

Standard Terms of Engagement

Introduction

Once you have decided what services you would like us to undertake on your behalf following our initial contact, we shall assign a solicitor or legal executive to you whom we feel has the most experience or knowledge with regard to your particular matter. We do however act as a team and in many cases your work may entail another solicitor or legal executive from within the firm to have some input. As a relatively small firm, each member of our 'team' operates with a large degree of autonomy. Be assured however that the firm operates an "open door" policy to our Directors Eric Tanner and Marja Meeter, at any time.

Confidentiality

We regard client confidentiality as of paramount importance. We do not disclose any confidential information obtained as a result of acting for a client unless required or authorised by that client, or the law or the Law Society's Rules of Conduct and Client Care for lawyers.

Duty of Care

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.

Insurance

We carry professional indemnity insurance and the legal profession also operates a Solicitor's Fidelity Guarantee Fund through the New Zealand Law Society, which reimburses persons for certain pecuniary losses. Where we have to obtain and rely upon outside agencies and/or public records, we do not accept liability for direct or indirect damage or losses caused by errors or omissions contained in those reports. We shall of course exercise as much care as we reasonably can.

Our fees

Our fee for the work will be based on guidelines laid down by the Rules of Conduct and Client Care for Lawyers of the New Zealand Law Society including but not necessarily restricted to:

- time expended (based on the appropriate hourly rate)
- skill, knowledge and experience of the practitioner
- complexity, novelty, importance and urgency of the matter
- reasonable costs of running a practice
- result

subject to the above guidelines, the final fee may be assessed also at the hourly rates of each solicitor or legal executive involved. Once we have discussed the matter with you, and become more fully acquainted with the issues involved, we shall then provide you with an estimate of our costs.

PLEASE NOTE, this will be an estimate only and not an agreed fixed fee. We shall provide a revised estimate if there is likely to be a significant difference between our estimate and the final fee. This may be caused by amongst other things, alterations to the initial instructions or issues arising, which require additional work which was not anticipated at the stage of initial contact.

GST (if any)

Is payable by you on our fees and charges. Disbursements are usually GST inclusive and noted as such on our Trust Account statement.

Disbursements and Expenses

Disbursements are out of pocket expenses necessary or desirable in the matter and paid by us on your behalf. These will be on- charged to you at full cost. Charges are made for general costs of running an office, costs such as postage, printing, photocopying and Toll calls. These are made on a usage basis. Charges will also be incurred for courier services, online enquiries and searches, lodgement of documents and other matters that may be required in respect of the matter at hand. Every file will be charged a surcharge for scanning files and the safe destruction of the paper files.

Billing and Payment

Our fees are payable on settlement from net proceeds (if any) or on invoice where there are no net proceeds available. In that case, fees will be payable within 14 days of the date of the invoice unless alternative arrangements have been made.

We reserve the right to require an 'up front' payment into our Trust Account to cover initial disbursements and fees, prior to commencing significant work on your behalf.

Should it be necessary to incur unusual or significantly larger disbursements and/or costs than originally estimated, retain counsel or to travel to do the work, then we may ask you for funds in advance to cover these expenses. Alternatively, we may send an additional invoice. At appropriate times, we may request moneys on account of our future costs.

Unless moneys held by us for you are held in trust for a specific purpose, any such moneys may be applied by us in payment of fees and costs incurred for you after we bill you for them.

It is now our practice to send interim accounts when work has been carried out during the period or for disbursements incurred. These accounts will normally be sent at the end of each month during the period.

Interest

We reserve the right to charge interest at 14% on any fees and/or disbursements remaining unpaid after the due date. We ask that you contact us promptly if you have any difficulties or queries regarding any account.

Litigation

If the matter is litigious then the following will apply:

It may be desirable to engage the services of a barrister to appear in the Court proceedings. If so, we may ask you to enter into a separate fee Agreement directly with that barrister.

If you are successful in obtaining an order for costs payable by the other parties in the litigation, it will most likely be for an amount substantially less than the costs payable under this Agreement and/or any separate Agreement with a barrister. If so, that will not affect your obligation to pay us as set out above.

It is also possible that the Court may make an order that you pay (part of) another parties costs. If so, those costs would be in addition to those payable to us under this Agreement.

Authority to destroy the file

In the interest of storage space we may destroy the file (except documents deposited in safe custody) in this matter at any time at least seven years after the date of the final bill rendered by us, or earlier if we have converted those files and documents into an electronic format.

If you uplift your files or other documents at any time, we may make copies of them before they are uplifted.

Termination

You may terminate our retainer at any time. We may terminate our retainer in any of the circumstances set out in the Rules of Conduct and Client Care for Lawyers. You will still remain liable to pay our fee for work done and the expenses incurred up to the date of termination or suspension of work.

Lien

Where work has been done by the firm but the firm has not been paid by the client then as a general rule the Firm has the right to retain the documents and correspondence on the Client's file until such time as all outstanding fees, disbursements and other expenses have been paid. This is known as a lien. This will be particularly important where the Client decides for whatever reason to instruct another firm. That other firm may be obliged to give an undertaking to our firm, to pay all outstanding fees and disbursements before the Client's file is released.

Electronic Communications and Storage of Information

Unless otherwise agreed with you, we may contact you by electronic means. These communications can be subject to interference, interception or may contain viruses or other defects ('corruption'). We do not accept any responsibility or liability for any damage or loss caused in connection with the corruption of an electronic communication. If you have any doubts about the authenticity of a communication or document purportedly from our firm, please contact us immediately. Our long term plan is to store files electronically to reduce the burden of storage. In agreeing to these terms and conditions, you also agree to us storing your files and information in electronic form.

Trust Account

We maintain a trust account for all funds received 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. If we do this we will charge an administration fee of up to 5% of the interest derived.

General

These terms apply to any current engagement and also 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.