

TERMS OF ENGAGEMENT

This document and the letter it is sent with form the agreement between us () and you about our acting for you, and how we are paid. In acting for you we are also under professional, ethical and statutory duties.

Costs, accounts and payment

Our costs are determined primarily by reference to the time spent by our partners and professional staff in acting for you. We may also take into account a number of other factors, including how complex, difficult or novel the work is; what skill, specialised knowledge and responsibility is involved; how many documents we have to prepare or examine, and how important they are (rather than how long they are); where and in what circumstances the work has to be done; how much money, and what value of property, is involved; the urgency and priority of the work; and the overall value added by our involvement.

We will normally send you an account at the end of each month, and at the end of the matter. It will include a general description of the work done by each person who worked on the matter during the period the account covers. Each account is payable on presentation.

You will be liable to pay our accounts whether or not you have a right of recovery or indemnity from a third party and whether or not any third party seeks a review of our costs.

We charge interest on accounts unpaid for more than 30 days. The rate of interest is the maximum rate the Legal Profession Act allows for each day the account remains unpaid, compounded quarterly. Interest is payable when we ask for it in writing.

If we are liable to pay any goods and services tax ("GST") on our costs or disbursements, then except to the extent we are charging a fixed price that is stated to include GST, we can recover the GST from you. The amount of GST will be shown on our account and, unless we notify you otherwise, is payable when the account is payable.

Disbursements

It may be necessary to incur a variety of out-of-pocket expenses in acting for you. Your engaging us means we can incur those expenses in relation to work done on your behalf.

Disbursements include charges and expenses for such things as faxes, couriers, document production, STD and IDD telephone calls, travel, secretarial overtime and fees for experts, witnesses and others we engage while acting for you. We charge disbursements at their invoiced cost to us, together with an additional amount in the case of a service supplied by the firm or an associated entity. If you want to see the current detailed rates, please ask us. Where a service is included in a class of services for which the firm receives a rebate from the supplier, no adjustment is made to the invoiced amount charged to you.

Changing the terms of our engagement

Changes to the terms of our engagement must be in writing signed by us.

Bringing our Engagement to an end

Either you or we may by written notice bring our engagement to an end at any time for any reason subject to any period of notice required by law. For instance, if your instructions involve bringing proceedings against another client of the firm, we may not be able to continue to act for you.

We will not continue to act for you if you do not pay our accounts as agreed, if you do not meet a requirement for money on account of costs or disbursements, if you do not give us adequate instructions or if you indicate to us that we have lost your confidence. Normally we will give you at least 14 days notice of our intention to bring this engagement to an end, but we have the right to cease acting for you immediately if you do not meet a requirement we have made for money on account of costs or disbursements before the work to which it relates begins.

You will have to pay our costs and disbursements up to when we stop acting for you.

Money we have in trust

In some cases the law allows a lawyer to use money held on trust to pay costs and disbursements. In some cases we may require that you furnish us in advance with money to be held on account of counsels' fees, agents' fees, other anticipated disbursements, or our costs.

By engaging us to act for you, you give us authority to take out of our trust account money we are holding for you and use it to pay costs and disbursements for which we have sent you a bill of costs and for which we have received no objection within 30 days.

Keeping documents

When the matter is over we will keep your papers or other records that you leave with us. We both agree that you authorise us to destroy our file about the matter (except documents in safe custody) after 7 years after we give you our final account. We both further agree that you authorise us at an earlier time to convert our file about the matter (except documents in safe custody) to any format that meets relevant statutory requirements (this might include document imaging) and to destroy the file.

We have the right to keep your papers and other documents while there is money owing to us for our professional costs and disbursements.

Confidentiality and use of certain information

We will abide by our professional duty of confidentiality in relation to the work we do for you. However, unless otherwise agreed, you authorise us to communicate with you electronically or in a paperless form and you agree to release us from liability in respect of any unauthorised interception, access or use of such communications or in respect of any corruption in such communications and you further authorise us to use your name and a reference to our acting for you in this matter in order to market and profile our firm.

Privacy

While acting for you, you consent to us collecting Sensitive Information (as defined in the Privacy Act 1988 (Cth)) about you. You also consent to us using and disclosing any Personal Information (as defined in the Privacy Act) and Sensitive Information collected about you or provided by you for the purpose of providing legal services and related purposes such as invoicing, reminders and provision of information on legal developments and other services offered by us and to other entities under our control and also to transferring such information to foreign

countries if that transfer is required for the purpose of our acting for you. We are required to take reasonable steps to disclose to you certain matters when we collect this information from you. These matters are detailed in our Privacy Policy and Disclosure Statement which is available on our website at _____ or you can ask us to provide you with a copy.

You must ensure, before disclosing any Personal Information or Sensitive Information to us (whether that information relates to you or to someone else, such as one of your directors, employees or someone with whom you have dealings), that you are entitled to disclose that information to us, and that, without us taking any further steps required by privacy laws, we may collect, use and disclose such information for the purposes described above. If you become aware of any breach or alleged breach of the Privacy Act concerning information disclosed by you to us, then you will notify us immediately.

External information and release and indemnity

In advising you we may rely on information provided to us by third party information service providers. The possibility that some information provided by these providers is inaccurate or incomplete is a matter outside our reasonable control and providers generally exclude all liability for their service. For this reason you acknowledge that except as may be specifically required by law we have no liability to you for providing information or advice to the extent based on information that we have obtained from third parties and believe in good faith to be accurate and complete. In some cases information service providers will only provide information to us on the basis that we indemnify them for third party claims including ones that may be made by you. You agree to fully indemnify us for all amounts payable by us under such indemnities (together with all associated costs) that are related to information or advice to the extent based on information that we have obtained on your behalf.

You also acknowledge that we can rely on all information and material provided by you and have no obligation to independently verify it unless this forms part of the specific service we undertake to provide.

Solicitors liability

The liability of the firm is limited by the Solicitors Scheme under the Professional Standards Act 1994 (NSW). The limitation of liability amount is \$50,000,000. As a member of the Solicitors Scheme, the firm is required to maintain insurance to this amount as well as having business assess the net market value of which is sufficient to meet any deductibles under that insurance. The firm also has, and implements, risk management strategies. The limitation of liability amount is determined by the Professional Standards Council having regard to the level and nature of claims made against solicitors as well as whether any persons are adversely affected to a significant degree.

The limitation does not apply to, amongst other things, certain personal injury matters, nor to a breach of trust, fraud or dishonesty, liabilities under Part 14 of the Real Property Act (NSW) or under the Corporations Act, or to liabilities arising otherwise than under New South Wales State law. By law, it is not possible for the firm to contract out of, or to vary, these arrangements. On request, we would be happy to provide you with a copy of the Solicitors Scheme.

Your review rights

The law says that, usually, a lawyer has to give you a bill of costs, in the form laid down by law, at least 30 days before he or she can sue you for costs and disbursements. The NSW Supreme Court (the Court) can change this rule in particular cases. In certain circumstances, you can ask the Court to review what a lawyer charges you (called an assessment). You can do this whether or not you have paid the account. There may be time limits for you to apply for an assessment. You apply for an assessment using the form that the law prescribes. You will have to pay the Court a fee, and agree to a costs assessor having access to all your relevant documents. Your rights (including appeal rights) and responsibilities in relation to these matters are regulated by Division 6 of Part 11 of the Legal Profession Act 1987 (NSW). On request, we would be happy to provide you with a copy.

Review of costs of barristers and other lawyers we engage for you

We will consult you as necessary about accounts that we get from barristers and other lawyers whom we engage for you. Similar review rights as explained above apply to their costs as well.

Costs where you are a party to a court or tribunal case

If you win. If we act for you in a court case, you will have to pay our costs and disbursements, under these terms of engagement, whoever wins the case. If you win, the court may order the other side to pay "your costs". What the other side will actually have to pay is unlikely to be as much as what you have to pay us, barristers, experts and others. The court officials who decide how much the unsuccessful party pays will only order what in their view was the minimum it was fair and reasonable to spend to get justice – there could be significant deductions from the amount you have paid or have to pay.

If you lose. If you lose the case, you will still have to pay our accounts and the court is likely to make a costs order just described against you. In particular cases, however, the court could assess what you must pay on a basis more favourable to the other side. It will do this, say, if you insisted on fighting some issue the court thinks you should have conceded, or rejected a settlement offer the court thinks you should have accepted.

Discretion of the court. Whatever the outcome of the court case, the court has the power to order any party to pay particular costs and disbursements or may make no order against any party for the payment of those costs and disbursements.

Recovery costs. If we have to sue you to recover our costs, we reserve the right to ask the court to order you to pay all our costs of that case, in full.

Assessment of costs for cases in NSW courts or tribunals. Anyone who is a party to a case in a NSW court or tribunal and is ordered to pay some other party's legal costs has a right to apply to the Court for an assessment of some or all of those costs. It does not matter whether the costs have been paid. The court or tribunal may itself direct a costs assessment. Assessments are done in the same way as costs reviews (explained above), but the assessor does not take the costs agreement into account.

Arbitrations and matters in Commonwealth and interstate courts and tribunals. Similar rules apply to arbitrations. Commonwealth and interstate courts and tribunals generally have similar procedures for assessing costs that they order to be paid.