

LOWNDES JORDAN TERMS OF ENGAGEMENT

Client Care Rules: Lowndes Jordan provides legal services in accordance with the New Zealand Law Society's client care and service rules, a copy of which may be found on our website at www.lojo.co.nz.

Fees: We generally charge at our standard hourly rates (available on request) for the time spent on a project. We may alter our standard hourly rates depending on urgency, complexity, value or other factors. All hourly rates are reviewed periodically and, accordingly, these may increase during a project.

Estimates: If requested, written estimates of fees will be provided before work commences. Estimates are provided as a guideline only and final fees charged will be based on our standard hourly rates unless otherwise agreed in writing. All estimates are exclusive of goods and services tax and disbursements unless otherwise stated.

Quotations: In certain circumstances quotations will be provided. Any quotation provided will be recorded in writing and clearly labelled as a quotation, not an estimate. All quotations are exclusive of goods and services tax and disbursements unless otherwise stated.

Billing: Our usual practice is to bill our clients on a monthly basis. All invoices will be the responsibility of our Client irrespective of whether there is an agreement in place for some other party to be responsible for our Client's costs such as occurs with landlords, lenders, and by agreement between our clients and third parties. Payment of our accounts is required 14 days following the date of the invoice. We include in all our invoices a flat fee to cover incidental office services such as phone calls, printing and stationery and incidental photocopying. Larger expenses will be itemised separately and we may require payment of these in advance.

Default: Without prejudice to all of our recovery rights, overdue accounts will incur penalty interest at the rate of 2% per month or part month. We reserve the right to stop work on our Client's affairs where accounts are overdue. All collection costs (including our legal fees at confirmed hourly rates) will be to our Client's account. If more than one Client, each Client agrees to extend the normal solicitor's lien to cover amounts owing from any Client. In addition, in the event of default, we may deduct any amount outstanding plus penalty interest accrued, from any amount held by us on our Client's account (whether as a retainer or on deposit) and/or refer the matter to a debt collection agency, which will affect credit ratings.

Retainer/Guarantee: For new clients, usually a retainer will be required before we commence work (and we may also require a guarantee from a corporate client's shareholders). We will hold the retainer in our trust account on interest bearing deposit (interest less commission to our Client's account) and apply it against monthly invoices when they are due. If the balance of the retainer we hold is less than the fees we anticipate, we may require it to be reinstated to cover those anticipated fees. Any surplus at the conclusion of the project will be returned to the Client.

Monies held: Other than as set out above or otherwise agreed in writing, all monies held by us will be held in accordance with our investment terms (copy available on request or on our website at www.lojo.co.nz).

Confidentiality: In addition to our ethical obligations of confidentiality, all information obtained is held by this firm subject to the provisions of the Privacy Act 1993 to enable us to provide legal and ancillary services to our Client. In doing so, we may from time to time provide newsletters and other material that we consider to be of interest to clients (in hardcopy or electronically). Our Client authorises us to conduct credit checks with, and obtain credit and other personal information from, credit agencies and to provide personal information to those agencies, at any time.

Professional Indemnity Insurance: We hold professional indemnity insurance that meets or exceeds the minimum standards specified by the New Zealand Law Society.

Lawyer's Fidelity Fund: The maximum amount payable by the fidelity fund maintained by the New Zealand Law Society to cover theft of Client funds by lawyers is NZ\$100,000. Except in limited circumstances, the fidelity fund does not cover any loss suffered on investments which we are instructed to make on a Client's behalf.

Audit: Our firm may be subject to regular audit by an auditor approved by the New Zealand Law Society. Unless otherwise agreed, our Client consents to the disclosure of information during such audits.

Complaints: We maintain a pro-active complaints policy (a copy of which is on our website at www.lojo.co.nz) and encourage Clients to raise any issues that they may have at the earliest opportunity. We value our relationships with our Clients very highly and will strive to accommodate valid Client concerns wherever possible.

Future Instructions: Unless otherwise agreed in writing, these terms, having been handed, sent or referred to our Client, will apply to all instructions received from our Client including matters currently in train and future instructions. We may revise these terms from time to time and the revised terms will apply to any instructions we receive after they have been handed, sent or referred to our Client.