



## **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.

### **Services**

1.2 The services which we are able to provide for you will be outlined in our initial letter to you when initially engaged by you.

### **2. Financial**

#### **2.1 Fees:**

The fees which we will charge or the manner in which they will be arrived at, are calculated by reference to the following factors:

- (a) The time and labour expended
- (b) The skill, specialised knowledge, and responsibility required to perform the services properly
- (c) The importance of the matter to the client and the results achieved
- (d) The urgency and circumstances in which the matter is undertaken and any time limitations imposed, including those imposed by the client
- (e) The degree of risk assumed by us in undertaking the services, including the amount or value of any property involved
- (f) The complexity of the matter and the difficulty or novelty of the questions involved
- (g) Our experience, reputation and ability
- (h) The possibility that the acceptance of the particular retainer will preclude engagement by us by other clients
- (i) The reasonable costs of running a practise
- (j) The fee customarily charged in the market and locality for similar legal services

#### **2.2 Disbursements and office 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 tax 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. We also charge you a fee to cover office expenses (such as photocopying, printing, phone calls, faxing, file storage, postage and couriers, forms and miscellaneous). These will be included separately in our account to you.

#### **2.3 GST (If any):**

Is payable by you on our fees and charges.

#### **2.4 Invoices:**

We may send interim invoices to you and a final invoice 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 1 month 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 1 month 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**

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.

2.7 **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.

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*.

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 may charge an administration fee of up to 5% of the interest derived.

9. **Verification of your Identity and Source of Funds**

- 9.1 We are required to comply with all laws binding on us including (but not limited to):
- the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT Act); and
  - the United States Foreign Account Tax Compliance Act (FATCA); and
  - The Common Reporting Standard (CRS).

- 9.2 To meet these requirements, we may be required to conduct customer due diligence on you, persons acting on your behalf, and other relevant persons such as your beneficial owners or persons who have effective control of you as a client. We may not be able to act or continue acting for you until this is completed to the required standard.
- 9.3 We will advise you what information and documents are required for these purposes. This information could include formal identification, address confirmation, source of funds, transaction details, ownership structures, tax identification details, and any other information considered relevant. Please ensure the information and documents requested are provided promptly to avoid any delays in us acting for you.
- 9.4 We will retain the information and documents and may be required to disclose them to government agencies as required by law. We may not be permitted to advise you of the instances when we are required to disclose this information. We may also be required to provide this information to banks with which we place your funds through our trust account.
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.

## 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").

1. **Fees**  
The basis on which fees will be charged and payment is set out in our Terms of Engagement.  
  
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.
2. **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.
3. **Lawyers Fidelity Fund**  
The Law Society maintains the Lawyers 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.
4. **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 are not satisfied with our firm's response to your complaint we will arrange for the complaint to be referred to mediation of a solicitor mutually agreed by us and you. The Law Society 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:

NZ Law Society  
P O Box 5041  
WELLINGTON 6145  
Phone: 0800 261 801

**5. 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 initial Letter of Engagement.

**6. 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 you may visit the website [www.lawsociety.org.nz](http://www.lawsociety.org.nz) or telephone (04) 472 7837.