

1 ACCEPTANCE OF OFFER

- 1.1 If you accept this offer you will be regarded as having entered into a costs agreement. This means you will be bound by the terms and conditions set out in this document, including being billed in accordance with it. Acceptance may be by any one of the following ways:
 - (a) Signing and returning a copy of the acceptance on the last page of this document;
 - (b) Giving us instructions after receiving this document;
 - (c) Oral acceptance.
- 1.2 Failure to accept our offer within 7 days of dispatch of this document can result in the immediate withdrawal of our offer to act on your behalf.

2 TERMINATION OF AGREEMENT

- 2.1 We will not continue to do the work: if you fail to pay our bills; if you fail to provide us with adequate instructions within a reasonable time; if you give instructions that are deliberately false or intentionally misleading; if you fail to accept an offer of settlement which we think is reasonable; if you fail to accept advice we (or counsel) give you; if you engage another law practice to advise you on this matter without our consent; if we, on reasonable grounds, believe that we may have a conflict of interest, or if you indicate to us that we have lost your confidence; or for other just cause.
- 2.2 We will give you at least fourteen (14) days' notice of our intention to terminate our agreement, and of the grounds on which the notice is based.
- 2.3 You may terminate this agreement at any time.
- 2.4 If the agreement is terminated either by you or us, you will be required to pay our professional fees and charges for work done, and for expenses and disbursements incurred, up to the date of termination. For lump sum fee matters, you must pay the part of our lump sum fee that we reasonably estimate has been incurred in respect of the legal services provided to you up to the date of termination, plus charges, expenses and disbursements, subject to your right to a costs assessment. You will be liable to pay our costs whether or not the other party to any court proceedings has to pay your costs of the proceedings.
- 2.5 On termination, we are entitled to retain possession of your papers and documents while there is money owing to us for our charges and expenses, unless and until security is provided for our costs.

3 RETENTION OF YOUR DOCUMENTS

- 3.1 We will make an electronic copy of the file and return any original documents requested by you. We will then securely destroy the paper file (except documents deposited in safe custody) and keep the electronic copy in an accessible form. The electronic copy of the file will be deleted after seven (7) years from the date of the final bill rendered by us in this matter.

4 PRIVACY PROTECTION

- 4.1 Personal information about you, provided by you and other sources, is protected under the Privacy Amendment (Private Sector) Act 2000. Disclosure of such information may be compelled by law (eg. under the Social Security Act). You also authorise us to disclose such information where necessary to others in furtherance of your claim/matter (eg. within the law practice, to the Court, the other party or parties to litigation, to valuers, experts, barristers etc).

5 PAYMENT / MONEY ON ACCOUNT

- Either
- 5.1 We may ask you to pay us, in advance, some money on account of payments which will be made to others and our costs.
- Or
- 5.2 We will ask you to repay the money paid on your behalf in paragraph 8.2 and 19 as and when we send you bills for these payments.

6 AUTHORISATION TO TRANSFER MONEY FROM TRUST ACCOUNT

- 6.1 You authorise us to receive directly into our trust account any judgment or settlement money, or money received from any source in furtherance of your work, and to pay ourselves our costs, disbursements, and expenses upon sending you our bill of costs requesting payment.

7 WHERE THIS OFFER IS ACCEPTED BY MULTIPLE PARTIES

- 7.1 Where this offer is made to and accepted by multiple parties, each of the parties agrees to be jointly and severally liable for the payment of all costs and or disbursements incurred by us pursuant to this agreement.

8 COSTS - HOW CALCULATED

- 8.1 Professional Fees
 - (a) Solicitors and paralegals will record the time that they spend working on your matter. Each solicitor and paralegal has an hourly charge rate. The firm's costs are determined by applying those hourly rates to the units of time recorded by each solicitor and paralegal on your matter. Time is recorded in six minute units

and a minimum of one unit (that is, six minutes of time), is charged for each item of work carried out. Those who will be involved and their current hourly charge-out rates (inclusive of 10% GST) are:

CATEGORY	RATE INCL GST
Principal/Head of Practice Area	\$863.50
Partner, Special Counsel or Accredited Specialist	\$715.00
Senior Solicitor with Masters	\$632.50
Senior Solicitor	\$577.50
Solicitor (+ 2 years PAE)	\$517.00
Solicitor	\$429.00
Graduate Lawyer	\$343.20
Client Service Specialist/ Legal Executive, Paralegal Clerk, IT Technical Consultant	\$275.00

- (b) These hourly rates are revised in June each year. We will notify you of any change in the hourly rates and then the new rate will be deemed to be incorporated in this agreement without the necessity of entering into a new agreement.

8.2 Charges

- (a) We will charge you for services we use or supply. Our rates are:

SERVICE	CHARGE Incl. GST
Photocopying / Scanning / Printing Facsimile, Colour Printing, and Stationery	5% of professional costs
Courier fees, Expert fees and Court Filing Fees, Process server's fees - (& conduct money), Witness expenses, Solicitors expenses for travel, Agency fees, Counsel's fees	At cost and as incurred
Car travel (outside CBD)	88c/ Km
File Storage and retrieval fee per folder	\$100.00/ folder
GST on disbursements	10%

8.3 Expenses & Disbursements

- (a) We will incur expenses and disbursements (being money which we pay or are liable to pay) to others on your behalf. These may include Search fees; enquiry fees; court filing fees; process servers; clinical records from hospitals; medical reports; experts' reports; witnesses expenses; travel expenses, transcripts; barrister's fees.
- (b) We will inform you of these expenses and disbursements as well as any other payments required to be made, as soon as is reasonably practicable.

9 GST - GOODS AND SERVICES TAX

- 9.1 All rates, charges, expenses etc in this document are GST exclusive unless otherwise stated. Where the service provided is subject to GST, GST of 10% will be added and charged to you.
- 9.2 All professional fees and costs and certain disbursements which we incur in acting for you are liable to GST. GST is payable also on your reimbursing us for our disbursements unless:-
- We act as your agent when we pay a third party.
 - You actually receive and use the services which that third party provides.
 - You are responsible for paying the third party such as payment to the N.S.W. Government of stamp duty on a contract.
 - You authorise us to make the payment on your behalf.
 - You are aware that the services which we pay for will be provided by a third party.
 - The disbursements are separately itemised when we send you our Account.
 - We recover only the exact amount which we pay to the third party.

- (h) The services which we pay for to the third party are additional to the supplies which that party makes to you for your own account.
- 9.3 Examples of disbursements not liable to GST include stamp duty, registration fees and Court filing fees.
- 9.4 Any and all GST charges which we incur on your behalf, if not reimbursed to us by an insurer, will be included in our Account to you.

10 ESTIMATE OF COSTS

- 10.1 These estimates are made on the information available to us at this time. It is an estimate, not a quotation and subject to change. They may, and probably will, change when more information is available to us. The major factors which will affect the estimates are:
 - (a) The tactics and strategy adopted by another party;
 - (b) Changes in the length of the transaction;
 - (c) whether your instructions are varied or expanded;
 - (d) Legal or factual complications that arise in the course of the retainer;
 - (e) The need to undertake additional work or further attendances;
 - (f) The number and duration of telephone calls or other communications;
 - (g) your prompt and efficient response to requests for information or instructions;
 - (h) whether documents have to be revised in light of varied instructions;
 - (i) the lawyer or other persons with whom we deal and the level of co-operation of the lawyer's clients and other persons involved;
 - (j) changes in the law; and
 - (k) the complexity or uncertainty concerning legal issues affecting your matter.

11 YOUR RIGHT TO A BILL OF COSTS

- 11.1 You are entitled to receive a bill of costs from us. If we send you a lump sum bill you may request an itemised bill within 30 days of receipt of the lump sum bill.

12 BILLING ARRANGEMENTS

- 12.1 We will send you a bill of costs containing information of our professional fees and charges, disbursements and expenses, including GST, either after completion of the work or weekly when the work is in progress.
- 12.2 You agree to accept delivery and service of correspondence, bill of costs and notices under the Court Rules by email from us.
- 12.3 You have the right to negotiate this billing arrangement for example with respect to the timing and/or method of billing.

13 INTEREST AND CHARGES ON UNPAID COSTS

- 13.1 If our costs are not paid within 30 days of receipt by you of our bill of costs, we may charge you interest on the unpaid amount at or under the maximum rate prescribed in section 194 the *Uniform Law* from the date of the bill of costs/ tax invoice. The current rate is 3% per annum, but may vary at the time the Bill of Costs is issued.
- 13.2 If our costs remain unpaid 6 weeks from the date of our bill of costs in addition to interest payable. You will be liable for the costs of the work done in relation to the collection of fees owing from you, including all letters, telephone calls, discussions, negotiations and attendances at the rate set out in paragraph 8, above.

14 DISPUTE AS TO LEGAL COSTS

- 14.1 The Act gives you the right to seek the assistance of the Office of the Legal Services Commission, being the designated regulatory authority, in the event of a dispute about legal costs.
- 14.2 The Act also gives you the right to: apply to the Supreme Court to have the bill of costs assessed for its fairness and reasonableness by a Costs Assessor; or to have the dispute mediated; or a costs agreement set aside by the Costs Assessor on the basis that it is not fair, just or reasonable. Applications for assessment should be made before the expiry of 12 months after receipt of the bill of costs.

15 PERSONS RESPONSIBLE FOR YOUR MATTER AND LEGAL COSTS

- 15.1 Your solicitor will have the day to day carriage of your instructions.
- 15.2 Your Principal Solicitor will be responsible for your matter.
- 15.3 You may contact the above regarding your matter and your legal costs.

16 SUBSTANTIAL CHANGES TO DISCLOSURE

- 16.1 You will be informed, as soon as is reasonably practicable, of any substantial changes to anything contained in this disclosure document.

17 PROGRESS REPORTS

- 17.1 You are entitled to request, at reasonable intervals, written progress reports on your matter. Our normal charge-out rates will apply for this service. You are entitled to request a written report on the legal costs incurred to date since the last bill of costs was given to you, free of charge.

18 ELECTRONIC COMMUNICATION

- 18.1 We are able to communicate electronically with clients and other parties using e-mail (both direct and via the Internet) and using computer disks. If we communicate electronically with or for you, you acknowledge and agree as follows:
- (a) There are some delivery risks in using electronic mail and you accept the risk of interception of the e-mail by third parties, or of non-receipt, or delayed receipt of the message; and
 - (b) Computer viruses and similar damaging items can be transmitted through e-mails and by introducing computer disks into your system. We use virus scanning software to reduce these risks and ask that you do the same. However, it is not possible to completely eliminate the risk of introducing viruses.
- 18.2 If we communicate electronically with or for you, you release us from all claims, losses, expenses and liabilities caused by any of the risks referred to above and arising directly or indirectly out of that communication.

19 ENGAGEMENT OF ANOTHER LAW PRACTICE

- 19.1 It may be necessary for us to engage, on your behalf, the services of another law practice to provide specialist advice or services, including advocacy services, or to act as our agent. We will consult you as to the terms of that law practice's engagement, but you may be asked to enter into a costs agreement directly with that law practice. The law practice engaged by us will disclose costs in a similar manner and we will disclose those costs to you.

20 COSTS IN COURT PROCEEDINGS

- 20.1 If court proceedings are taken on your behalf, the court may order the other party to pay your costs of the proceedings. This sum will not necessarily cover the whole of your legal costs due to us. It is possible that the court may make an order that you pay the other party's costs (if, for instance, you lose the case). These costs are payable by you to the other party in addition to the costs payable to us.

21 APPLICABLE LAW

- 21.1 The law of NSW applies to legal costs regarding this matter. You are, however, able to enter into a costs agreement with us on the basis that the corresponding law of another State or Territory is applicable if this matter has a substantial connection with that State or Territory. In that event, we will disclose costs as they are applicable in that State or Territory. You have the right to contract with us that the costs assessment scheme in NSW is applicable, in the event of any dispute as to costs arising with us.
- 21.2 Our Law Practice has "top up" its Professional Indemnity Insurance so that the maximum amount of liability under the Law Society of New South Wales Professional Standards Scheme has been increased from \$1.5 million to \$6 million.

22 FORM OF DISCLOSURE OF COSTS TO CLIENTS

- 22.1 Pursuant to the Uniform Law we are required to provide you with the following information:
Legal costs – your right to know

You have the right to:

- (a) Negotiate a costs agreement with us
- (b) Receive a bill of costs from us
- (c) Request an itemized bill of costs after you receive a lump sum bill from us
- (d) Request written reports about the progress of your matter and the costs incurred in your matter
- (e) Apply for costs to be assessed within 12 months if you are unhappy with our costs
- (f) Apply for the costs agreement to be set aside
- (g) Accept or reject any offer we make for an interstate costs law to apply to your matter
- (h) Notify us that you require an interstate costs law to apply to your matter.

For more information about your rights, please read the **facts sheet** titled *Legal Costs – your right to know*. You can ask us for a copy or obtain it from your local law society or law institute (or download it from their website).