

STANDARD TERMS OF ENGAGEMENT

1 General

- 1.1 These Standard Terms of Engagement (“Terms”) apply in respect of all work carried out by us for you, except to the extent that we otherwise agree with you in writing.
- 1.2 If you continue to instruct us after receipt of these Terms of Engagement you are acknowledging your acceptance of these terms.
- 1.3 Our relationship with you is governed by New Zealand law and New Zealand courts have exclusive jurisdiction.

2. Our Commitment to You

- 2.1 We are committed to doing our best to ensure that your legal needs are met. Subject only to any other overriding duties owed by all lawyers, our obligations are to you as our client. We will:
 - Protect and promote your interests, and act for you without compromising influences or loyalties.
 - Discuss with you your objectives and how they should best be achieved.
 - Act competently, in a timely way, and in accordance with instructions received and arrangements made.
 - Provide you with information about the work to be done, who will do it and the way the services will be provided.
 - Protect your privacy and ensure appropriate confidentiality.
 - Treat you fairly, respectfully and without discrimination.
 - Give you clear information and advice.
 - Keep you regularly informed about the work being done and advise you when it is completed.
 - Charge you a fee that is fair and reasonable and let you know how and when you will be billed.

2 Services

- 2.1 The services we are to provide for you (the Services) are outlined in our letter of engagement along with any further instructions that you provide to us in writing (or that we record in writing). The person handling your file will be outlined in our letter of engagement.

3 Communications

- 3.1 We will obtain from you contact details, including email address, postal address and telephone numbers. We may provide documents and other communications to you by email (or other electronic means). You will advise us if any of your contact details change.
- 3.2 We will report to you periodically on the progress of any engagement and will inform you of any material and unexpected delays, significant changes or complications in the work being undertaken. You may request a progress report at any time.

4 Financial

- 4.1 **Fees:** The basis upon which we will charge our fees is set out in our engagement letter.
- a If the engagement letter specifies a fixed fee, we will charge this for the agreed scope of the Services. Work which falls outside that scope will be charged on an hourly rate basis. We will advise you as soon as reasonably practicable if it becomes necessary for us to provide services outside of the agreed scope and, if requested, give you an estimate of the likely amount of the further costs.
 - b Where our fees are calculated on an hourly basis, the hourly rates of the people we expect to undertake the work are set out in our engagement letter. Any differences in those rates reflect the different levels of experience and specialisation of our professional staff. Time spent is recorded in six-minute units.
 - c Hourly fees may be adjusted (upwards or downwards) to ensure the fee is fair and reasonable to take into account matters such as the complexity, urgency, value and importance of the Services. Full details of the relevant fee factors are set out in Rule 9 of the Lawyers and Conveyancers Act (Lawyers: Conduct and Client Care) Rules 2008 (Rules).
- 4.2 **Disbursements and Third-Party Expenses:** In providing the Services we may incur disbursements and payments to third parties on your behalf. You authorise us to incur these disbursements (which may include such items such as search fees, court filing fees, registration fees, travel and courier charges) which are reasonably necessary to provide the Services. You also authorise us to make payments to third parties on your behalf which are reasonably required to undertake the Services (which may include items such as experts' costs or counsel's fees). These will be included in our invoice to you, shown as "disbursements" when the expenses are incurred (or in advance when we know we will be incurring them on your behalf).

- 4.3 **Office Service Charge Fee (Administrative expenses):** In addition to disbursements, we may charge a fee of \$25.00 to cover out of pocket costs which are not included in our fee and which are not recorded as disbursements. These include items such as photocopying and printing, postage and phone calls.
- 4.4 **GST:** Our services will usually attract Goods and Services Tax (GST). If this is the case, GST is payable by you on our fees and charges.
- 4.5 **Invoices:** We may send interim invoices to you, usually monthly, and on completion of the matter, or termination of our engagement. We may send you invoices more frequently when we incur a significant expense or undertake a significant amount of work over a shorter period of time.
- 4.6 **Payment:** Invoices are payable within 7 days of the date of the invoice, unless alternative arrangements have been made with us.
- a You authorise us to deduct our fees and other expenses from funds held in our trust account on your behalf on provision of an invoice to you, unless those funds are held for a particular purpose.
 - b If you have difficulty in paying any of our accounts, please contact us promptly so that we may discuss payment arrangements.
 - c If your account is overdue we may:
 - i require interest to be paid on any amount which is more than 14 days overdue, calculated at the rate of 5% above the overdraft rate that our firm's main trading bank charges us for the period that the invoice is outstanding;
 - ii stop work on any matters in respect of which we are providing services to you;
 - iii require an additional payment of fees in advance or other security before recommencing work;
 - iv recover from you in full any costs we incur (including on a solicitor/client basis) in seeking to recover the amounts from you, including our own fees and the fees of any collection agency.
 - d Payment may be made by electronic banking to our ASB trust account. Please contact us for trust account details.
- 4.7 **Fees and disbursements in advance:** We may ask you to pre-pay amounts to us, or to provide security for our fees and expenses. We may do this, on reasonable notice, at any time.

4.8 **Estimates:** You may request an estimate of our fee for undertaking the Services at any time. If possible, we will provide you with an estimate (which may be a range between a minimum and a maximum amount or for a particular task or step). An estimate is not a quote. Any significant assumptions included in the estimate will be stated and you must tell us if those assumptions are wrong or change. We will inform you if we are likely to exceed the estimate by any substantial amount. Unless specified, an estimate excludes GST, disbursements and expenses.

4.9 **Trust Accounting:** We operate a trust account with ASB Bank. All money received from you or on your behalf will be held to your credit in our trust account.

a Payments out of the trust account will be made either to you or to others with your authority. Written authorisation from you (and if we are acting for more than one of you, from all of you) will be required when payment is to be made to a third party. Before making a payment to another account we may require verification of the account details by provision of a copy of a deposit slip or bank statement showing the account number, a signed authority from you including the bank account details, or a signed letter from the relevant financial institution providing bank account details.

b A full record of our trust account is always kept. A statement of trust account transactions detailing funds received and payments made on your behalf will be provided to you periodically and at any time upon your request.

5 **Confidentiality and Personal Information**

5.1 We will hold in confidence all information concerning you or your affairs that we acquire during the course of acting for you. We will not disclose any of this information to any other person except:

- (a) To the extent necessary or desirable to enable us to carry out your instructions; or
- (b) To the extent required by law or by the Law Society's Rules of Conduct and Client Care for Lawyers.

5.2 Confidential information concerning you will as far as practicable be made available only to those within our firm who are providing legal services for you.

5.3 We will of course, not disclose to you confidential information which we have in relation to any other client.

6 **Documents, Records and Information**

6.1 We have a policy of storing files in electronic format only. Following completion of your matter, we will return your original documents to you; scan the complete file and save it in

electronic format before then destroying the hard copy of the file. This policy does not affect wills, powers of attorneys, lease documents, trust documents (except for gifting documents).

- 6.2 We own copyright in all documents or work we create in the course of performing the Services but grant you a non-exclusive licence to use and copy the documents as you see fit for your own personal or commercial use. However, you may not permit any third party to copy, adapt or use the documents without our written permission.

7 Compliance

- 7.1 We are obliged to comply with all laws applicable to us in all jurisdictions, including (but not limited to):
- a Anti-money laundering (AML) and countering financing of terrorism (CFT) laws; and
 - b Laws relating to tax and client reporting and withholdings.
- 7.2 If we are acting for you when funds are transferred from our trust account, we will be required to undertake customer due diligence on you, persons acting on your behalf or your Company or Trust. We may not be able to begin acting, or to continue acting, for you until that is completed.
- 7.3 To ensure our compliance and yours, we may be required to provide information about you, persons acting on your behalf or other relevant persons to third parties (such as government agencies). There may be circumstances where we are not able to tell you or such persons if we do provide information.
- 7.4 Please ensure that you and/or any of the persons described previously are aware of and consent to this. It is important to ensure that all information provided to us is accurate. If the information required is not provided, or considered by us to be potentially inaccurate, misleading, or in contravention of any law, we may terminate or refuse to enter into an engagement.

8 Conflicts of Interest

- 8.1 We are obliged to protect and promote your interests to the exclusion of the interests of third parties and ourselves as set out in the Lawyers and Conveyancers Act (Lawyers: Conduct and Client Care) Rules 2008 (Rules). This may result in a situation arising where we have a conflict of interest.
- 8.2 We have procedures in place to identify and respond to conflicts of interest or potential conflicts of interest. If a conflict of interest arises, we will advise you of this and follow the requirements and procedures set out in the Rules. This may mean we cannot act for you further in a particular matter and we may terminate our engagement.

9 Duty of Care

- 9.1 Our duty of care is to you and not to any other person. We owe no liability to any other person, including for example any directors, shareholders, associated companies, employees or family members unless we expressly agree in writing. We do not accept any responsibility or liability whatsoever to any third parties who may be affected by our performance of the Services or who may rely on any advice we give, except as expressly agreed by us in writing.
- 9.2 Our advice is not to be referred to in connection with any prospectus, financial statement, or public document without our written consent.
- 9.3 Our advice is opinion only, based on the facts known to us and on our professional judgement, and is subject to any changes in the law after the date on which the advice is given. We are not liable for errors in, or omissions from, any information provided by third parties.

10 Termination

- 10.1 You may terminate our retainer at any time.
- 10.2 We may terminate our retainer in any of the circumstances set out in the Rules including the existence of a conflict of interest, non-payment of fees, and failure to provide instructions.
- 10.3 If our retainer is terminated you must pay us all fees, disbursements and expenses incurred up to the date of termination.

11.1 Professional Indemnity Insurance

11.1 We hold professional indemnity insurance that meets the New Zealand Law Society's minimum standards.

11.2 The New Zealand Law Society operates a Lawyers' Fidelity Fund to compensate clients who suffer theft of money or property entrusted to lawyers. The Fund covers losses of up to NZ \$100,000 per individual claimant. It does not cover loss where you have instructed us to invest money on your behalf (subject to limited exceptions set out in the Lawyers and Conveyancers Act).

11 Feedback and Complaints

- 11.1 Client satisfaction is one of our primary objectives and feedback from clients is helpful to us. If you would like to comment on any aspect of the service provided by us, including how we can improve our service, please contact the Partner responsible for your business, or if you are not comfortable doing so, contact the other Partner.

- 11.2 If you have any concerns or complaints about our services, please raise them as soon as possible with the person to whom they relate. They will respond to your concerns as soon as possible. If you are not satisfied with the way that that person has dealt with your complaint, please raise the matter with the other Partner. We will inquire into your complaint and endeavour in good faith to resolve the matter with you in a way that is fair to all concerned.
- 11.3 If you are not satisfied with the way we have dealt with your complaint, the New Zealand Law Society has a complaints service to which you may refer the issue. You can call the 0800 number for guidance, lodge a concern or make a formal complaint. Matters may be directed to:

Lawyers Complaints Service
PO Box 5041
Wellington 6140
New Zealand

Phone: 0800 261 801

To lodge a concern:

www.lawsociety.org.nz/for-the-community/lawyers-complaints-service/concerns-form

To make a formal complaint:

www.lawsociety.org.nz/for-the-community/lawyers-complaints-service/how-to-make-a-complaint

Email: complaints@lawsociety.org.nz