

27 May 2009

Our Ref: RMC:
Email: rob@mccourts.com.au

<Name>
<Company>
<Address Line>
<SUBURB/STATE/POSTCODE>

Dear

RE: COSTS AGREEMENT BETWEEN SOLICITOR AND CLIENT

Thank you for your instructions to act in this matter. We are required by the Legal Profession Act NSW (the "Act") to disclose information about the costs of our legal services and your rights, and to set out the terms of our engagement which are as follows:

1. THE WORK

The Work you require us to do is as follows:

Act on your behalf in relation to **[the type of work required]**

We expect to complete the Work by **[date]**.

2. PERSON RESPONSIBLE FOR THE WORK

[XXXX] will be responsible for the Work under the supervision of **[XXXX]**. All communications to the firm should be addressed to **[XXXX]**, but if you have any concern about the performance of the Work, you should contact **[XXXX]**.

3. DEFINITIONS

In this agreement:

"Charges" means the fee payable for time spent by partners, solicitors and paralegals as set out in paragraph 4 of this agreement.

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Liability limited by the Solicitors Scheme, approved under the Professional Standards Act 1994 (NSW) .

"**Expenses**" means monies for which we become liable by reason of engaging the services of third parties or monies expended by us in relation to photocopying, facsimile, telephone and associated office expenses.

"**Costs**" means the sum total from time to time of our **Charges** and **Expenses**.

4. CHARGES

In respect of work done our **Charges** will be calculated as follows:

- A. Partner's time: Robert J McCourt who has the conduct or will supervise the conduct of this matter: **\$XXX** per hour or proportional part of an hour with a minimum charge for a unit of time of six minutes.
- B. Professional time: Other solicitors assisting Robert McCourt as employees or consultants to the firm, at the rate of **\$XXX** per hour or proportional part of an hour with a minimum charge for a unit of time of six minutes.
- C. Paralegal time: **\$XXX** per hour or part thereof.

5. EXPENSES

In the course of acting for you we will incur **Expenses**. We will incur some **Expenses** on your behalf and there are some **Expenses** which we ask you to pre-pay.

Rates for **Expenses** incurred by us are:-

Expenses	
Photocopying	\$1 per page
Facsimile	\$1 per page sent, \$0.50c received
Sundries	5% of charges to maximum of \$175 per bill
Third Party Expenses eg. Barristers, Experts, Courier, Search & Filing Fees	At Cost

6. COSTS

We estimate that our **Costs** (**Charges** plus **Expenses**) to completion of the matter will be approximately **\$XXX**.

We emphasise that these **Costs** are estimates only. Should it appear that our costs will exceed our estimate before the work is completed we will notify you, provide you with a revised estimate and give you reasons as to why the cost of the work has increased.

Our **Costs** are reviewed as at 1 July of each year. If our **Costs** are increased we will inform you by notification on our web-site and that notification is deemed to be incorporated in this agreement in place of the costs set out above operative from 1 July each year.

7. COSTS OF OTHER PARTIES IN LITIGATION MATTERS

If the work we carry out for you is related to litigation then you should note it is possible that the Court may make an order that you pay another party's legal costs, costs of which would be in addition to those payable to us under this agreement.

8. **ENGAGEMENT OF ANOTHER LAW PRACTICE (including barristers)**

It may be necessary for us to engage the services of another law practice on your behalf, to provide specialist advice or services, including advocacy services (eg a barrister) 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 that we engage will disclose their costs in a similar manner, and we will disclose those costs to you.

9. **OUR BILL OF COSTS**

We will send you a bill either two monthly or after completion of the work whichever is the earlier.

All bills rendered are payable within seven (7) days of the date of the bill.

If your account becomes overdue and you do not make satisfactory arrangements with us for payment, then we may stop providing services to you.

In addition to the rights set out in the accompanying Form you also have the right to have the costs mediated if the dispute is less than \$10,000.00 (referral for Mediation must be made before an application for assessment is accepted by the Manager, Costs Assessment).

10. **INTEREST**

Interest will be payable in respect of all **Costs** not paid in accordance with the terms of this agreement at the maximum rate prescribed by clause 110A of the Legal Profession Regulation 2005 (NSW) being a 2% margin over the Cash Rate Target published by the Reserve Bank of Australia at www.rba.gov.au

11. **TRUST FUND AUTHORITY**

It is our practice to request clients to provide us with money as a deposit for our **Costs**. In this matter we require an amount of **\$XXX** to be forwarded to us. These monies will be placed into our trust account.

Our trust account details are as follows:

McCourts Trust Account
Bank: Commonwealth Bank of Australia
BSB: 062 734
Account No: 2803 8935

Your authority is given for any monies payable to you to be paid directly to our trust account.

You authorise us to pay **Expenses** on your behalf and to pay ourselves our **Charges** in accordance with the provisions of clause 88(3)(a)(i) of the Legal Profession Regulation 2005 (NSW).

12. **SUBSTANTIAL CHANGES TO DISCLOSURE AND PROGRESS REPORTS**

You will be informed, as soon as is reasonably practicable, of any changes to any of the information that we have disclosed to you in this letter.

You are entitled to request, at reasonable intervals, written 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 since the last bill of costs was given to you, free of charge.

13. PRIVACY

We are obliged to protect your personal information under the Privacy Act 1988 (Cth). However, we may be compelled to disclose our information by law (eg under the Social Security Act). All information collected is for the purpose of providing legal services to you. By entering into this agreement, you consent to us using your personal information:

- to conduct this matter on your behalf;
- to instruct third parties relevant to your matter (such as barristers, witnesses etc);
- to send you material which we consider may be of interest to you;
- to otherwise market and promote our services to you; and
- to protect our lawful interests.

You may request access to any of your personal information that we hold for the purpose of ensuring that it is up to date and accurate. For further information, please access the privacy statement on our website at www.mccourts.com.au.

14. YOUR FILE

When we have completed the Work, we will retain any papers to which you are entitled for seven (7) years . You authorise us to destroy the file after seven (7) years after the date of the final bill rendered by us in this matter (except documents deposited in safe custody or kept in electronic form on our website).

We are entitled to retain possession of your papers and documents while there is money owing to us for our **Costs**.

15. TERMINATION OF THIS AGREEMENT

We will not continue to do the Work if you fail to pay our bills, or if you fail to provide us with adequate instructions. 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.

You will be required to pay our **Costs** up to the date of termination.

16. LEGAL AID

We have discussed with you, so far as it is relevant to the Work, whether you may be eligible for Legal Aid. This Agreement is entered into on the understanding that: –

- (a) Legal Aid is not available in respect of the Work; or
- (b) You are not eligible; or
- (c) You have declined to make application for Legal Aid.

17. GOODS AND SERVICES TAX (“GST”)

The **Charges** and **Expenses** as set out in this agreement are **exclusive** of any amounts payable by you pursuant to the A New Tax System (Goods and Services) Act, 1999 or other related instruments in respect of the GST which came into effect on 1 July 2000. In addition to our **Charges** and **Expenses**, you must pay GST on those amounts if applicable. This will increase the amounts given by 10%. GST is payable by you at the same time as you pay our **Costs**.

We will supply you with a tax invoice for the amount of the GST at the same time as we issue you with our bill, or upon request by you. The tax invoice will contain particulars as are required by law in order for you to obtain an input tax credit for the amount of GST paid by you if you are registered, and are otherwise entitled to claim input tax credits.

18. LEGAL ADVICE ONLY

You acknowledge that you have engaged us to provide you with legal advice only and that we have recommended you seek any financial or taxation advice from your accountant or relevant financial advisor.

19. ACCEPTANCE OF THIS AGREEMENT

Your acceptance of this offer should be signed in writing. An original and a copy are **enclosed**. Please sign the duplicate where indicated at the end of this letter and return it to us as soon as possible

We will begin the Work upon receipt by our office of a signed copy of this agreement and the deposit requested in clause 11.

If we do not receive the signed duplicate by return but you continue to provide us with instructions then you will be deemed to have accepted the terms set out in this costs agreement.

Yours faithfully
mccourts

R J McCourt

I accept the above terms, and acknowledge the information disclosed in the attached form of disclosure.

.....
[Client name]

Form of disclosure of costs to clients
(Clause 109A *Legal Profession Regulation 2005- Form 2*)

Legal costs – your right to know

You have the right to:

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