

STANDARD TERMS OF ENGAGEMENT

1. Agreement

These standard terms will apply except where we have otherwise agreed with you in writing. You accept and agree to these standard terms by continuing to instruct us.

In these terms of engagement, "we" and "us" means Minter Ellison Rudd Watts. "You" means our client as identified as such in an engagement letter or as otherwise agreed. 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.

2. Scope of work and our role

We will represent and provide advice to you on all legal matters that properly fall within the scope of your instructions to us. We will either have sent you a letter, upon receiving your instructions, describing the services we have been asked to undertake for you or will have otherwise discussed and communicated the scope of those services with you. If you are expecting us, 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.

Our duties are owed to you. Unless otherwise agreed in writing or required by law, those duties do not extend to others. If any other parties wish to retain us, they should do so by separate agreement.

Our advice is given for your benefit and in your interests. If anyone else wishes to rely on the advice we give you, they can only do so if both you and we agree in writing. Similarly, our name and opinions may not be used in connection with any prospectus, financial statement or other public document or representation without our written consent.

We have no duty to disclose information to you which is not known by those lawyers advising you on your matter even though that information may be known to other lawyers in the firm.

When your instructions on a matter are completed, our representation will end.

3. Confidentiality

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

Confidential information may however be disclosed where information we have acquired in the course of our professional relationship with you is widely known or is a matter of public record.

4. Our fees

It is important to us that you understand the basis upon which our fees are calculated, the times when fees and disbursements will be invoiced, and our expectations for payment.

Our fees will be fair and reasonable. Under the Law Society's Rules of Conduct and Client Care for Lawyers, the following factors are to be taken into account in determining the reasonableness of a fee:

- the time and labour expended;
- 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 imposed, including those imposed by you;
- the degree of risk assumed by us in undertaking the services, including the amount of value of any property involved;
- the complexity of the matter and the difficulty or novelty of the questions involved;
- our expertise, reputation, and ability;
- the possibility that the acceptance of the particular retainer will preclude our engagement by other clients;
- whether the fee is fixed or conditional (whether in litigation or otherwise);
- any quote or estimate of fees given by us;
- any fee agreement (including a conditional fee agreement) entered into between us;
- the reasonable costs of running a practice;
- the fee customarily charged in the market and locality for similar legal services.

Where our legal fees are calculated on the basis of the time involved, the fee will reflect the hourly rates of the lawyers involved at the time the advice was provided.

We can give estimates of the likely fees based on our experience with similar engagements. Estimates are given as a guide only and not as a fixed quotation. If we need to revise our estimate, we will advise you of the factors causing the revision. We can also inform you periodically of the level of fees incurred or inform you when fees reach a specified level.

5. Disbursements and office services

We will charge you for disbursements incurred by us on your behalf. These disbursements will be charged to you at their cost to us.

Disbursements may include, court fees, filing fees, air travel, accommodation, meals, fees for agents, experts and other professionals. We may ask for payment of major items before those costs are incurred.

We will charge you for office services provided by us in acting for you (for example, charges for couriers, routine photocopying and binding, information retrieval, routine on-line searches, faxes and toll charges). Office services are charged at 2.5% of the legal fee charged.

We will not charge you for secretarial overtime, unless required for urgent instructions.

6. Billing and Accounts

Regular billing gives both you and us better control over the progress and cost of legal work. Accordingly, unless we agree otherwise with you, invoices will be issued on a monthly basis and on completion of a matter. Goods and Services Tax (GST) or any similar taxes will, if applicable, be charged and payable in addition to the amount of any fee, quotation or estimate.

Invoices are payable in full by the 20th of the month following the date of invoice. If an invoice is not paid by that date, we may either or both:

- cease to do any further work, and keep your papers or files, until all accounts are paid in full; and/or
- charge interest at the rate of 3% per annum above the New Zealand 90 day bank bill rate, compounded monthly.

We reserve the right, if necessary, to recover the costs of collection of any unpaid account.

If we agree with you that we will address an invoice to another person, you will be required to pay that invoice if the other person does not.

We may deduct a fee from funds held in trust, or otherwise held on your behalf, following settlement of a matter or otherwise, in accordance with regulations which require us to issue an invoice for those fees and to obtain an authority from you to do so.

We are always prepared to discuss the amount of any invoice with you. If you have any questions or concerns you should, in the first instance, contact the person responsible for the management of your matter.

If that person, or another of our partners, cannot resolve your queries or concerns satisfactorily, please discuss them with our Managing Partner.

7. Conflicts

Given the size of the New Zealand market, we are often asked to act for a client whose commercial and/or legal interests conflict. Our internal Professional Standards Committee has developed policies and procedures for dealing with these issues.

Commercial conflict

We may accept instructions from other clients or potential clients operating in the same or competing markets and whose commercial interests conflict with your own, provided those instructions:

- are not substantially related to any active matter on which we are acting for you; and
- do not involve or would not be assisted by confidential information we have obtained from you.

Legal conflict

If a legal conflict of interest arises in relation to any matter on which you have instructed us, between your interests and those of any other client for whom we are acting, we will contact and consult with you as soon as possible.

Representation

If we cease to act for you or have not been instructed by you on a matter, we may act for other clients whose interests are adverse to your own, provided that:

- we do not hold confidential information belonging to you that is relevant to the matter;
- we have taken steps to maintain the confidentiality of your information; and
- we comply with Law Society's Rules of Conduct and Client Care for Lawyers.

If we are unable to act for you on a particular matter because of a conflict of interest, that will not prevent us from acting for you on other matters.

8. Electronic communications

Unless otherwise agreed with you, we will 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 and will not be liable for any damage or loss (direct or indirect) caused in connection with the corruption of an electronic communication.

If you have any doubts about the authenticity of any communication or document purportedly sent by us, please contact us immediately.

We produce electronic newsletters and conduct seminars for clients, which cover a range of topics. We will add you to our database so that you will receive newsletters and invitations to seminars that we consider will be useful to you. However, please let us know if you do not want to receive any such correspondence.

9. External information and public records

In advising you we may rely on, or provide you with, information obtained from third parties (e.g. experts or witnesses or government agencies or registers). This information may not always be accurate and complete. We do not accept responsibility and will not be liable for any damage or loss (direct or indirect) caused by errors or omissions in information obtained from third parties.

10. Privacy

Over the course of our engagement with you we may collect and hold personal information concerning you. Under the Privacy Act 1993 you have the right of access to, and correction of, your personal information held by us. See our Privacy Statement on our website, 'www.minterellison.co.nz'

11. Files and documents

We retain the files we establish on a matter, and any documents you leave with us, for at least six years after completion or termination of the matter. In the interests of storage space and costs, we may then destroy the files and documents (except documents which we have agreed to keep in long-term safe custody).

If you uplift your files or other documents at any time, we may make copies of them at your cost and require you to pay any outstanding invoices before they are uplifted.

12. Money Handling Procedures

If we hold money on your behalf it will be held in accordance with the terms of our policies and procedures on Money Handling, as included on our website.

13. Termination and assignment

Either of us may terminate our engagement at any time by giving written notice of that fact to the other. The enforceability of this agreement is not affected by termination or by any change to our partnership.

You may only assign your rights under this agreement with our prior written consent.

14. 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.