Terms of Engagement

REJTHAR STUART LAW

1. **INTRODUCTION.** These Standard Terms of Engagement (Terms) apply to any current engagement and to any future engagement, whether or not we send you another copy of them. We are entitled to change these Terms from time to time, in which case we will send you amended Terms. Our relationship with you is governed by New Zealand law and New Zealand courts have exclusive jurisdiction.

2. **SERVICES.** The services we are to provide for you (the Services) are outlined in our letter of engagement along with any further instructions that you provide to us in writing (or that we record in writing). In order to provide you with efficient advice and services and to provide the most cost-effective service, it may be that part, or all of your instructions will be delegated to other professionals in our firm.

3. **COMMUNICATION.** We will obtain from you contact details, including email address, postal address, and telephone numbers. We may provide documents and other communications to you by email (or other electronic means). You will advise us if any of your contact details change.

   You agree that we may provide you from time to time with other information that may be relevant to you, such as newsletters and information bulletins. At any time, you may request that this not be sent to you.

4. **FEES.** Our fees will be charged on the basis that they will be fair and reasonable, having regard to the circumstances of the matter and the nature of our work for you. While the time and resources involved will be important factors, we will also consider the results achieved and the urgency, level of skill, complexity, responsibility, and specialist knowledge involved. The basis upon which we will charge our fees is set out in our engagement letter.

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

   (b) Where our fees are calculated on an hourly basis, the hourly rates of the people we expect to undertake the work are set out in our engagement letter. Any differences in those rates reflect the different levels of experience and specialisation of our professional staff. Time spent is recorded in six-minute units.

   (c) Hourly fees may be adjusted (upwards or downwards) to ensure the fee is fair and reasonable to take into account matters such as the complexity, urgency, value and importance of the Services. Full details of the relevant fee factors are set out in Rule 9 of the Lawyers and Conveyancers Act (Lawyers: Conduct and Client Care) Rules 2008 (Rules).

5. **EXPENSES.** Our invoice will include additional office expenses incurred in the provision of our legal services to you. Expenses are out of pocket costs not included in our fees. They include (but are not limited to) photocopying, courier and postal charges, telephone and facsimile costs and the collection and provision of Anti-Money Laundering (AML) information.

6. **DISBURSEMENTS.** We may incur disbursements on your behalf. These will be in addition to our fee for the provision of professional services. Disbursements include such things as (but are not limited to): Court filing fees; Expert witness fees; Witness fees; Costs on verifying your identity for AML or other purposes; Travel costs

   We may request you pay funds to us in advance of incurring those disbursements. Those funds will be held in our trust account on your behalf and applied to payment of the disbursements. We reserve the right to stop work on your file until payment is made, after a request from us.

7. **TERMS OF PAYMENT.** If, at the time of invoice, we are holding funds for you (e.g. the sale of a property) then, unless otherwise agreed we will deduct the amount of the invoice from that money and give you a full statement. By instructing us you irrevocably acknowledge that payment of our costs and disbursements in this manner is made at your request in lieu of your making payment and will be treated as if you have made payment to us in full without deduction.

   In all other cases, unless other terms of payment are specifically agreed we will be entitled to interim bill you monthly. Generally, however, property and similar transactional work will be billed at the time of the settlement or on completion of the work and our costs deducted from funds handled through our trust account.

   Where an invoice is rendered, payment is due within 14 days of receipt of that invoice. We do, however, expressly reserve the right to require payment in advance to cover work in progress.

   We reserve the right to charge interest on any invoice or amount outstanding over 14 days at 2% per month compounding interest. If you anticipate difficulties in paying our account, you must contact us and make arrangements for payment.

   Where we have done work for you but have not been paid, we have the right to retain certain original documents and correspondence on your file until such time as we are paid. Known as a lien, this will be important if you decide to instruct another firm to act for you for whatever reason. In that event, that firm may be obliged to give an undertaking to pay our charges before we release your file or documents to that firm.

   Should we fail to obtain payment of our costs and disbursements and a debt collection agency is instructed to recover this debt on our behalf, all additional costs associated with this will also be payable by you.

8. **CONFIDO AGENCY LIMITED.** In addition to fees for our professional services, we engage Confido Agency Limited to undertake Property Title, PPSR and Company searching and registrations with Land Information New Zealand and the Companies Office. Where it is necessary, you will be invoiced separately for this.

9. **CREDIT LIMIT.** We may allocate you a credit limit at any time which will be confidential between us. The total amount that we will allow you to owe us may be increased or decreased or withdrawn by us at any time.

   We may stop doing work (and instruct others to stop doing work) for you if your credit limit is exceeded and if payment is not received by us within 14 days of issue of our invoice. We will have no liability for any loss suffered by you when work is stopped for this reason.

10. **CONFIDENTIALITY AND PERSONAL INFORMATION.** We will treat all information we hold about you as private and confidential and will not disclose any information we hold on your behalf or about you unless we are required to do so by law or where it is necessary to do so to provide our services to you or when requested by you or with your consent.

    We may collect and retain information about you as part of providing services 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.

We will comply with all applicable laws (including the Privacy Act 1993) when we collect, use and disclose personal information about you.

11. **DOCUMENTS, RECORDS AND INFORMATION.** We will keep a record of all important documents which we receive or create on your behalf 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 will provide to you on request copies or originals (at our option) of all documents to which you are entitled under the Privacy Act 1993 or any other law.

    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.

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

    (a) Anti-money laundering (AML) and countering financing of terrorism (CFT) laws; and
    (b) Laws relating to tax 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.

13. **CONFLICTS 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 Lawyers and Conveyancers Act (Lawyers: Conduct and Client Care) Rules 2008 (Rules). This may mean we cannot act for you further in a particular matter and we may terminate our engagement.

14. **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.

Information for Clients

1. **INTRODUCTION.** 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").

2. **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 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.

3. **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 on request.

4. **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 & 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.

5. **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 Dianne Murray, Office Manager, Rejthar Stuart Law, PO Box 13033, Tauranga, 3141 or by email: dianne@rejtharlaw.co.nz

   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: visit www.lawsociety.org.nz, call **0800 261 801**, or write to the New Zealand Law Society, PO Box 5041, Lambton Quay, Wellington 6145.

6. **PERSONS RESPONSIBLE FOR THE WORK.** The name and status of the person who will have overall responsibility for the services we provide for you has been notified to you in writing.

7. **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:

   (a) Act competently, in a timely way, and in accordance with instructions received and arrangements made.
   (b) Protect and promote your interests and act for you free from compromising influences or loyalties.
   (c) Discuss with you your objectives and how they should best be achieved.
   (d) Provide you with information about the work to be done, who will do it and the way the services will be provided.
   (e) Charge you a fee that is fair and reasonable and let you know how and when you will be billed.
   (f) Give you clear information and advice.
   (g) Protect your privacy and ensure appropriate confidentiality.
   (h) Treat you fairly, respectfully and without discrimination.
   (i) Keep you informed about the work being done and advise you when it is completed.
   (j) 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 about the information in this section, please visit www.lawsociety.org.nz or call 0800 261 801.

8. **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 will be notified to you in writing.