

## STANDARD TERMS OF ENGAGEMENT

### 1. These Terms

These terms apply whenever you instruct us to act for you, unless we agree otherwise in writing.

### 2. Charges and payment

2.1 *Fees.* The fees we charge will be in accordance with the Rules of Conduct and Client Care for Lawyers of the New Zealand Law Society ("Law Society Rules"). Unless stated otherwise in our engagement letter, our fees will be calculated taking into account the time our lawyers, legal executives, secretaries and other staff spend on your matter, charged at our hourly rates, and adjusted when appropriate to reflect other factors specified in the Law Society Rules. Time each person spends on your matter is recorded in 6 minute units, with time rounded up to the next unit of 6 minutes.

The hourly charge out rate for our personnel is:

- Principal : \$250 plus GST
- Registered Legal Executives : \$200 plus GST
- Licenced Immigration Adviser : \$150 plus GST
- Legal Assistant : \$125 plus GST

2.2 *Disbursements and Office Services.* Our invoices will also include charges for 'Disbursements' and 'Office Services'.

- A Disbursements are payments we make to third parties on your behalf, such as search, registration, courier, court filing, travel, agency, document service, forms and external lawyers' fees and costs. These will be charged to you at the cost to us.
- B Office services charges cover postage, faxes, telephone calls, stationery, file storage, file destruction, copying and printing.
- C Sometimes we may require you to pre-pay anticipated disbursements and office services charges. Otherwise we may incur them without prior reference to you, and invoice you afterwards.

2.3 *GST* (if any) is payable by you on our fees and charges.

2.4 *Payment.* Invoices for most transactions requiring a settlement must be paid by the settlement date. All other invoices must be paid within 14 days of the date of invoice, unless otherwise stated.

2.5 *Late payment.* If payment of our invoice is overdue then we may (to the extent permitted by law) suspend or terminate work for you.

2.6 *Cost Recovery.* You must pay to us all costs of recovery of overdue accounts, including a charge for our time (at our usual hourly rates for private client legal work), disbursements, office services charges, debt collector's charges, and interest.

2.7 *Security and authorisation to deduct.*

- A We may ask you to pay fees, disbursements and office services charges in advance, or to provide a guarantee or other form of security for our fees and charges.
- B You authorise us to debit against amounts pre-paid by you, and to deduct from any other funds held on your behalf in our trust account, any fees, disbursements or charges for which we have provided you with an invoice.

2.8 *Third Parties.* Although you may expect to be reimbursed by a third party for our fees and charges, 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.

2.9 *Changes to fees / charges.* We may change our hourly rates and other charges from time to time. The new rates will apply to any work we do for you after we notify you of the change.

### 3. Trusts and Companies

3.1 When we accept instructions to act for a Trust or Limited Liability Company, we do so on the basis that each trustee or director who instructs us is personally liable (in addition to the client) to pay our fees and charges, and personally indemnifies us for payment of those fees and charges.

#### **4. Trust account**

We maintain a trust account for all funds which we receive from clients (except funds received for payment of our invoices). If ever in the event that we hold funds on your account in interest bearing deposit we reserve the right to charge an administration fee of 5% of the gross interest earned.

#### **5. Our duty of care and advice**

- 5.1 Our duty of care is to you and not to any other person. Before anyone else relies on our advice, we must expressly agree to this in writing.
- 5.2 After we have completed work on a matter, we are not obliged to notify you of any subsequent changes of law or provide any further services (such as reminders of dates).
- 5.3 We are not responsible for providing financial or investment advice. We are not responsible for advising on tax issues unless we agree to this.

#### **6. Confidentiality and privacy**

- 6.1 We will hold in strict confidence all information about you and your affairs that we obtain as your lawyers. We will not disclose that information except to the extent:
  - A expressly or impliedly authorised by you;
  - B necessary or desirable to carry out your instructions; or
  - C allowed or required by law or the Law Society Rules.
- 6.2 We will not disclose to you confidential information we hold in relation to other clients.
- 6.3 While acting for you we may collect, hold, use and disclose personal information about you or individuals associated with you. Our practices relating to the use and disclosure of personal information are set out in the Privacy Statement in the Information for Clients sheet provided to you with our Letter of Engagement.
- 6.4 You authorise us to obtain from any person, use, hold and release to any person any information (including personal information) for the purposes set out in these terms and the Client Care Information sheet. You authorise any person to release to us any information we require for these purposes.

#### **7. Conflict 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 procedures set out in the New Zealand Law Society's Rules of Conduct.

In a relatively small community, such as the Bay of Islands, issues can arise where we are unaware of conflict or the potential for conflict. If you believe that a situation has arisen, or is likely to arise, where we could be placed in a position of conflict, we ask that you immediately contact us to discuss this and decide whether we need to reconsider our position.

#### **8. Termination**

You may terminate your engagement with us at any time. We may also terminate our engagement with you under the provisions of the New Zealand Law Society's Rules of Conduct. If our engagement with you is terminated, you must pay all fees due up to the date of termination and any expenses incurred up to that date. When you pay your account, you have a right to uplift your file. Until your account is paid in full, we have a right to keep any of your property in our possession (this is called a solicitor's lien).

#### **9 Files and Documents**

- 9.1 After our engagement on a matter ends we will keep the file and any documents you leave with us for at least 10 years. We may then destroy them (other documents we have specifically agreed to hold in safe custody for you) with notice to you. We may destroy paper files and documents earlier if we have an electronic copy of them.
- 9.2 If you wish to uplift your files or documents, we may retain a copy for our purposes.

#### **10. General**

- 10.1 These terms may change from time to time, in which case you will receive amended terms. The changed terms will apply in respect of any instructions you give us after the change.
- 10.2 Our relationship with you is governed by New Zealand law and New Zealand courts have exclusive jurisdiction.