and-resources/fees-and-payment/uspto-fee-schedule>