

TERMS OF ENGAGEMENT

Our Terms of Engagement ("Terms") applies to our relationship with our clients unless we agree in writing otherwise.

1 Services

- 1.1 Our letter of engagement letter or the correspondence between us ("Engagement correspondence") outlined the services we are to provide to you.
- 1.2 We do not provide any financial and or investment advice. This includes any advice on value or quality of any proposed or actual investment and financial transaction in any form or type undertaken by you. We strongly advise you to seek the advice of an investment or financial adviser if you require such advice. We assume no responsibility and disclaim all liability for any opinion or comment we may express, if any, on your proposed or actual investment or transaction.

2 Obligations

- 2.1 Our duty of care is to you and not to any other person. Before any other person may rely on our advice, we must expressly agree to this.
- 2.2 By engaging us you accept liability to pay the invoices we will render for services provided.

3 Financial

3.1 Fees:

Our fees will be charged on the basis of the Rules or the Code which require the fees to be fair and reasonable for the services provided.

Our fees will be based on a range of factors recommended by the New Zealand Law Society including time (hourly rates), expertise, importance, urgency and results achieved. Our hourly rates (exclusive of GST) are \$350 to \$500 for partner, \$150 to \$340 for solicitor/associate, \$100 to \$150 for legal executive/assistant, law clerk or legal secretary. Our hourly rates have taken into account in the factors recommended by the New Zealand Law Society.

- 3.2 **Disbursements and expenses:** We may incur disbursements or have to make payments to third parties (including counsel or specialists) on your behalf. Unless agreed with a partner, we will require an advance payment for the disbursements or expenses which we will be incurring on your behalf. The advance payment will be applied to any disbursement or expenses when it is incurred by us.

- 3.3 **Retrievals:** In addition to any retrieval items specifically recorded against your file, for ease of administration, we will also charge a percentage of our fee, as fixed by us from time to time or a sum no less than \$50 as office services in our invoice. Office services covers internal photocopying, faxing, phone calls and other office consumables.
- 3.4 **GST (if any):** Goods and Services Tax is payable by you on our fees and charges.
- 3.5 **Invoices:** We normally issue monthly invoices or such intervals at our discretion, and on completion of the matter or termination of our engagement.
- 3.6 **Payment:** Invoices are payable within 7 days of the issue of the invoice unless alternative arrangements have been made with us. We will require interest to be paid on any amount which is more than 7 days overdue. Interest will be calculated and payable at the rate of 15% per annum or such rate as set out on your invoice/s from the date payment became due until payment is received.
- 3.7 **Prepayment:** For our fees, expenses or disbursements, we may ask you to pre-pay amounts to us on account or to provide security to us. We may cease or delay performance of our services until the requested prepayment or security has been received. You authorise us to deduct from the prepayment our fees, disbursements and retrievals as they invoiced and become due and to realise and apply any security provided against any fees, disbursements or retrievals.
- 3.8 **Third Parties:** Although you may expect to be reimbursed by a third party for our fees and expenses, and although our invoices may at your request or with your approval be directed to a third party, nevertheless you remain responsible for payment to us if the third party fails to pay us.
- 3.9 **Credit information:** By engaging our services you authorise Forest Harrison the right to make credit enquiries from any appropriate information provider and provide any credit information to any information provider in the event our invoices were not paid.
- 3.10 **Extension of time for payment of invoices:** If you anticipate delay in the payment of any invoice you must contact us immediately on receipt of the invoice and discuss with us arrangements for payment. Unless an arrangement for payment is agreed in writing by us the provisions of clause 3.6 will apply.

Joint and/or associated client: If you are noted as a joint and/or an associated client in our Engagement correspondence then you shall be deemed principal debtor and together with the client shall be liable, jointly and severally, for the full payment of our fees and charges rendered to the client. At our option we may require you to enter into an agreement for this arrangement.

4 Confidentiality

- 4.1 We will hold in confidence all information concerning you or your affairs that we acquire during the course of acting for you. We will not disclose any of this information to any other person except:

- a to the extent necessary or desirable to enable us to carry out your instructions;
or

b to the extent required by any law or by rules or code governing lawyers in New Zealand.

4.2 Subject to clause 3.9, confidential information concerning you will be available only to those within our firm.

4.3 We will not disclose to you confidential information which we have in relation to any other client.

5 Termination

5.1 You may terminate our services at any time.

5.2 We reserve the right to cease to act where you cannot or will not provide instructions or refuses or fail to take our advice or refuses or fail to pay our invoices when due.

5.3 We may terminate our services in any of the circumstances set out in any rules or code governing lawyers in New Zealand.

5.4 If our retainer is terminated, you must pay us all fees due up to the date of termination and all expenses incurred up to that date.

5.5 If our fees due and expenses or charges incurred up to the date of termination is not paid by you then we have the right to retain original documents and correspondence on your file until such time as all outstanding fees and expenses or charges have been paid.

6 Retention of files and documents

6.1 You authorise us (without further reference to you) to destroy all files and documents for this matter (other than any documents that we hold in safe custody for you) 7 years after our engagement ends or the completion of the matter, or earlier if we have converted those files and documents to an electronic format.

6.2 We reserve the right to charge a file recall fee incurred by us when recalling the file from archives.

6.3 You agree that all draft documents and internal memorandum and notes within our firm belong to our firm. We have the right to destroy those documents before storage and have no obligation to give you those documents or notes when you uplift your file from us.

6.4 This firm has the copyright of any document and agreement prepared by this firm for your transaction.

7 Conflicts of Interest

7.1 We have procedures in place to identify and respond to conflicts of interest. If a conflict of interest arises we will advise you of this and follow the requirements and procedures set out in the rules or code governing lawyers in New Zealand.

8 Trust Account

- 8.1 We maintain a trust account for all funds which we receive from clients (except monies received for payment of our invoices).
- 8.2 If we are holding significant funds on your behalf we will normally lodge those funds on interest bearing deposit with a bank. In that case we will charge an administration fee of 5%, or such rate as fixed from time to time, of the interest derived. Withholding tax will be deducted from any interest earned at the rate governed by Inland Revenue.
- 8.3 You authorise us to deduct against funds held in our trust account on your behalf for any fees, expenses and disbursements including counsel fee incurred on your instruction or as a result of your instruction upon the provision of an invoice and/or statement of account for such deduction.
- 8.4 We reserve the right to charge additional fee if work is required in addition to the general administration works required for the maintaining the funds in our trust account.
- 8.5 You authorise us to deduct as a service fee against any balance of funds of not more than \$50 held in our trust account for the reason that it is not economical for us to refund the said funds to you.

9 General

- 9.1 These Terms apply to any current engagement and also to any future engagement, whether or not we send you another copy of them.
- 9.2 We are entitled to change these Terms from time to time, in which case we will send you amended Terms.
- 9.3 Our relationship with you is governed by New Zealand law and New Zealand courts have non-exclusive jurisdiction.
- 9.4 We may enter into additional terms and conditions with you. In which case the additional terms and conditions shall will set out in additional Schedule/s annexed or to be annexed to the Terms.