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A : Information For Clients

Set out below is the information required by the *Rules of Conduct and Client Care for Lawyers* of the New Zealand Law Society ("Law Society").

Fees: The basis on which fees will be charged is set out in our letter of engagement. When payment of fees is to be made is set out in our Standard Terms of Engagement at "B" below.

We may deduct from any funds held on your behalf in our trust account any fees, expenses or disbursements for which we have provided an invoice or have paid on your behalf as an advance in which case the deduction will be automatic.

Professional Indemnity Insurance: We hold professional indemnity insurance that meets or exceeds the minimum standards specified by the Law Society. We will provide you with particulars of the minimum standards upon request.

Lawyers Fidelity Fund: The Law Society maintains the Lawyer Fidelity Fund for the purposes of providing clients of lawyers with protection against pecuniary loss arising from theft by lawyers. The maximum amount payable by the Fidelity Fund by way of compensation to an individual claimant is limited to \$100,000. Except in certain circumstances specified in the Lawyers and Conveyancers Act 2006 the Fidelity Fund does not cover a client for any loss relating to money that a lawyer is instructed to invest on behalf of the client.

Complaints: We maintain a procedure for handling any complaints by clients, designed to ensure that a complaint is dealt with promptly and fairly.

If you have a complaint about our services or charges, you may refer your complaint to the person in our firm who has overall responsibility for your work.

If you do not wish to refer your complaint to that person, or you are not satisfied with that person's response to your complaint, you may refer your complaint to the Law Society which also maintains a complaints service and you are able to make a complaint to that service. To do so you should contact the Law Society, (call free phone 0800 261801).

Persons Responsible for the Work: The names and status of the person or persons who will have the general carriage of or overall responsibility for the services we provide for you are set out in our letter of engagement.

Client Care and Service: The Law Society client care and service information is set out below:

Whatever legal services your lawyer is providing, he or she must:

- Act competently, in a timely way, and in accordance with instructions received and arrangements made.
- Protect and promote your interests and act for you free from compromising influences or loyalties.
- Discuss with you your objectives and how they should best be achieved.
- Provide you with information about the work to be done, who will do it and the way the services will be provided.
- Charge you a fee that is fair and reasonable and let you know how and when you will be billed.
- Give you clear information and advice.
- Protect your privacy and ensure appropriate confidentiality.
- Treat you fairly, respectfully and without discrimination.
- Keep you informed about the work being done and advise you when it is completed.
- Let you know how to make a complaint and deal with any complaint promptly and fairly.

The obligations lawyers owe to clients are described in the *Rules of Conduct and Client Care for Lawyers*. Those obligations are subject to other overriding duties, including duties to the courts and to the justice system.

If you have any questions, please visit www.lawyers.org.nz or call 0800 261 801

Limitations on extent of our Obligations or Liability : Any limitations on the extent of our obligations to you or any limitation or exclusion of liability are set out in our letter of engagement.

B: Standard Terms of Engagement

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. **Services:** The services which we are to provide for you are outlined in our engagement letter.

2. Financial:

2.1 **Fees:** The base fees which we will charge or the manner in which they will be arrived at, are set out in our engagement letter.

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

2.3 Where our fees are calculated on an hourly basis, the hourly rates are set out in our engagement letter. Time spent is recorded in 6 minute units, with time rounded up to the next unit of 6 minutes. The hourly rate is the rate applicable at the commencement of the engagement but may be subject to change from time to time.

2.4 In addition to a charge for time spent on your behalf, we are also entitled to take into account in assessing our final fee additional factors as identified in the *Rules of Conduct and Client Care for Lawyers*, such as;

- i. The skill, specialised knowledge and responsibility required to perform the services properly;
- ii The importance of the matter to you and the results achieved;
- iii The urgency and circumstances in which the matter is undertaken and any time limitations imposed;
- iv The degree of risk assumed by the Lawyer in undertaking the services, including the amount or value of any property involved;
- v. The complexity of the matter and the difficulty or novelty of the questions involved;
- vi *The possibility that acceptance of the retainer will preclude engagement of the Lawyer by other Client's;*
- vii *The reasonable costs of running a practice;*
- viii The fee customarily charged in the market and locality for similar services.

2.5 **Disbursements and expenses:** In providing services we may incur disbursements or have to

make payments to third parties on your behalf. These will be included in our invoice to you when the expense is incurred. We may require an advance payment for the disbursements or expenses which we will be incurring on your behalf. Disbursements and expenses include but are not limited to file opening fees, tolls, photocopying and printing, faxes, internet fees, postal and courier expenses and file storage and destructions fees. They also include Land Information charges for searches and registrations and costs for forms and precedents used on a licensed basis. Some of these disbursements and expenses may include a reasonable mark up in some instances to cover storage and audit costs licence fees and other expenses associated with the provision of the service used on your behalf.

2.6 **GST (if any):** Is payable by you on our fees and charges.

2.7 **Invoices:** We will send interim invoices to you, usually monthly or bi monthly and on completion of the matter, or termination of our engagement. We may also send you an invoice when we incur a significant expense.

2.8 **Payment:** Invoices are payable within 14 days of the date of the invoice, unless alternative arrangements have been made with us. We may require interest to be paid on any amount which is more than 14 days overdue. Interest will be calculated at the rate of 2% per month from the due date until the actual date of payment. We will be entitled to pass on to you the costs of collection of any overdue amounts including but not limited to any court fees, collection and service fees payable for collection or attempted collection and solicitors costs on a solicitor client basis. We may also pass on your details to any credit rating agencies.

2.9 **Security:** We may ask you to pre-pay amounts to us, or to provide security for our fees and expenses. 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.

2.10 **Third Parties:** 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, nevertheless you remain responsible for payment to us if the third party fails to pay us in accordance with our Standard Terms of Engagement.

3. Confidentiality : 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:

- 3.1 to the extent necessary or desirable to enable us to carry out your instructions; or
- 3.2 to the extent required by law or by the Law Society's *Rules of Conduct and Client Care for Lawyers*.
- 3.3 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.
- 3.4 We will of course, not disclose to you confidential information which we have in relation to any other client.

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 expenses incurred up to that date.

5. Retention of files and documents

- 5.1 You authorise us (without further reference to you) to destroy all files and documents for this matter (other than any documents that we hold in safe custody for you) 7 years after our engagement ends, or earlier if we have converted those files and documents to an electronic format.
- 5.2 Where possible and subject to our in house systems when a file is closed we will if you have requested it, forward the contents of the file to you and retain a copy of the contents of the file digitally or electronically. This may not occur where the file is larger or contains original documents which, we will keep as per clause 5.1. If you have not requested it the file will be held as above and destroyed in due course.

- 5.3 Due to the increasing costs of storage and destruction fees a small fee will be added to your final invoice for storing physically or digitally your file and thereafter destroying or returning your file.

6. Conflicts of Interest: We have procedures in place to identify and respond to 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 Law Society's *Rules of Conduct and Client Care for Lawyers*.

7. Duty of Care: 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. Trust Account: 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 normally lodge those funds on interest bearing deposit with a bank. In that case we may charge an administration fee of 5% of the gross interest derived

9. General

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

10. Lien : Where work has been done by the firm has not been paid by the client then the firm has the right to retain the original documents and correspondence on the clients files until such time as all outstanding fees, disbursements and other expenses have been paid. This is known as a lien. This will be particularly important in circumstances where the client decides for whatever reason to instruct another law firm. The client must pay all outstanding fees, disbursements and other expenses before the firm releases the client's files to the client's new solicitors. Alternatively that other law firm may be obliged to give an undertaking to the firm to pay all outstanding fees and disbursements before the clients file is released.