

## SAINSBURY LOGAN & WILLIAMS STANDARD TERMS OF ENGAGEMENT

The Standard Terms of Engagement ("the Terms"), sent to the client together with any letter of engagement and any fee estimate, form the Contract between Sainsbury Logan & Williams ("SLW") and the client.

Unless otherwise agreed in writing, any subsequent services performed by SLW will be provided by SLW on the basis of the Terms. In such cases, references to the Contract and the Services below will be to the Terms and any orally specified services.

- 1 **Services.** SLW will provide the services agreed orally or specified in any initial letter of engagement or, as subsequently agreed and set out, in any replacement or supplementary letter of engagement ("the Services"). The Services may include advice and recommendations, but it is understood and agreed that all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and made by the client. Unless implementation is specified in the letter of engagement, SLW shall not be liable in any way in this regard. Either SLW or the client may request changes to the Services. Each agrees to work together to enable each party to assess the impact of any requested changes on the cost, timing or any other aspect of the Services.
- 2 **Information.** The client will provide in a candid, full and timely fashion all information and documents reasonably required to enable SLW to provide the Services. Unless otherwise required pursuant to the engagement, SLW will have no responsibility to independently verify the accuracy of such information and documents. SLW will not be liable for any loss or damage arising from any inaccuracy, incompleteness or other defect in any information or documents supplied by the client.
- 3 **Workpapers.** The workpapers produced by SLW in the course of its work in providing the Services are the property of SLW. SLW shall be entitled to retain its work papers and copies of any documents provided to it in the course of performing its Services. Work papers will also include documents or deeds relevant to your affairs although not necessarily relevant to the Services.

On providing the Services SLW will open a file. SLW reserves the right to store all information contained on that file in whatever form legally permissible (including but not limited to electronic storage). The information retained by SLW will be stored and kept for at least six years. After that period of time the information may at SLW sole discretion be deleted. If the client sends to SLW any papers which ultimately form part of that file which are to be returned to the client, please be sure to advise SLW accordingly at the time these are supplied.

In respect of Deeds or documents SLW reserves the right to retain those Deeds and documents until all monies due for costs, office services or disbursements are paid. SLW requires this right to retain any such Deeds and documents even if the monies are due for services unrelated to those documents. SLW's position in this regard is contrary to the usual common law position which would otherwise exist.

- 4 **Reporting.** SLW will report to the client in accordance with the terms set out in any letter of engagement.
- 5 **Fees and Payment.**
  - a) Either before or after the commencement of the Services, or on any change in the Services SLW will, when required to do so, except as set out in the New Zealand Law Society Rules of Conduct and Client Care for Lawyers, provide an estimate and/or agree with the client the total fees for the Services.
  - b) All fees charged will be based on the New Zealand Law Society requirement that all professional fees shall be fair and reasonable having regard to the interests of both the client and SLW.
  - c) The client acknowledges that in determining what constitutes fair and reasonable fees having regard to the interests of both the client and SLW, a number of factors will be taken into account including not only the amount of time devoted by partners and staff to the Services, but any urgency involved, the amount or value of the money or property involved, the degree of complexity and resulting skill required, the results achieved and any other criteria that are relevant (including the factors set out in the Rules of Conduct and Client Care.
  - d) The client will pay all out of pocket expenses reasonably incurred by SLW in performing the Services.
  - e) In the case of most property, loan, commercial or other transactions where there is a specific settlement date, all fees and expenses shall be paid not later than the settlement date. The client authorises the deduction of all fees and expenses from the proceeds of any loan advance or sale proceeds or other monies which may be received or held to the client's credit within SLW's Trust Account.
  - f) In all other cases, fees and expenses will be billed upon completion of the matter or monthly, unless

otherwise agreed, and will be payable within 7 days of receipt by you of the invoice.

- g) In default of payment when required, the client undertakes to pay late payment fees of 2% per month on any amount outstanding and to indemnify SLW and pay all costs and expenses if legal action is necessary to recover from you any overdue amount. SLW may at its discretion require funds to be paid on account before it incurs out of pocket expenses.
- h) Failure to pay fees on time may, at SLW discretion, lead to suspension of the Services (including SLW right to refuse to settle a property, loan, commercial or other transaction), or termination of the engagement. All reasonable fees up to suspension or termination shall be and remain payable, notwithstanding the suspension or termination.
- 6 **Terms and Termination.** The Contract will continue until all the Services have been provided unless sooner terminated by agreement. Either party may terminate the Contract by written notice or if the other party fails to remedy a material breach of the Contract. Termination will not affect the client's obligations to pay SLW fees for all Services performed up to termination. Any of the terms and conditions of the letter of engagement or the Terms that are intended to apply after completion of the Services will continue to apply following termination.
- 7 **Confidentiality.** SLW will not disclose to third parties any confidential information relating to the Services unless either authorised by the client or compelled by law, or as is necessary to provide the Services. SLW will not provide information or comment to the media in the absence of the client's express written instructions.
- 8 **Indemnity.** In the event SLW becomes involved in any claim (including actual or threatened litigation of whatever form) in relation to the Services, SLW will immediately notify the client. The client agrees, to the extent permitted by law, to indemnify SLW, its Partners and employees in all respects including its reasonable costs and expenses involved in defending any such actual or threatened litigation. Where legal counsel is retained for these purposes, those costs, will be met by the client. SLW will use its best endeavours to agree the quantum of any such costs recognising the need to respond to such litigation on a prompt and reasonable basis. The client agrees to meet the costs of SLW for reasonable time incurred by its Partners and staff and any other reasonable costs and expenses in relation to any inquiry or proceeding initiated by any person.
- 9 **Restrictions.** Unless SLW has agreed in writing, no advice or information provided to the client is to be made available, directly or indirectly to any third party, or shall be used or relied upon by any third party. SLW will have no liability to any such third party. The client indemnifies SLW against any third party claim arising from its release of any such SLW advice or information.
- 10 **E-mail.** While we use standard virus checking software, we accept no responsibility for viruses or any similar corrupting device in any emails or any attachments which come from SLW. We also do not accept any responsibility for any changes to, or interception of, any email or any attachment after it leaves our information systems.
- 11 **No Assignment or Benefit.** The client may not assign the benefit of the Services to any third party without the written consent of SLW. For the avoidance of doubt the sole beneficiary of the Services under this Contract is the client. No other party is intended to take a benefit under the Contracts (Privity) Act 1982.
- 12 **Guarantee.** Instructions from time to time may be taken from companies or other corporate bodies and/or family trusts and/or third party individuals at the client's request. In such instances these Terms will apply to the receipt of such instructions and the client unconditionally guarantees to SLW the performance of all client obligations expressed or implied in these terms.
- 13 **Investment.** From time to time SLW may receive on behalf of the client various funds and unless otherwise instructed, or the quantum of the funds retained is so minimal as to not warrant investment (given the estimated duration and anticipated requirement for availability), all funds will be deposited to the client's credit in an interest bearing deposit account within SLW Trust Account. All interest accrued less usual Resident Withholding Tax and Accounts Department handling commission, comprising of a line fee of \$10.00 and a net charge of 7% above the ANZ Banking Group OCR from time to time of net interest accrued, will be for the credit of the client. SLW will at such time as all funds are released to the client provide a statement identifying the sum of all interest received and any deductions made.
- 14 **Entire Agreement.** The Contract described in these Terms, subject to any qualification, conditions, assumptions and reservations set out in any report, forms the entire agreement between SLW and the client. No previous discussions, proposals, correspondence, understandings or other communications, whether written or oral, shall have contractual effect subsequent to the letter of engagement. Only written variations signed on behalf of SLW shall have effect to vary the Contract.
- 15 **Governing Law.** SLW and the client agree that the Contract and their relationship will be governed by the applicable laws of New Zealand and submit to the exclusive jurisdiction of the New Zealand Courts.