

Mendelsons Lawyers Pty Ltd (ACN 125 099 701)
8 Station Street, Mitcham, VIC, 3132

ENGAGEMENT AGREEMENT AND DISCLOSURE STATEMENT

Between:

Legal Practice: Mendelsons Lawyers Pty Ltd (125 099 701)

and the party completing a Mendelsons Legal Action Form (“Form”)

1. Introduction

This document is legally required for Victorian lawyers handling legal work. If you complete a Form, you agree to be bound by these terms. These terms are to be read in conjunction with the Mendelsons Fixed Price Fully Inclusive Legal Solutions notes (“notes”) and in the event of a conflict, the terms of the notes will take precedence.

The Legal Profession Act (“the Act”) allows a law practice and you (“the client”) to agree on how legal costs will be calculated and paid. It is called a **Costs Agreement** and it may be enforced in the same way as any other contract.

This document is an offer to enter into a Costs Agreement in accordance with the information contained in this Disclosure Statement given to you in compliance with Division 3 of Part 3.4 of the Act.

If you accept these terms, this Disclosure Statement and Costs Agreement will make up the complete Costs Agreement between us for this matter.

This document will set out the terms on which we propose to undertake this work for you.

You may accept the Costs Agreement by completing and signing the form or by continuing to give us instructions to act in your matter.

We will inform you of any changes to the information that we are required to provide to you under the Act as soon as is practicable.

You will be liable to pay disbursements as defined in this agreement and the amount of any adverse judgment (for instance in the case of a Counterclaim) or costs order (for instance if your claim is unsuccessful).

2. Our Charges

Under section 3.4.9 of the Legal Profession Act 2004 we must disclose to you the following information relating to legal costs.

- (a) Our costs are set out in our Fixed Price Fully Inclusive Legal Solutions document which accompanies this Engagement Agreement.

3. Disbursements

- (a) You must also pay us all necessary and proper disbursements, regardless of the outcome. These will be incurred by this law practice on your behalf, but you must repay these at the conclusion of the matter or on demand by the law practice. This is detailed in the notes. For the initial legal action or enforcement, disbursements are included in the fee.

4. Your rights

Section 3.4.9 (1) (b)

- (a) You have the right to negotiate a costs agreement with us.
- (b) You may request an itemised bill within 30 days after receipt of a lump sum bill.
- (c) We will tell you of any substantial changes affecting your matter as soon as is practicable.
- (d) You have the right to sign a costs agreement under a corresponding law in another State or territory or to advise the law practice that you require the law of another jurisdiction to apply.

5. Our accounts

Section 3.4.9 (1) (e)

- (a) We may ask you to pay an amount in advance to cover expenses or on account of our fees. It will usually be necessary to retain funds in trust to cover anticipated disbursements.
- (b) We will send you an account at suitable breaks in the matter. It is our usual practice to render accounts on a monthly basis.
- (c) Our account is payable within thirty (30) days from when you receive it.

- (d) If you do not pay our account this entitles us to exercise a common law right known as a solicitor's lien. The lien allows us to retain your documents until our account is paid.
- (e) The account will be a tax invoice and briefly describe the work we have done. If you require an itemised account, you must request this within 30 days after you receive the account. An itemised account describes in more detail how our fee is made up.
- (f) If you have any concerns about my legal costs you must contact me as soon as practicable to discuss the matter.

6. Recovery of costs from another party

Section 3.4.9(1)(g), 3.4.9(2)

- (a) The court may decide who will pay the successful party's costs. If your matter is successful, the court may order the Defendant to pay some of your costs. These costs are known as party and party costs and are calculated by applying the court scale applying to your case.
- (b) Please note that if the court does order costs in your favour, this only gives you a right to recover some costs from the Defendant. It does not affect your responsibility to pay our legal fees and legal costs.
- (c) The costs you recover may not necessarily cover the whole of the costs that you must pay us. If you cannot recover the costs from the Defendant (for example, if a party goes into liquidation or is bankrupted) then you will still be responsible for our legal costs, if they have been charged upon achieving a successful outcome.

7. Your liability for the costs of another party

Section 3.4.9 (1) (g)

- (a) If your case is unsuccessful, the court will most likely order you to pay some of the Defendant's legal costs.
- (b) You will also be responsible for our legal costs.

8. Trust money

- (a) If we receive money on your behalf we will deposit the money into our trust account. We may deduct any disbursements that we have paid on your behalf and we may deduct legal costs and a statement of account will be provided to you within thirty (30) days.
- (b) If we receive money to be paid to a third party we will forward that money to the third party unless you instruct us to do otherwise.

9. Progress reports

Sections 3.4.9(1)(h), 3.4.18

- (a) You may request a written progress report at any time. We will give you a progress report each at suitable breaks in the matter. Please let us know if you require a report at another time.

10. If you have a concern about our legal costs

Section 3.4.9(1)(i), (j) and (k)

- (a) If you have any concern about our legal costs, or our legal services, please do not hesitate to speak to our lawyer. If we cannot satisfactorily resolve your concern with you, you may:
 - (i) Seek a costs review by the Taxing Master under Division 7 of Part 3.4 of the Legal Profession Act 2004 (“the Act”) within 12 months after the bill is given to you or the law practice requests payment of costs or you pay the costs (whichever is earlier or earliest).
 - (ii) You may seek a costs review outside the 12 month time limit. In these circumstances the Taxing Master will not deal with the review if we can establish that to do so would, in all the circumstances, cause unfair prejudice to us;
 - (iii) Apply to VCAT to set aside this agreement under section 3.4.32 of the Act; or
 - (iv) Make a complaint to the Legal Services Commissioner under chapter 4 of the Act within 60 days after the legal costs were payable or, if an itemised bill was requested in respect of those costs, within 30 days after the request was complied with.

- (v) You may be able to make a complaint to the Legal Services Commissioner up to 4 months after the end of the period referred to. This is provided that you can satisfy the Commissioner that there was a reasonable cause for the delay in making the complaint, and legal proceedings have not been commenced for the recovery or review of the legal costs that are the subject of the complaint.

11. Jurisdiction

Section 3.4.9(1)(l) and (m)

- (a) The law of Victoria shall apply to legal costs in this matter.
- (b) You have the right to sign a costs agreement under a corresponding law or to advise us that you require the law of another jurisdiction shall apply.

12. Engagement of another lawyer

Section 3.4.10

- (a) We may need to engage on your behalf a barrister or other lawyer to provide specialist advice or services. We will consult you about the terms of this engagement and provide you with a statement setting out the details of this person's fee before incurring the expense.

13. Ending our engagement

- (a) You may end our engagement by written notice at any time. If you do this, you must pay our legal costs and disbursements incurred up until that time.
- (b) Circumstances may arise (such as a conflict of interest) which make it impossible for us to continue to act for you. If this happens, we will contact you immediately.
- (c) If you do not pay our account or if you fail to pay money in advance if it is requested, we may stop work until we are paid. If the account continues to remain unpaid we may cease to act for you.
- (d) If we cease to act for you:
 - we will not incur any liability as a result

- we will remove our name from the court record in any court proceedings
- you will receive a final account which will include all outstanding legal costs
- you must pay our legal costs up until the date when we cease to act
- we retain the right to keep your documents until we are paid.

Contact: Sue Stevens
(03) 9872 7289
www.mendelsons.com.au
legal@mendelsons.com.au