

FC LAW PARTNERS

PO BOX 133238 | AUCKLAND 1146 | NEW ZEALAND

STANDARD TERMS OF ENGAGEMENT

These Standard Terms of Engagement ("Terms") apply to all work we carry out for you, unless otherwise agreed in writing. If you have any questions, please contact the Director responsible for your work.

1. Services

The legal services which we are able to provide for you as your New Zealand lawyers are outlined in our engagement letter. We are not qualified to provide financial advice to you.

You agree that when we act for you, we can accept instructions from any of the following persons unless you expressly advise us otherwise in writing:

- If we act for a company, we can accept instructions from any director or officer of that company or any employee or other person whom you have authorised to work with us;
- If we act for a trust, we can accept instructions from any trustee or officer of that trust;
- If we act for a partnership, we can accept any instructions from any partner or officer of that partnership;
- If we act for a couple in a transaction, we can accept instructions from either party.

Client Teams

One of our Directors will be responsible for looking after your work and our relationship with you. This responsible Director will be one whom we believe will be most suited to our relationship with you.

Each assignment, or parts of it, may be performed by other lawyers and legal assistants. In this way we can provide expertise in an efficient and timely manner.

2. Financial

2.1. Fees

Subject to any arrangements set out in our engagement letter, the factors we will take into account in determining the fees which we will charge are:

- The time incurred;
- The skill, specialised knowledge and responsibility required to perform the services properly;
- The importance of the matter to you and the results achieved;
- The urgency and circumstances in which the matter is undertaken and any time limitations, including those imposed by you;
- The degree of risk assumed by us in undertaking the services, including the amount or value of any property involved;
- The complexity of the matter and the difficulty or novelty of the questions involved;
- The experienced, reputation and ability of the lawyer;

- The possibility that the acceptance of the particular engagement will preclude our engagement by other clients;
- Whether the fee is fixed or conditional (whether in litigation or otherwise);
- Any fee quote or estimate given by us;
- Any fee agreement (including a conditional fee agreement) entered into between you and us;
- The reasonable costs of running our practice; and
- The fee customarily charged in the market and locality for similar legal services.

The fees which we will charge or the manner in which they will be arrived at, are set out in our engagement letter.

If the engagement letter specifies a fixed fee, we will charge this for the agreed scope of our services. Unless otherwise agreed, work which falls outside that scope will be charged on the basis set out in paragraph 2.1. above. We will advise you as soon as reasonably practicable if it becomes necessary for us to provide services outside the agreed scope and if requested, give you an estimate of the likely amount of the further fees.

If the engagement letter specifies an estimate of our fee, that estimate is based on the agreed scope of our services and our professional judgement. Unless otherwise agreed, work which falls outside that scope will be charged on the basis set out in paragraph 2.1. above. We will advise you as soon as reasonably practicable if it becomes necessary for us to provide services outside the agreed scope and if requested, give you an estimate of the likely amount of the further fees.

Where our fees are calculated on an hourly basis, the hourly rates are set out in our engagement letter. The differences in those rates reflect the experience and specialisation of our professional staff. We adjust these rates from time to time to reflect levels of legal experience and changes in overheads. Time spent is recorded in 6 minute units, with time rounded up to the next unit of 6 minutes.

2.2. Disbursements and expenses

In providing services we may incur disbursements or make payments to third parties on your behalf. These will be included in our invoice to you when the expense is incurred. We may require you to directly pay for the disbursements or expenses where appropriate.

2.3. GST (if any)

Goods and services tax (GST) is payable by you on our fees and charges at the rate prescribed by the New Zealand Goods and Services Tax Act 1985, except when zero rated or exempt.

2.4. Invoices

We will send interim invoices to you, usually monthly and on completion of the matter, or termination of our engagement. We may also send you an invoice when we incur a significant expense.

2.5. Payment

Payment is due by the 20th of the month following the date of our invoice.

We may charge you interest at the current BNZ VISA interest rate on any amount remaining unpaid after the due date for payment. You are welcome to talk to us about payment arrangements. If an invoice remains unpaid, we reserve the right to start proceedings to recover the overdue amount plus the interest at the above rate, cease to act for you and retain your files until the overdue amount is paid.

2.6. Credit and Security/Client due diligence

We may ask you to provide information on your creditworthiness or to provide security for our fees and expenses before commencing our engagement.

We may ask you to provide information to complete our client due diligence required by law before commencing our engagement.

2.7. Third Parties

Where you expect to be reimbursed by a third party for our fees and expenses, or our invoices at your request or with your approval may be directed to a third party, nevertheless you remain responsible for payment to us if the third party fails to pay us.

If the third party has not paid us within the time frames set out in these Terms for payment, we may issue you an invoice for the outstanding amount. You must then pay the invoice in accordance with these Terms and seek reimbursement from the third party.

3. Confidentiality

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:

- To the extent necessary or desirable to enable us to carry out your instructions; or
- To the extent required by law or by the Law Society's Rules of Conduct and Client Care for Lawyers.

Confidential information concerning you will as far as practicable be made available only to those within our firm who are providing legal services for you.

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

4. Termination

You may terminate our engagement at any time.

We may terminate our engagement in any of the circumstances set out in the Law Society's Rules of Conduct and Client Care for Lawyers.

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

5. Retention of files and documents

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 earlier if we have converted those files and documents to an electronic format.

6. Conflicts of Interest

We have procedures in place to identify and respond to conflicts of interest. Before undertaking your work, we take steps to ascertain if there is any conflict of interest. If a conflict of interest arises we will advise you and follow the requirements and procedures set out in the Law Society's Rules of Conduct and Client Care for Lawyers.

7. Duty of Care

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 give our prior written consent.

8. **General**

We may from time to time send you material that we believe is relevant to you or your relationship with us.

These Terms apply to any current or future engagement, whether or not we send you another copy.

We are entitled to change these Terms from time to time, in which case we will send you the amended Terms.

These Terms are governed by New Zealand law and New Zealand Courts have non-exclusive jurisdiction.

9. **Client Satisfaction**

Our aim is to ensure that you receive a high level of service at all times. Your feedback is valued. We respond to all feedback and will take all practicable steps to achieve service excellence.

If you are not satisfied with any aspect of our work, please contact the Director responsible for your work (please refer to our complaints procedure in our Information for Clients).