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|    | 201  |
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| De | ar   |
| Le | tter of Engagement ER OF   |
| 1. | We welcome you as a client of Darrolls Attorneys. We trust that your association with us will be a satisfactory one. This letter is to be read in conjunction with the other documentation in our 'new client pack' attached for your convenience). It is intended to ensure that you know what to expect from our collaboration in our joint endeavours to assert your legal remedies in the matter/s you have entrusted to us. |
| 2. | Identity of the Client: 1  |
| 3. | Additional Parties: none.  |
| 4. | Responsible Attorney: Roland Darroll and lay assistant Dawn Abrahams.  |
| 5. | Details of the Mandate / Scope of Work to be done:   |
|    |  |
| 6. | Specifically Excluded Areas: All other areas are excluded unless included at a later date.   |
| 7  | What the Client Can Expect from Dayrelle Attorneys   |
| /. | What the Client Can Expect from Darrolls Attorneys:  |
|    | 7.1 How the legal process works and how long it will take:   |
|    | Please see the Cost Estimate Notice for this.  |
| 1. | The headings below are taken from <a href="http://www.aiif.co.za/docs/RM.pdf">http://www.aiif.co.za/docs/RM.pdf</a> , the website of the Attorneys Insurance Indemnity Fund.   |

ATTORNEY - NOTARY - CONVEYANCER

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# 7.2 What the range of likely results will be

- 7.2.1 Judgement in your favour: this is of course the best outcome from your point of view. If you are plaintiff, this means that the defendant will have to pay your claim, providing he has the means. If you are the defendant it means you will not have to pay the plaintiff's claim.
- 7.2.2 Judgement for the other side: this is the worst outcome for you. If you are the plaintiff, it means that the defendant will not have to satisfy your claim. If you are the defendant it means you will have to pay the plaintiff's claim.
- 7.2.3 A judgement that is partially in favour of the plaintiff and partially in favour of the defendant.
- 7.2.4 Absolution: this means that neither side has succeeded. The plaintiff has not won now that may bring the same claim again with stronger evidence. The defendant is off the hook for now, but is subject to the plaintiff possibly bringing his claim again.
- 7.2.5 Costs: the court usually decides that the defeated party must pay the victorious party's costs, although this decision rests with the court's discretion. However, the victorious party will still have to pay a portion of his costs because party-party costs are normally awarded according to a conservative court scale that is less than the costs he incurs from his own attorney (attorney-client costs). Party-party costs are recoverable from the other party if you are successful and, if you are unsuccessful, you might have to pay to the successful party. Attorney-client costs of the costs you incur in terms of paragraph 8.4 of this letter which you will have to pay irrespective of whether you're successful and not and irrespective of whether you're able to recover party and party costs from the other side. That is why it is important to decide whether it is worth starting or defending a case where the amount at stake is not that high and may be less than the costs that even a victorious party will incur.
- 7.2.6 Should your matter require a court appearance we will be briefing an advocate or specialised court attorney on your behalf as we delegate court appearances to others specialising in this area.
- 7.3 How updates will be communicated: we will endeavour to keep you informed of any new developments as soon as they occur. Our normal method is by email communication.
- 7.4 The overall cost of legal services: you will be aware of our basic rate of **R 325.00 per 15 minutes** and further as detailed in the written mandate signed by you.
- 7.5 How services are billed: services are billed by invoice on completion of the current phase in the legal services required (eg the drafting of a certain leading; the completion of a contract, etc) and monthly statements.
- 7.6 When payment is due: payment is due on presentation of invoice.
- 7.7 What will happen when fees are not paid when they are due: non-payment of fees when due will result in the following:
  - 7.7.1 the reluctant but immediate termination of our services;
  - 7.7.2 a letter of demand for payment and, if this does not result in payment, the issue of summons for the recovery of fees due;

- 7.7.3 subsequent to judgement, the attachment and sale and execution of assets and/or a court financial enquiry;
- 7.7.4 the incurring of statement fee of 2.0% of the amount due for every further statement issued;
- 7.7.5 listing by a major credit bureau; and
- 7.7.6 the exercise of the attorney's lien, ie the retention of documents subject to the lien until the amount due is paid.

## 8. What Darrolls Attorneys Needs from the Client:

See the article, "How to Get the Best Out Of Your Attorney" included in this Welcome Pack.

## 9. Deposit required

- 9.1 See the article, "Why Lawyers Ask for A Deposit" included in this Welcome Pack.
- 9.2 Depending on how the matter progresses and the level of cost incurred, Darrolls Attorneys may, from time to time request further deposits from the client.

# 10. Holding and Investing Client's Money

A deposit on fees is deposited in Darrolls Attorneys' Trust account. Being a trust account, this amount remains as a deposit in the strict sense, so that we can only make use of it to the extent that we do work or incur expenses on your behalf. If our fees exceed the deposit, you will need to make up the shortfall. On the other hand, any money remaining after our services have been rendered will be refunded to you after we have accounted in full to you.

#### 11. Termination of the Mandate

We draw your attention to the first paragraph of our mandate agreement, "Either party may terminate or suspend this agreement at any time upon the non-revoking party's receipt of written notice to that effect". A suggested form of termination follows:

#### "TERMINATION OF MANDATE

| "I, the undersigned,do hereby terminate the Manda 201 | , I.D.No:<br>hte of Darrolls Attorneys the Mandate Agreement signed by me on |
|---|--|
| Dated at  | on 201   |
| CLIENT  |  |
| AS WITNESSES  | 1  |
|   | 2"   |

| 11.2  | Conversely, Darrolls Attorneys will be entitled to terminate its mandate in any circumstances permitted by the Cape Law Society rules.  |  |  |  |
|---|---|--|--|--|
| 11.3  |   |  |  |  |
| 12.   | We believe that it is better to under-promise and over-deliver than to make guarantees and not follow through, better to set realistic expectations and then strive to better them. We thank you for your instructions and trust that we will have mutually satisfactory association. If there is anything concerning which you need clarification, please do not hesitate to contact us. |  |  |  |
| Best wishes   |   |  |  |  |
| Lolano Janel  |   |  |  |  |
| Roland<br>Darrolls  | Darroll<br>s Attorneys  |  |  |  |
| I the client, or on its behalf, acknowledge agreement with the terms of engagement set out above. |   |  |  |  |
| <br>Name:   |   |  |  |  |

Date: ...... 201...