

Terms of Engagement

These Standard Terms of Engagement ("Terms") apply to all work we carry out for you, unless otherwise agreed in writing. If you have any questions, please contact us responsible for your work.

1. Services

The legal services which we are able to provide for you as your lawyers are outlined in your engagement letter. We are not qualified to provide financial advice to you.

You agree that when we act for you, we can accept instructions from any of the following persons unless you expressly advise us otherwise in writing:

- If we act for a company, we can accept instructions from any director officer of that company or any employee or other person whom you have authorised to work with us
- If we act for a trust, we can accept instructions from any trustee or officer of that trust
- If we act for a partnership, we can accept any instructions from any partner or officer of that partnership
- If we act for a couple in a transaction, we can accept instructions from either party

You do not need to sign anything in order to accept the Terms. Simply continuing to use our services will indicate acceptance.

2. Financial

2.1 Fees: Subject to any arrangements set out in our engagement letter, the factors set out in rule 9.1 of the Lawyers and Conveyancers Act (Lawyers: Conduct and Client Care) Rules 2008 (referred to as the Rules of Conduct and Client Care) to ensure that the fees which we will charge are:

- the time and labour expended:
- the skill, specialised knowledge, and responsibility required to perform the services properly:
- the importance of the matter to the client and the results achieved:
- the urgency and circumstances in which the matter is undertaken and any time limitations imposed, including those imposed by the client:
- the degree of risk assumed by the lawyer in undertaking the services, including the amount or value of any property involved:
- the complexity of the matter and the difficulty or novelty of the questions involved:
- the experience, reputation, and ability of the lawyer:
- the possibility that the acceptance of the particular retainer will preclude engagement of the lawyer by other clients:
- whether the fee is fixed or conditional (whether in litigation or otherwise):
- any quote or estimate of fees given by the lawyer:
- any fee agreement (including a conditional fee agreement) entered into between the lawyer and client:
- the reasonable costs of running a practice:
- the fee customarily charged in the market and locality for similar legal services.

Details of hourly rate and/or fee is set out in the Engagement Letter or is available upon request. Our hourly rates may be adjusted from time to time.

2.2 Disbursements and expenses: In providing services we may incur disbursements or 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 you to directly pay for the disbursements or expenses where appropriate.

2.3 GST (if any): Goods and services tax (GST) is payable by you on our fees and charges at the rate prescribed by the New Zealand Goods and Services Tax Act 1985, except when zero rated or exempt.

2.4 Invoices: We will send interim invoices to you, usually monthly (20th of the month), on completion of the matter, or termination of my engagement. We may also send you an invoice when we incur a significant expense.

2.5 Payment: Invoices are payable within 7 days of the date of the invoice unless alternative arrangements have been made with me. Invoices for conveyancing matters where fees are payable immediately prior to settlement.

- 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.
- If you have difficulty in paying any of our accounts, please contact me promptly so that we may discuss payment arrangements.
- If your account is overdue we may:
 - require interest to be paid on any amount which is more than 30 days overdue, calculated at the rate of 8 % per annum to be paid the overdue amount
 - stop work on any matters in respect of which we are providing services to you
 - require an additional payment of fees in advance or other security before recommencing work
 - if you failed to pay in full within three months from date of invoice then a Collection agency will be instructed
 - 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
- Payment may be made by electronic transfer to BAE LEGAL LIMITED 12-3188-0560344-01 with ASB Bank.

2.6 Credit and Security/Client due diligence: We may ask you to provide information on your creditworthiness or to provide security for our fees and expenses before commencing our engagement.

We may ask you to provide information to complete the client due diligence required by law before commencing my engagement.

2.7 Third Parties: Where you expect to be reimbursed by a third party for our fees and expenses, or our invoices at your request or with your approval may be directed to a third party, nevertheless you remain responsible for payment to us if the third party fails to pay us.

If the third party has not paid us within the time frames set out in these Terms for payment, we may issue you an invoice for the outstanding amount. You must then pay the invoice in accordance with these Terms and seek reimbursement from the third party.

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

- 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 (for example) a copy of a deposit slip, cheque 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.
- A full record of our trust account is kept at all times. 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. For conveyancing, the final trust account will be sent to you within a week after the completion of your matter.
- Unless it is not reasonable or practicable to do so, when we hold significant funds for you for more than a short period of time we will place them on call deposit with a bank registered under section 69 of the Reserve Bank of New Zealand Act 1989, subject to your having completed to the bank's satisfaction any request for information relating to the deposit or certification required by the bank. Interest earned from call deposits, less withholding tax and an interest administration fee payable to me of 5% of the interest, will be credited to you.

3. Confidentiality and Personal Information

3.1 Confidence: 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:

- to the extent necessary or desirable to enable us to carry out your instructions; or
- as expressly or impliedly agreed by you; or
- as necessary to protect our interests in respect of any complaint or dispute; or
- to the extent required or permitted by law.

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.

3.2 Personal information and Privacy: In our dealings with you we will collect and hold personal information about you. We will use that information to carry out the Services and to make contact with you about issues we believe may be of interest to you. Provision of personal information is voluntary but if you do not provide full information this may impact on our ability to provide the Services.

Subject to clause 3.1, you authorise us to disclose, in the normal course of performing the Services, such personal information to third parties for the purpose of providing the Services and any other purposes set out in these Terms.

We may disclose your name and address to third parties such as credit agencies to perform a credit reference or to undertake credit management or collection processes if it is reasonable to do so.

The information we collect and hold about you will be kept at our offices and/or at secure file storage sites (including electronic file storage sites) elsewhere. If you are an individual, you have the right to access and correct this information. If you require access, please contact us.

3.3 Verification of identity: The Financial Transactions Reporting Act 1996 requires us to collect from you and to retain information required to verify your identity. We may therefore ask you to show us documents verifying your identity (such as a passport or driver's licence). We may retain copies of these documents. We may perform such other customer verification checks as to your identity and checks as to the source of any funds associated with any transaction to which the Services relate as we consider to be required by law.

4. Documents, Records and Information

We will keep a record of all important documents which we receive or create on your behalf on the following basis:

- We may keep a record electronically and destroy originals (except where the existence of an original is legally important such as in the case of wills and deeds).
- We are not obliged to retain documents or copies where you have requested that we provide them to you or to another person and we have done so, although we are entitled to retain copies for our own records if we wish to do so.

We will provide to you on request copies or originals (at my option) of all documents to which you are entitled under the Privacy Act 1993 or any other law. We may charge you our reasonable costs for doing this.

Where we hold documents that belong to a third party you will need to provide us with that party's written authority to uplift or obtain a copy of that document.

Unless you instruct us in writing otherwise, you authorise us and consent to us (without further reference to you) to destroy (or delete in the case of electronic records) all files and documents in respect of the Services 7 years after our engagement ends (other than any documents that we hold in safe custody for you or are otherwise obliged by law to retain for longer). We may retain documents for longer at our option.

We may, at our option, return documents (either in hard or electronic form) to you rather than retain them. If we choose to do this, we will do so at our expense.

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, we may not permit any third party to copy, adapt or use the documents without our written permission.

5. Compliance

We are obliged to comply with all laws applicable to us in all jurisdictions, including (but not limited to):

- Anti-money laundering (AML) and countering financing of terrorism (CFT) laws; and
- Laws relating to tax (GST) and client reporting and withholdings.

We may be required to undertake customer due diligence on you, persons acting on your behalf and other relevant persons such as beneficial owners and controlling persons. We may not be able to begin acting, or to continue acting, for you until that is completed.

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.

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.

6. Conflicts of Interest

We are obliged to protect and promote your interests to the exclusion of the interests of third parties and myself 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.

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.

7. Duty of Care

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.

Our advice is not to be referred to in connection with any prospectus, financial statement, or public document without our written consent.

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.

Our advice relates only to each particular matter in respect of which you engage us. Once that matter is at an end, we will not owe you any duty or liability in respect of any related or other matters unless you specifically engage us in respect of those related or other matters.

Unless otherwise agreed, we may communicate with you and with others by electronic means. We cannot guarantee that these communications will not be lost or affected for some reason beyond our reasonable control, and we will not be liable for any damage or loss caused thereby.

8. Professional Indemnity Insurance

We hold professional indemnity insurance which meets the minimum standards specified by the New Zealand Law Society.

We hold current professional indemnity insurance providing cover when acting as a lawyer. As with all insurances this cover has limitations and is subject to certain exclusions, terms and conditions.

9. 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 \$100,000.00. Except in certain circumstances specified in the Lawyers & 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.

10. Termination

You may terminate our retainer at any time.

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.

If our retainer is terminated you must pay us all fees, disbursements and expenses incurred up to the date of termination.

11. Client Care and Service Information

If you have any concerns or complaints about our services, please raise them as soon as possible with us. We will respond to your concerns as soon as possible. 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.

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:

The Lawyers Complaints Service:
Phone: 0800 261 801
Email: complaints@lawsociety.org.nz

Advise us of your concern:
Use the online Concerns Form, and a Legal Standards Officer will ring to talk to you.

Complaint Form:
You can download the Complaint Form (PDF) from www.lawsociety.org.nz