

STANDARD TERMS OF ENGAGEMENT

These Standard Terms of Engagement (“Terms”) apply in respect of all work carried out by us for you, except to the extent that we otherwise agree with you in writing.

1. **Authority to Act:** 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.
2. **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 NZLS Rules. 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.

3. **Conflicts:** Burton & Co have procedures in place to identify and respond to any conflicts of interest. If any unforeseen conflict of interest or potential conflict of interest arises we will advise you of this and follow the requirements and procedures as set out in the NZ Law Society’s Rules of Conduct and Client Care for Lawyers.

If you believe a conflict of interest has arisen or may arise, please inform us immediately.

4. **Duty of Care:**

- 4.1 Our duty of care is to you and not to any other person or corporation. Before any other person or corporation may rely on our advice, we must expressly agree to this.
- 4.2 We are not responsible for advising you as to taxation issues unless you specifically request us to do so.
- 4.3 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.
- 4.4 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.

5. **Financial:**

5.1 **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.

We may change our rates for fees and services from time to time. At regular periods (usually monthly) we will provide you with our invoice and, if applicable, a statement of funds which we have handled on your behalf.

We can provide fee estimates or quotes. Special fee arrangements can be made to meet the particular requirements of any transaction. These can include success fees, fixed fees and capped fees.

We recommend that you discuss with us the exact nature of the work and the manner in which it is to be undertaken. Sometimes an acceptance by you of transaction risks could reduce legal costs involved.

5.2 Office services and disbursements

Our fees for professional services incorporate the overhead cost of secretarial, word processing and other assistance provided to our lawyers. We may charge extra for word processing overtime.

Disbursements (such as courier costs, Ministry of Justice, Ministry of Economic Development and Land Information NZ search and registration fees) and other external costs (such as experts, overseas lawyers and barristers) including any accommodation or travel costs are charged separately from our fees and itemised on our invoices. If we are required to expend significant amounts on disbursements or other external costs, we may request you pay these in advance.

Alternatively, we may render a disbursement invoice to you when the expense is incurred.

Charges for office services (photocopying, faxing, phone calls and the like) are generally passed on for payment by you when appropriate.

5.3 GST additional

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

5.4 Invoices

We normally issue invoices monthly. We also issue an invoice on completion of your matter.

5.5 Payment

Our invoices are to be paid by you within 14 days of invoice unless otherwise arranged with us.

5.6 Security

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

5.7 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 charge an administration fee of 5% of the net interest earned. If we deposit funds on your behalf, we will need either your IRD number or a copy of your interest withholding tax exemption certificate.

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.

5.8 Unpaid invoices

If payment of our invoice by you is overdue, 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 5% p.a. above the Official Cash Rate as published from time to time by the Reserve Bank of New Zealand.

5.9 Third parties

You must pay our invoices whether or not:

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

6. **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.

7. **Retention of your Documents:** You authorise us (without further reference to you) to destroy all files and documents for this matter (other than any documents that we hold in safe custody for you) seven years after our engagement ends, or earlier if we have converted those files and documents to an electronic format.

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, you will pay the cost of producing copies.

8. **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.

9. **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.

10. Governing Law - Changes

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

- 10.2 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.