

STANDARD TERMS OF ENGAGEMENT

1. Application

These terms apply to our relationship with you. However, if these terms are inconsistent with any other agreement we have made with you (whether generally or in respect of a specific instruction) then that other agreement prevails over these terms.

2. Authority

We have the usual authority of a lawyer to act on your behalf in relation to each instruction we accept. This includes your authority, where reasonable, to incur expenses, engage law firms in other regions or jurisdictions, and engage external barristers or experts.

You also authorise us to:

- a) make enquiries from time to time with credit agencies and any previous legal advisors you may have regarding your credit history (and you authorise disclosure by those people to us); and
- b) release information from time to time to the extent where necessary to the above persons for the purpose of making such enquiries (and you authorise any credit agency to hold such information on their systems and use it to provide their credit reporting service); and
- c) disclose any information about you for the purpose of instructing other persons including a debt collecting agency to recover any outstanding fees from you.

3. Confidential Information

We will not disclose to any other person any confidential information which we obtain as your lawyers except to the extent allowed or required by law or the New Zealand Law Society's Rules of Conduct and Client Care for Lawyers ("NZLS Rules"), or as agreed by you. Possession of confidential information will not preclude us acting for any other person.

You are not entitled to any confidential information we have or obtain in relation to any other client or prospective client.

4. Conflicts

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 NZLS Rules.

5. Advice and Services

5.1 Any advice given by us is:

- a) solely for your benefit. It may not be relied on by any other person unless we agree to that in writing;

- b) not to be disclosed, referred to or used other than for the purpose for which it was sought;
- c) not to be made public or published;
- d) limited to the matters stated in it;
- e) limited to and governed by New Zealand law; and
- f) subject to changes in the law after the date it is given.

5.2 We do not provide financial advice and we recommend you seek financial advice from an appropriately qualified adviser.

5.3 We do not provide tax advice and we are not responsible for advising you about taxation issues.

5.4 Our name and advice may not be used in connection with any offering document, financial statement, report, or other public document without our written consent.

5.5 When our instructions on a matter are completed, our representation of you will end. We are not obliged to notify you of any subsequent change of law, or to provide any further services related to that matter. We are not required to remind you to renew registrations of any kind, or advise you when a current registration of any kind is to expire.

6. Financial

6.1 Professional fees

Our fees are charged on the basis of the NZLS Rules which require that fees be fair and reasonable for the services provided. Our fees reflect the following principles:

- a) Time and attendance;
- b) The skill, specialised knowledge, and responsibility required to perform the services properly;
- c) Urgency or other circumstances making particular demands on resources;
- d) The degree of risk assumed by the lawyer in undertaking the services, including the value of the property or matters involved or in issue;
- e) The importance of the matter to you and the result achieved; and
- f) The complexity of the matter and the difficulty or novelty of the questions involved.

Our standard hourly charge out rates may change from time to time, and we may charge more or less than our standard hourly charge out rates in some circumstances. We will always consider the above factors when issuing an invoice.

If we provide any estimate or quote, we do so subject to the following assumptions:

- a) your instructions are complete and accurately describe our role;
- b) the matter will proceed and be completed in the manner anticipated in your instructions and within any indicated, or a normal, timeframe;
- c) you will provide any information or instructions we require to do our work in a timely and efficient manner;
- d) no unforeseen impediments will arise and require additional work;
- e) all parties and other advisers involved in the matter will be co-operative and will not be unreasonable; and
- f) any third party or regulatory consents or approvals will be given in a timely manner and will not involve protracted negotiations.

Any work you ask us to do outside the scope of our estimate or quotation will be charged for separately. This includes supplementary reporting or explanations, and any additional work we do because any of our assumptions are not correct. We will do our best to advise you in the event any of the assumptions underlying an estimate or quotation are no longer valid.

In cases where 'you' comprises more than one legal entity, the individual legal entities are jointly and severally liable for our fees and all other sums payable under these Terms. We do not have any obligation to pursue any or all of those entities and may pursue payment by any one or more of them at our sole discretion.

6.2 Office services and disbursements

External and large internal disbursements (such as courier costs, Ministry of Justice, Ministry of Business, Innovation and Employment and Land Information NZ search and registration fees) and other external costs (such as experts, overseas lawyers and barristers) are charged separately from our fees and itemised on our invoices. You are required to pay all amounts incurred by us on your behalf. If we are required to expend significant amounts on disbursements or other external costs, we may request you pay these in advance.

For efficiency purposes and in line with good practice, charges for office services (photocopying, faxing, binding, printing,

phone calls and the like) are payable by you based on the scale below (rather than charged to you on an individual basis):

Fee	Office Service Charge
<\$1,000.00	\$50.00
\$1,001.00-\$2,000.00	\$75.00
\$2,001.00-\$3,000.00	\$100.00
>\$3,001.00	4.0% of fee

6.3 GST

Our fees and charges are plus GST (if any), which is payable by you.

6.4 Invoices and Payment

We normally issue invoices monthly. We also issue an invoice on completion of your matter. You must pay our invoice within 7 days unless we have agreed otherwise.

If applicable, at regular intervals we will provide you with a statement of funds which we have handled on your behalf.

6.5 Retainer

We may ask you to pre-pay amounts to us, or to provide a retainer for expenses and our fees. We have your authority to draw on the amounts paid towards our fees and expenses, as they become due.

6.6 Trust Account

Our firm maintains separate trust accounts for all funds which it receives from clients (except for funds which are for payment of our invoices).

If it is necessary for us to hold significant amounts on your behalf, we may lodge those funds on interest earning deposit with a registered bank.

We may deduct from funds held on your behalf in our trust account any fees, costs or disbursements for which we have provided an invoice.

6.7 Unpaid invoices

If you fail to pay our invoice when it is due, we may:

- a) not perform any further work for you until all unpaid invoices are paid in full;
- b) retain custody of any of your property (including documents or files) until all unpaid invoices are paid in full;
- c) charge interest on any amount overdue at a rate of no more than 7% p.a. above the prevailing Indicator Lending Rate of the firm's bankers.

6.8 *Third parties*

You must pay our invoices whether or not:

- a) you have a right of indemnity or recovery from a third party; or
- b) any third party seeks assessment of any of our invoices; or
- c) you receive any amount from a third party.

7. Termination

You may terminate this agreement at any time. We may terminate this agreement in the circumstances permitted by the NZLS Rules.

You must pay us for what we provide, and all expenses we have incurred, up to the date of termination.

8. Retention of your Documents

You may leave documents in our possession after conclusion of your matter. However, we usually destroy our files 7 years after a matter is completed. If you do not retrieve your documents within that period, we have your authority to destroy them.

If this agreement is terminated, we may retain copies of documents or records which we deliver to you or to another lawyer. If we do this, we will pay the cost of producing copies.

9. Intellectual Property

We retain all ownership rights in all intellectual property of any kind created by us for you. You may not reproduce our intellectual property or provide it to a third party without our express consent.

10. Electronic Communications

We may communicate with you and others at times by electronic means. These communications can be subject to interference or interception or contain viruses or other defects ("corruption"). We do not accept responsibility for, and will not be liable for any damage or loss caused in connection with, or as a consequence of, the corruption of an electronic communication.

11. Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ("AML/CFT Act")

We are a reporting entity under the AML/CFT Act. This means that we may be required to obtain and verify certain identity, address and source of wealth information from you, your beneficial owners (including people with effective control of you), and any persons acting on your behalf.

Our obligations under the AML/CFT Act are ongoing, so we may need to gather further information from you during the course of a matter, or where we consider information you have provided to us is no longer current. If the information is requested and not provided to us, we will not be able to act for you.

We charge the following fees for compliance with customer due diligence matters:

- a) Simplified and standard customer due diligence: \$60.00 per matter;
- b) Enhanced customer due diligence or where due diligence is delayed: \$100.00 per matter.

We may also be required to disclose information about you to third parties, and this is discussed below.

12. Compliance with laws

We are required to comply with all laws applicable to us in all jurisdictions, including but not limited to:

- a) Anti-money laundering and countering financing of terrorism laws; and
- b) Laws relating to tax and client reporting and withholdings.

To ensure our compliance and yours, we may be required to gather information about you and others, and provide information about you, persons acting on your behalf or others to third parties (such as government agencies). There may be circumstances where we are not able to tell you or such other persons if we do provide information to third parties. You consent to us doing so.

13. Limitation of Liability

To the extent permitted by law, our total aggregate liability to you (or any other persons) in connection with any matter (or series of related matters) on which you engage us, is limited to the greater of:

- a) the amount paid out for that liability under any relevant insurance held by us, up to a maximum of NZ\$1,500,000.00 (including interest and costs); or
- b) the amount of our paid fees for the matter (excluding our service charge, disbursements and GST).

This limitation applies to liability of all kinds, whether in contract, tort (including negligence), equity or otherwise.

14. Governing Law

New Zealand law governs our relationship and New Zealand Courts have non-exclusive jurisdiction.

15. Changes

We may change these terms at any time, and will publish the changed terms on our website. The change will bind you in respect of any matters on which we accept instructions after publication of the change.

16. Independent Advice

These terms modify some of the duties owed by lawyers to their clients. We recommend that you seek independent legal advice before accepting them.

INFORMATION FOR CLIENTS OF FORD SUMNER

Set out below is the information required by the New Zealand Law Society's Rules of Conduct and Client Care for Lawyers ("NZLS Rules").

1. FEES

The basis on which fees will be charged is set out in our letter of engagement and our Standard Terms. When payment of fees is to be made is set out in our Standard Terms.

We may deduct from any funds held on your behalf in our trust account any fees, expenses or disbursements for which we have provided an invoice.

2. PROFESSIONAL INDEMNITY INSURANCE

We hold professional indemnity insurance that meets or exceeds the minimum standards specified by the New Zealand Law Society ("NZLS"). We will provide you with particulars of the minimum standards upon request.

3. LAWYERS' FIDELITY FUND

The NZLS maintains the Lawyers' Fidelity Fund for the purpose of providing clients of lawyers with protection against pecuniary loss arising from theft by lawyers. The maximum amount payable by the Fidelity Fund by way of compensation to an individual claimant is limited to \$100,000. Except in certain circumstances specified in the Lawyers and Conveyancers Act 2006, the Fidelity Fund does not cover a client for any loss relating to money that a lawyer is instructed to invest on behalf of the client.

4. COMPLAINTS

We maintain a procedure for handling any complaints by clients, designed to ensure that a complaint is dealt with promptly and fairly.

If you have a complaint about our services or charges, you may refer your complaint to the person in our firm who has overall responsibility for your work.

If you do not wish to refer your complaint to that person, or you are not satisfied with that person's response to your complaint, you may refer your complaint to our General Manager. They may be contacted as follows:

- a) by letter; or
- b) by email to ange@fsl.nz; or
- c) by calling **+64 21 169 5600**.

The NZLS operates the Lawyers Complaints Service and you are able to make a complaint to that service. To do so, phone **+64 800 261 801** and you will be connected to the nearest Complaints Service Office, which can provide information and advice about making a complaint.

5. PERSONS RESPONSIBLE FOR THE WORK

The names and status of the person or persons who will have the general carriage of or overall responsibility for the services we provide for you are set out in our Letter of Engagement.

6. CLIENT CARE AND SERVICE:

The NZLS client care and service information is set out below. Whatever legal services your lawyer is providing, he or she must:

- a) Act competently, in a timely way, and in accordance with instructions received and arrangements made;
- b) Protect and promote your interests and act for you free from compromising influences or loyalties;
- c) Discuss with you your objectives and how they should best be achieved;
- d) Provide you with information about the work to be done, who will do it and the way the services will be provided;
- e) Charge you a fee that is fair and reasonable and let you know how and when you will be billed;
- f) Give you clear information and advice;
- g) Protect your privacy and ensure appropriate confidentiality;
- h) Treat you fairly, respectfully and without discrimination;
- i) Keep you informed about the work being done and advise you when it is completed and
- j) Let you know how to make a complaint and deal with any complaint promptly and fairly.

The obligations lawyers owe to clients are described in the NZLS Rules. Those obligations are subject to other overriding duties, including duties to the Courts and to the justice system.

If you have any questions, please visit www.lawsociety.org.nz or call **+64 800 261 801**.

7. LIMITATIONS ON EXTENT OF OUR OBLIGATIONS OR LIABILITY

Any limitations on the extent of our obligations to you or any limitation or exclusion of liability are set out in our Letter of Engagement and Standard Terms.