

Terms of engagement

These 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 Services

1.1 The services which we are to provide for you are outlined in our engagement letters sent to you from time to time.

(a) The time and labour expended;

(b) The skill, specialised knowledge and responsibility required to perform the services properly;

2 Financial Fees

2.1 The fees we will charge and the manner in which they will be arrived at are set out in our engagement letter and these terms.

(c) The urgency and circumstances in which the matter is undertaken and any time limits imposed, including those imposed by you;

2.2 If the engagement letter specifies a fixed fee, we will charge this for the agreed scope of our services. Work 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 the agreed scope and, if requested, give you an estimate of the costs.

(d) The complexity of the matter and the difficulty or novelty of the issues involved; and

(e) Any quote, estimate or fee agreement.

2.3 Where our fees are calculated on an hourly rate basis, the range of current hourly rates are set out in our engagement letter but may change without further notice. The differences in our hourly rates reflect the experience and specialisation of our professional staff. Time spent is recorded in 6-minute units.

Disbursements and expenses

2.5 In providing services, we may incur expenses and have to make disbursements (payments to third parties on your behalf). These will be included in our invoices to you. We may require an advance payment for disbursements and expenses we will be incurring on your behalf.

Fee Factors

2.4 We will charge reasonable fees and disbursements based upon the following factors:

GST

2.6 GST is payable by you on our fees, disbursements and expenses.

Invoices

2.7 We may send interim or on account invoices to you, usually monthly, and on completion of the matter, or on termination of our engagement.

We may also send you an invoice when we incur a significant disbursement or expense.

Payment

2.8 You must pay our invoices within 14 days of the date of each invoice unless alternative arrangements have been made with us. We are entitled to charge interest on any amount which is more than 14 days overdue. Interest will be calculated at the rate of 3% above our main trading bank's overdraft rate as at the close of business on the date payment became due.

2.9 We are also entitled to recover all costs and disbursements incurred in collecting accounts which are not paid by due date.

Security and deductions

2.10 We may ask you to pre-pay amounts to us or to provide security for our fees, disbursements and expenses.

2.11 You authorise us:

- (a) To debit against amounts pre-paid by you; and
- (b) To deduct from any funds held on your behalf in our trust account, any fees, expenses or disbursements for which we have provided an invoice.

Third parties

2.12 Although you may expect to be reimbursed by a third party for our fees and expenses and although our invoices may at your request or with your approval be directed to a third party for payment, you remain responsible for payment to us if the third party fails to pay us by due date.

3 Confidentiality

3.1 We will hold in confidence all information concerning you and 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.

3.2 For many transactions, such as, buying and selling property, the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ("the AML Act") requires us to collect information to verify your identity and address (and sometimes the identity and address of others involved in your transaction). We also need to collect information about sources of funding.

3.3 If we do not receive that information, we will be unable to act for you .

3.4 The AML Act requires us to report suspicious activities and other actions (such as, transfers of sums of money above certain limits either to or from overseas). Please refer to the AML Act or ask us if you need details about what we are required to report.

3.5 Confidential information about you will, as far as practicable, be made available only to those within our firm who are providing legal services to you.

4 Termination

- 4.1 You may terminate our retainer at any time.
- 4.2 We may terminate our retainer in any of the circumstances set out in the Law Society's Rules of Conduct and Client Care for Lawyers.
- 4.3 If our retainer is terminated, you must pay us all fees due up to the date of termination and all disbursements and expenses incurred up to that date.

5 Closed files and documents

- 5.1 Your closed files will be sent to an external storage service. If we have to retrieve your closed file from storage, you will be charged the retrieval fee that we are charged at the time.
- 5.2 You authorise us to destroy (without further reference to you) all files and documents for your matters (other than any documents that we hold in safe custody for you) seven years after our engagement ends, or earlier if we have converted those files and documents to a computer file that we retain.

6 Conflicts of interest

- 6.1 We have procedures in place to identify and respond to conflicts of interest. If a conflict of interest arises, we will advise you and follow the requirements and procedures set out in the Law Society's Rules of Conduct and Client Care for Lawyers.

7 Duty of care

- 7.1 Our duty of care is to you and not to any other person. Before any other

person may rely on our advice, we must expressly agree to this.

8 Your information obligations

- 8.1 You will provide us with accurate and complete information necessary to complete the legal services for you.
- 8.2 You accept responsibility for all records and information supplied to us and you accept responsibility for any failure to supply us with all relevant records and information.

9 Trust account

- 9.1 We maintain a trust account for all funds which we receive from clients (except monies received for payment of our invoices). If we are holding significant funds on your behalf, we will lodge those funds on interest-bearing deposit with a bank only where the interest earned will be more than \$80 gross. In that case, we will charge commission of 10% of the interest derived. This means that, for every \$10 of interest earned, we will take commission of \$1.

10 General

- 10.1 These terms apply to any current engagement and also to any future engagement, whether or not we send you another copy of them.
- 10.2 We are entitled to change these terms from time to time, in which case we will send you amended terms.
- 10.3 Our relationship with you is governed by New Zealand law and New Zealand courts have non-exclusive jurisdiction.

1 May 2019