



STANDARD TERMS OF ENGAGEMENT

and

CLIENT INFORMATION

These Standard Terms of Engagement (“Terms”) will apply in respect of all work we carry out for you, except to the extent that we otherwise agree with you in writing. If these terms are to change we will notify you in advance.

Documentation

We have endeavoured to include within this document most of the information relevant to the provision of our services in the future. From time to time it may be necessary to provide you with additional information at the time we undertake any new work for you. In such circumstances the terms of our engagement will incorporate these terms plus any additional or different terms as varied by our subsequent letters.

1. Services

1.1 Where appropriate we will record in a separate letter at the time of undertaking any new work the services we will provide at that time.

1.2 Investment Advice Statement

In providing conveyancing services to our clients the Firm does not carry out valuations of property or business, and, whilst the Firm will advise our clients in relation to the property or business, the Firm is not responsible for determining whether the property or business meets our client’s needs or investment profile. We recommend the Client should consult a suitably qualified professional such as a Registered Valuer, Financial Adviser and/or Accountant in relation to these issues.

The Firm also does not provide investment advice in respect to financial products other than bank deposits. Again, we recommend a Client always obtain appropriate advice from a suitably qualified Financial Adviser or Accountant in relation to specific financial products.

2. Financial

2.1 Fees:

We will charge only a fee that is fair and reasonable for the services we provide.

- (a) Whenever services are to be provided at a fixed fee, we will set this out in a letter to you prior to undertaking the work and 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.

Where our services are not to be provided at a fixed fee, we will calculate what is a fair and reasonable fee taking into account the factors set out by the Law Society. These factors include the time spent in providing the services which will

be the primary basis on which we will charge. In respect of this factor, we apply an hourly charge out rate for those within our firm.

The differences in those rates reflect the experience and specialisation of our professional staff. Time spent is recorded in 6 minute units, with time rounded up to the next unit of 6 minutes. The hourly rates charged are varied from time to time to remain competitive and to reflect the market. The current hourly rates are set out in our letter of engagement.

- 2.2 **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.
- 2.3 **GST (if any):** Is payable by you on our fees and charges.
- 2.4 **Invoices:** We will send interim invoices to you, usually 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.
- 2.5 **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 7 days overdue. Interest will be calculated at the rate of 5% above our firm's main trading bank's 90-day bank bill buy rate as at the close of business on the date payment became due.
- 2.6 **Security and/or Guarantee:** We may ask you to pre-pay amounts to us, or to provide security for our fees and expenses where we believe it is necessary we may ask you to provide a guarantee. The provision of security and/or a guarantee will be in a separate document. 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.

3. Confidentiality

- 3.1 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; or

(c) If required by law.

3.2 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.

3.3 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.

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 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

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. Trust Account

8.1 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 normally lodge those funds on interest bearing deposit with a bank. In that case we will charge an administration fee of 5% of the interest derived.

9. Professional Indemnity Insurance:

- 9.1 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.

10. Lawyers' Fidelity Fund:

- 10.1 The New Zealand Law Society ("Law Society") maintains the Lawyers' Fidelity Fund for the purpose 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.

11. Complaints:

- 11.1 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 Managing partner, Phil Ahern.

He may be contacted as follows:

- by letter;
- by email at phil.ahern@morrisonkent.co.nz
- by telephoning him at 915 5431.

If you wish to refer your complaint to another partner, please contact our Office Manager, Jemma Pankhurst and she will refer your complaint to another partner. Her contact details are as follows:

By phone: (09) 915-5468, or

By email at jemma.pankhurst@morrisonkent.co.nz.

The Law Society operates the Lawyers Complaints Service and you are able to make a complaint to that service. To do so, phone **0800 261 801** and you will be connected to the nearest Complaints Service Office, which can provide information and advice about making a complaint.

12. Client Care and Service:

- 12.1 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.lawsociety.org.nz or call **0800 261 801**.

13. Limitations on extent of our Obligations or Liability

- 13.1 Any limitations on the extent of our obligations to you or any limitation or exclusion of liability will be set out in any letter acknowledging new instructions at the time they are received.