

I ZARD WESTON TERMS OF ENGAGEMENT

These are the standard terms on which Izard Weston provide services to clients.

In these terms of engagement, "we", "us" and "the firm" means Izard Weston, and "you" means our client. Where you are a company or other corporate or unincorporated entity, we act only for you. We do not act for your shareholders, directors or members, unless we expressly agree otherwise.

Unless we agree different terms, and we are always happy to discuss terms with you, these terms will apply without the need for a record of their acceptance.

Scope of Services

A description of the services we have been asked to undertake for you is set out in our confirmation of instructions. We may also have discussed and communicated the scope of those services with you. If you are expecting us to, or would like us to, perform any services in addition to those we have recorded or described, it is important that you let us know.

Professional Duties and Obligations

We will act at all times in accordance with your instructions and in your best interests and will use all due care and skill in doing so, in accordance with the Rules of Conduct and Client Care for Lawyers of the New Zealand Law Society, legislation governing the legal profession and any other relevant legal principles.

We owe our duties to you. Unless otherwise agreed in writing or required by law, those duties will not extend to other parties, for example directors, shareholders, employees, related or associated parties or entities or other family members.

If any other parties intend to rely on advice that we give you, then you and we must first agree in writing.

Our duty of care

Our duty of care is to our client named in our confirmation of instructions. We do not owe any duty of care or liability to any other person. If any other person wishes to rely on our advice, they can do so only if we expressly agree in writing. If, during the course of our appointment, we provide services to entities related to or associated with you, then these services will be provided on the same terms as these standard terms (and you will ensure that those entities agree to this).

Any advice that we give you is not to be used in connection with any financial statement or public document without our written approval.

People Acting

Generally, a partner will be responsible for your instructions. He or she may however involve other solicitors or legal staff within the firm to assist, either wholly or in part in providing services within the scope of your instructions. The intention at all times is that your work is carried out by people within the firm having the most relevant expertise and that work is carried out, subject to your instructions, at the appropriate level and in the most expeditious and cost effective way.

Please contact us if you have any concerns about the personal people who are carrying out your instructions.

Fees

Our standard practice is to send monthly invoices for work we undertake on your behalf.

GST (if any) is payable by you on our fees, disbursements and expenses.

We record all of the time that we spend in attending to your instructions at our standard hourly rates (which are always available on request). That recorded time is a primary factor in determining the appropriate fee. Other factors may include specialist knowledge, expertise or experience, the amounts involved, the complexity or importance of the matter, urgency and the results achieved.

We are happy to give estimates of likely fees. Any estimates given are a guide only; they are not a fixed quotation. We are happy to discuss any issues relating to our accounts with you, including their frequency and the hourly rates that have been or are to be applied. We will need to agree with you any variation to our standard invoicing and accounting policies as set out in this document.

We may ask you to pre-pay amounts to us, or to provide security for our fees and expenses. You authorise us to:

- (a) debit against amounts pre-paid by you; and
- (b) deduct from any funds held on your behalf on our trust account

any fees, expenses or disbursements for which we have provided an invoice.

Where we have an arrangement with you that we will address the invoice to another person, you will pay that invoice if that other person does not pay the invoice.

Disbursements and Expenses

Our accounts will include charges for disbursements and a standard office expense charge. Disbursements include out of pocket expenses such as searches, registration and filing fees, court and tribunal charges, travel and accommodation costs and the fees of barristers or other professionals engaged on your instructions. The standard office expense charge covers the cost of routine copying, printing, binding, telephone and fax expenses. The standard office expense charge is 3% plus GST of fees charged.

Accounts

Our accounts are payable on the 20th of the month following the date of the account. We are happy to discuss alternative terms, but these will need to be agreed with us.

Our objective is to work with you to address any issues that may arise. However in the absence of any arrangements that we agree and record about the payment of our accounts we may, if an account is overdue, elect not to do any further work for you and to retain custody of your papers or files until our accounts are paid in full and/or charge interest of up to 10% per annum, calculated daily and capitalised monthly, on any amount that is outstanding one month or more after the date of the account. We reserve the right, if necessary, to recover the costs of collection of any unpaid account.

Electronic services and communication

Where we provide any electronic service to you, or communicate with you by electronic means, we will take every reasonable precaution to ensure that those services and communications are accurate, reliable, adequate, complete, confidential and secure.

However, we cannot always be certain that those services and communications are error free. Also, because they will in most cases be internet based, certain risks exist that are outside our control. Consequently, despite the other provisions of these terms, we cannot and do not represent or warrant that those services and communications will always be accurate, reliable, adequate, complete, confidential and secure. We also exclude all warranties to the extent permitted by law.

Please contact us if you have any concerns about the authenticity of any communication or document purportedly sent by us.

Document destruction

We retain the files on each matter, and any documents you leave with us, for seven years after completion or termination of the matter. We may then destroy the files and documents. If you wish to make other arrangements, please advise us of those arrangements.

If you ask us to destroy any matter-related files or other documents, we will do so where it is practicable and we are not otherwise obliged to retain them.

If we destroy files or documents at your request, you waive any liability we may have in relation to the matter, files or documents and we will have no liability to you or a third party.

If you uplift your files or other documents at any time, we may make and keep copies of that material before you collect it.

Limitation of liability

To the extent permitted by law, our total liability to you in connection with any matter (or series of related matters) on which you engage us will not exceed:

- if an amount is available to be paid out under our relevant insurance policies in respect of our liability to you, that amount, up to a maximum of NZ\$15,000,000 (including interest and costs); or

- in any other case, the lesser of:
 - NZ\$30,000; and
 - An amount equal to five times our paid fees (Excluding our office service charge, disbursements, and GST), up to a maximum of NZ\$30,000 (including interest and costs).

This limitation applies to liability of all kinds, whether in contract, tort (including negligence), equity or otherwise. We may override this limitation where it is specifically agreed with you in an engagement letter signed by us.

If we provide services to any persons or entities related to or associated with you or to anyone else at your request (whether or not we also advise you) on a matter (or series of related matters) on which you engage us, then our aggregate liability to you and all those persons and entities in respect of that matter (or series of related matters) will be subject to this limitation (and you will ensure that those persons and entities agree to this).

Third Party Information

We do not accept responsibility and will not be liable for any damage or loss caused by errors or omissions in information obtained from third parties, such as Government agencies or other professionals.

Conflicts of Interest

We do not condone conflicts of interests. We have procedures in place to identify potential conflicts at an early stage. If we perceive that a conflict has arisen or may arise, we will disclose our conflict to both parties and, unless we have instructions to the contrary, will act for neither.

Confidentiality

Client confidentiality is essential to us. We will not disclose any confidential information obtained as a result of acting for you or any other client unless you, or that other client, authorises to do so or unless we are required by law or the Law Society's Rules of Conduct and Client Care for Lawyers.

Completion of Instructions

Our services will come to an end when your instructions on any matter are complete. We will only provide further advice on issues arising from the matter in the future whether through changed factual circumstances or changes in the law if you and we have agreed to do so before we close our file.

Termination

Where you give us any instruction and we rely on that instruction (for example, by giving an undertaking to a third party), you may not revoke that instruction. Otherwise, you may end our engagement at any time on any matter or matters. You do not need to give us any notice. We may, on reasonable notice to you, end our engagement at any time.

Your instructions will be deemed to have ended at the conclusion of our work for you pursuant to that instruction, or three months from the last date that any work was recorded against the file (whichever is the earlier).

Provided that you have paid all of our invoices on all matters, we will (on request) provide to you all the documents that we have obtained or created through working for you on the matter or matters in question. Before we provide those documents to you, we may take a complete copy of them.

If our engagement is terminated, these terms continue to apply in respect of your instructions and our relationship with you.

General

These terms of engagement apply to any current instruction, and to any future instruction, whether or not we send you another copy of them. There is no need for you to sign these terms of engagement in order to accept them; you will accept these terms of engagement by continuing to instruct us to work for you.

These terms of engagement are not affected by any change to our partnership.

We can change these terms of engagement, in which case we will notify you of the amended terms of engagement.

Any dispute concerning these terms of engagement, or our work for you, is to be resolved in the New Zealand courts under New Zealand law.

Law and Jurisdiction

These terms of engagement and any other agreement we have with you are governed by New Zealand law and are subject to the exclusive jurisdiction of the New Zealand Courts.

Foreign law matters

We are only qualified to advise on New Zealand law. If we assist you in respect of matters governed by foreign law, we do so on the basis that we do not accept any responsibility (and will not have any liability, whether in contract, tort (including negligence), equity or otherwise) in relation to your legal position under that foreign law.