

## Standard 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.

### 1.0 Services

1.1 The services which we are to provide for you are outlined in our engagement letter.

### 2.0 Verifying Your Identity, Address and Source of Funds

2.1 Before we accept instructions and commence acting for you we are required to collect, retain and in some instances disclose to our bank, Inland Revenue, the Department of Internal Affairs or the Financial Intelligence Unit of the New Zealand Police such information as is required to enable us to comply with obligations imposed on us by legislation or other requirements arising from other governmental rules, regulations or standards including, but not limited to, the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 ("AML/CFT Act"), the United States Foreign Accounts Tax Compliance Act ("FATCA") and the Common Reporting Standards ("CRS").

2.2 For the purposes of complying with the requirements specified in Clause 2.1, we may need to verify your identity, home address and, in some circumstances, the source of funds for a transaction.

### 3.0 Who We Can Accept Instructions From

3.1 In carrying out our retainer we may accept instructions from:

- (a) either of you if you are a couple;
- (b) any of your trustees or officers if you are a trust;
- (c) any of your partners or officers if you are a partnership;
- (d) any of your directors or employees or any other person you have authorised to instruct us if you are a company; and
- (e) any person holding themselves out as being authorised by the officers to instruct us if you are a Body Corporate or Incorporated Society.

3.2 You must advise us in writing if you do not wish any of the above to apply to you.

### 4.0 Financial

4.1 Fees:

- (a) The fees which we will charge or the manner in which they will be arrived at, are set out in our engagement letter.
- (b) If the engagement letter specifies a fixed fee, we will charge this for the agreed scope of our services. Work which falls outside that scope will generally 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 the agreed scope and if requested, give you an estimate of the likely amount of these further costs.
- (c) Where our fees are calculated on an hourly basis, the hourly rates are set out in our engagement letter. The differences in those rates reflect the experience and specialisation of our professional staff. Time spent is recorded in six minute units with time rounded up to the next unit of six minutes.
- (d) In the circumstances where, after commencement of our services you nominate another party to complete the matter (including but not limited to a limited liability company or trust) these Terms shall also apply in respect of all work carried out by us for your nominee provided that you shall at all times remain personally liable to meet your nominee's obligations pursuant to these Terms.
- (e) Where the instructing client is a limited liability company or trust, the directors of the company or the

trustees of the trust who sign (or where the client is bound to meet the obligations of the client company pursuant to these terms) are jointly and severally personally liable to meet the client's obligations pursuant to these terms. This provision shall not apply to independent trustees who have no beneficial interest in the trust whose liability shall be limited to the assets of the trust for the time being unless the independent trustee has instructed us to carry out the work on behalf of the trust.

4.2 **Disbursements and Expenses:** In providing services we may incur disbursements or have to make payments to third parties on your behalf and you authorise us to incur these disbursements and make payments to third parties on your behalf. Generally we require that payment of external disbursements be made as they fall due. We may require an advance payment for the disbursements or expenses which we will be incurring on your behalf. Disbursements are charged to you at cost and include, but are not limited to; Land Information New Zealand (LINZ) title searches and registration fees, Land Information Memorandum (LIM) fees charged by territorial authorities, Personal Property Security Register (PPSR) search fees, ADLS form fees, bank charges, court filing fees, process server fees and file archiving and retrieval fees.

4.3 **GST (if any):** Is payable by you on our fees and charges.

4.4 **Invoices:** May be sent to you on an interim basis (e.g. monthly), on completion of the matter, or termination of our engagement. We may also send you an invoice when we incur a significant expense.

4.5 **Payment:** Invoices are payable within 14 days 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 7 days overdue. Interest will be calculated at the ASB Bank Limited commercial overdraft rate applicable on the date the account becomes overdue. We may also cease providing our services to you in respect of any current matter or not accept instructions to act on any new matter during such time as any of our invoices payable by you are more than 7 days overdue for payment.

4.6 **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. Signing the letter of engagement is your written authority to us to deduct our fees and disbursements and expenses from any funds held on your behalf in our trust account.

4.7 **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.

### 5.0 Confidentiality

5.1 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) As expressly or impliedly agreed by you; or

<p>(c) To the extent required the Law Society's Rules of Conduct and Client Care for Lawyers; or</p> <p>(d) To the extent required or permitted by law</p> <p>5.2 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.</p> <p>5.3 We will of course, not disclose to you confidential information which we have in relation to any other client without that client's consent.</p> <p>5.4 You authorise us to conduct Customer Due Diligence and Ongoing Customer Due Diligence as required by the AML/CFT Act. We may use a third party service provider and exchange information about you for that purpose. You also authorise us to collect and exchange information about you for the purposes of compliance with FATCA and/ or CRS.</p> <p>5.5 We may disclose your name and address to third parties such as credit agencies to perform a credit reference or to undertake credit managed or collection processes if it is reasonable to do so.</p> <p>6.0 <b>Termination</b></p> <p>6.1 You may terminate our retainer at any time.</p> <p>6.2 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 including, but not limited to, the existence of a conflict of interest, non-payment of fees and failure to provide instructions.</p> <p>6.3 We may terminate our retainer if you do or fail to do anything which prevents us from complying with our obligations pursuant to any legislation or other requirements imposed on us by any other governmental rules, regulations or standards including, but not limited to, the AML/CFT Act, FATCA and CRS.</p> <p>6.4 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. Before you take your records, you must pay our fees for the work we have done for you. We may keep a copy of any records you take.</p> <p>7.0 <b>Retention of Files and Documents</b></p> <p>7.1 You authorise us (without further reference to you) to destroy all hard copy files and documents for any 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. We may also delete any files and documents stored in an electronic format 7 years after our engagement ends. Upon completion of your matter, our file relating to it shall be archived in a secure offsite storage facility by a provider of offsite document management services. A one off storage fee per matter shall be charged as a disbursement.</p> <p>7.2 If you require us to provide you with a file or any copies of material or other information from a file of yours which is held at an offsite storage facility, or if we require to retrieve our archived file for any reason we may charge you the costs of retrieving the file from the offsite storage facility.</p> <p>8.0 <b>Conflicts of Interest</b></p> <p>8.1 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.</p> <p>9.0 <b>Duty of Care</b></p> <p>9.1 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.</p>	<p>10.0 <b>Trust Account</b></p> <p>10.1 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 our bank unless it is not reasonable or practicable to do so due to the smallness of the amount, the shortness of the period for which the money is to be held or for any other reason. Before we place funds on interest bearing deposit on your behalf we must comply with the obligations imposed by FATCA and CRS and you will be required to sign a Tax Residency Self Certification Form and a Consent to release of information to our bank concerning your tax residency status. You acknowledge that we cannot place funds on an interest bearing deposit if you have not provided us with the required information relating to your FATCA and CRS status. If we lodge those funds on interest bearing deposit with a bank we will charge a fee based on time spent on attendances by us which are required for the purposes of complying with the bank's self-certification requirements and an administration fee of 5% of the interest derived. If you do not wish us to place funds on interest bearing deposit we will hold funds in our trust bank account which is non-interest bearing and which will not incur the additional costs referred to in this clause 10.1.</p> <p>10.2 We require written authorisation from you to make payments from our trust account to a third party.</p> <p>11.0 <b>Communications</b></p> <p>11.1 We will obtain from you contact details including email address, physical and 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.</p> <p>11.2 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.</p> <p>11.3 We have virus protection software; however, we cannot guarantee that electronic communications will always be free from viruses or other defects, are secure or will be received. For your protection, text messages and emails will generally not be accepted as evidence of your bank account number if payments are to be made to you. If you require a payment to be made from our trust account to your bank account we will require evidence of the account number by way of any of the following:</p> <p>(a) Original or faxed bank deposit slip;</p> <p>(b) Signed handwritten bank deposit slip;</p> <p>(c) Signed letter from you;</p> <p>(d) Copy of a cheque or bank statement;</p> <p>(e) Letter from your bank.</p> <p>11.4 If you do email or text us details of your bank account number we will only act on that after we have telephoned you and confirmed that the details are correct.</p> <p>11.5 We shall not be responsible for any delays in making payment to you or liable for any loss incurred if you do not comply with these requirements for verification of your bank account or are unable to contact you by telephone to confirm your bank account number is you send us details of this by text message or email.</p> <p>12.0 <b>General</b></p> <p>12.1 These Terms apply to any current engagement and also to any future engagement, whether or not we send you another copy of them.</p> <p>12.2 We are entitled to change these terms from time to time, in which case we will send you amended terms.</p> <p>12.3 Our relationship with you is governed by New Zealand law and New Zealand courts have non-exclusive jurisdiction.</p>
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