

Terms of Engagement

1. Introduction

- (a) Lane Neave (**we** or **our**) values its relationship with our clients (**you**) and believes that it is important that you are aware of and understand the terms on which we will provide legal services to you.
- (b) These terms of engagement will apply every time you engage us to provide legal services to you (**engagement**), unless we have agreed an alternative arrangement with you, which is recorded in writing.
- (c) We will take your continued instructions as your acceptance of these terms of engagement.
- (d) These terms of engagement are an important document. Please keep a copy of this document for your records.
- (e) If you have any questions about these terms of engagement please contact the Lane Neave partner responsible for your business.

2. Services

- (a) In carrying out the engagement for you we will:
 - (i) take all reasonable care and skill;
 - (ii) comply with our legal and ethical obligations to you;
 - (iii) use our best efforts to deliver the desired outcomes within agreed or anticipated timeframes and costings; and
 - (iv) subject to legal and/or ethical constraints, carry out your instructions and put your interests before all others.
- (b) Our duties under these terms of engagement are owed solely to you, the person who has engaged us. We do not accept any responsibility to any third parties who may be affected by our performance of the engagement or who may rely on any advice we give, except as expressly agreed in writing between us.
- (c) In order to provide efficient, specialist advice and services, our firm is divided into a number of teams. It may be that your instructions will be delegated to a person other than the person you originally instructed.

3. Communication

- (a) We will report to you periodically on the progress of any engagement and will always try to keep you informed of any unexpected delays or changes in the character of the work being undertaken. You may request a progress report at any time.
- (b) We require that you provide us with your full name, and a postal address and telephone number at which we can contact you when required.

- (c) If you provide us with a facsimile number, then information may be relayed to you by facsimile without prior contact. Please let us know if, for any reason, you require to be telephoned before we send a facsimile to you.
- (d) If you provide us with an e-mail address, then information may be relayed to you by email.
- (e) We will from time to time send you information, such as client newsletters, updates and other material that may be relevant to you. These may be sent in electronic form to the e-mail address provided by you. Unless you tell us otherwise, we will assume you agree to receive this information. If you do not wish to receive this information, or would prefer that the information be posted to you, please let us know.

4. Our Fees

- (a) Unless we have provided you with a fixed fee quote in writing, our fees will be calculated in accordance with the guidelines laid down by the New Zealand Law Society and will take into account several factors including:
 - (i) the time and labour expended;
 - (ii) the skill, specialised knowledge, and responsibility required to perform the services properly;
 - (iii) the importance of the matter to you and the results achieved;
 - (iv) the urgency and circumstances in which the matter is undertaken and any time limitations imposed, including those imposed by you;
 - (v) the degree of risk assumed by us in undertaking the services, including the amount or value of any property involved;
 - (vi) the complexity of the matter and the difficulty or novelty of the questions involved;
 - (vii) the experience, reputation, and ability of the person who acts for you;
 - (viii) the possibility that the acceptance of the particular retainer will preclude employment of that person by other clients;
 - (ix) whether the fee is fixed or conditional (whether in litigation or otherwise);
 - (x) any quote or estimate of fees given by us to you;
 - (xi) any fee agreement (including a conditional fee agreement) entered into between us and you;
 - (xii) the reasonable costs of running a practice; and

- (xiii) the fee customarily charged in the market and locality for similar legal services.
- (b) You may request an estimate of our fee for undertaking the required services at the time you instruct us.
- (c) Any estimate of our fee will normally be a range between a minimum and a maximum amount.
- (d) Any significant assumptions included in the estimate will be stated.
- (e) Unless otherwise stated, any estimate or charge out rate will not include office charges, disbursements or GST.
- (f) Any estimate or charge out rate provided by us is a guide only. The amount of the final fee may be more or less depending on all the circumstances.
- (g) If we are going to significantly exceed any estimate provided by us we will contact you to discuss a revised estimate.
- (h) Any estimate given by us is not a quote or fixed fee, nor is it a cap on what may be charged by us.

5. Expenses and Disbursements

- (a) In addition to our fees we will also charge you for any expenses and disbursements incurred by us to third parties on your behalf. These costs may include (without limitation) such things as photocopying, binding, courier, telephone, facsimile or search fees, court filing fees, registration fees and travel. We reserve the right to request payment of these disbursements from you in advance.
- (b) We may also charge you a separate fee to cover other costs relating to general administration expenses incurred as a consequence of and during the course of our engagement.

6. Our Invoices

- (a) We will normally send you a monthly invoice for ongoing matters involving work spread over more than one month. Final accounts will be rendered on completion of each matter.
- (b) We may ask you for funds in advance to be held in trust and applied by us with your approval in payment of our fees and expenses.

7. Payment

- (a) Our invoices are payable within 14 days following the date of the invoice unless alternative arrangements have been agreed with you in writing.
- (b) We accept payment by cheque, cash, EFTPOS, credit card or by direct credit to our bank account. All our invoices are accompanied by a remittance advice to assist with payment.
- (c) For conveyancing matters, payment of our legal fees and expenses is required on settlement of the transaction.
- (d) Where we have your consent we will deduct fees and expenses from funds held on your behalf in our trust account.
- (e) Part payment of an account will be accepted as partial settlement of the full amount of the account, unless we

agree in writing to accept the reduced amount as full payment.

- (f) We reserve the right to require payment in advance.

8. Unpaid Accounts

- (a) If you have difficulty in meeting any of our accounts, please contact us promptly so that we may discuss payment arrangements.
- (b) If our invoiced amount or any part of it remains unpaid beyond 14 days from the date of the invoice, we reserve the right to:
 - (i) charge a default fee at the rate of 2% per month (including GST) on the outstanding balance; and
 - (ii) stop work on your matter until the overdue amount is paid, to require payment for future fees in advance or to terminate our representation in a manner which is consistent with our obligations.
- (c) In the event we need to take recovery action from you, you will be liable to reimburse us for our actual costs of taking that action (including lawyers and debt collector's fees).

9. Trust Account

- (a) We operate a trust account. All money received by you or on your behalf will be held to your credit in the trust account. Payments out of the trust account will be made to you or to others with your authority. Written authorisation from you will be required when payment is to be made to a third party.
- (b) 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 at any time upon your request.
- (c) Where appropriate, funds will be placed on call deposit with a bank registered under section 69 of the Reserve Bank of New Zealand Act 1989. Funds may also be placed on term deposit. Your written authority will be required for a term investment.
- (d) Interest earned from call deposits or term deposits, less withholding tax and an interest collection commission payable to us, will be credited to your trust account.
- (e) In accordance with the Lawyers and Conveyancers Act 2006, moneys held in our trust account which are not held on call or term deposit will not earn you interest.
- (f) If you request a payment from our trust account to be made by direct credit to your account, one of the following authorities will be required:
 - (i) Original or faxed deposit slip.
 - (ii) Signed handwritten bank deposit slip.
 - (iii) Signed letter.
 - (iv) Copy of cheque or bank statement.
 - (v) Letter from your bank.

10. Ownership of Files and Documents

- (a) You will own all documents we create on your behalf in the course of our engagement. We will own all

documents we have created for our own use in performing our engagement.

- (b) We own copyright in all documents or works we create in the course of our engagement 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, you may not permit any third party to copy, adapt or use the documents without our written permission.
- (c) We reserve the right to exercise a general lien over any and all files and documents we hold on your behalf while you owe us money either for services rendered or for any other reason.
- (d) We will store your files and documents for you without charge if you wish for at least 6 years following completion of our engagement. After that time we may destroy these files and documents, except documents we have agreed with you to keep in long-term storage.

11. Confidentiality

Information disclosed to us by you will be afforded confidentiality to the fullest extent allowed by law and the New Zealand Law Society's Rules of Conduct and Client Care for Lawyers (**Rules**).

12. Privacy

- (a) In your dealings with us we will collect and hold personal information about you. We will use that information to carry out the engagement and to make contact with you in the future about issues we believe will be of interest to you, such as those described at clause 3(e). Failure to provide information we request may prevent or hinder us from providing our services to our customary standards, or at all.
- (b) We may disclose your name and address to a credit agency to perform a credit reference or to undertake credit management processes if we deem it necessary to do so.
- (c) Subject to our legal and ethical obligations to maintain client/lawyer confidentiality at all times you authorise us to disclose, in the normal course of performing the engagement, such personal information to third parties for the purposes mentioned in clauses (a) and (b) above.
- (d) The information we collect and hold about you will be kept at our offices and/or at secure file storage sites elsewhere in Christchurch. If you are an individual you have the right to access and correct this information. If you require access, please contact our Chief Executive Officer.

13. Verification of Identity

We may ask you to show us documents verifying your identity. We are required by the Financial Transactions Reporting Act 1996 and the procedures for electronic registration of land transactions to take a copy of these documents in some transactions.

14. Ethical Duties

- (a) We take steps to ensure that no conflict of interest arises between clients for whom we are engaged. On the rare occasions that a conflict or potential conflict does arise, we will follow the Rules. In particular, we will:
 - (i) advise the clients involved of the conflict or potential conflict;

- (ii) advise the clients involved that they should take independent advice and arrange that advice if required; and
- (iii) decline to act further for any client in the matter where to continue to act would, or would be likely to disadvantage any of the clients involved.

- (b) Our relationship is one involving a very high degree of trust and confidence between us. Either you or we may terminate the engagement at any time if either of us believes that relationship has been undermined for any reason.

15. Insurance

We hold professional indemnity insurance that exceeds the minimum standards from time to time set by the New Zealand Law Society. We will provide you with particulars of the minimum standards upon request.

16. Lawyers' Fidelity Fund

The legal profession also operates a lawyers' fidelity fund through the New Zealand Law Society which may reimburse clients who suffer pecuniary loss due to theft or misappropriation of funds by lawyers. The maximum amount payable by the fidelity fund by way of compensation to an individual claimant is limited to \$100,000.00. However, subject to certain limited exceptions as set out in the Lawyers and Conveyancers Act 2006, the fidelity fund does not cover a client for any loss relating to money where the lawyer invests the funds on behalf of the client.

17. Complaints and Disputes

- (a) If you have any concerns or complaints about our services please raise them as soon as possible with the person to whom they relate.
- (b) If you are not satisfied with the way that person has dealt with your complaint please raise the matter with the Partner responsible for your business or with our Chief Executive Officer. We will endeavour in good faith to resolve the matter with you in a way that is fair to all concerned. You will be provided with a response in writing.
- (c) If you remain unsatisfied the New Zealand Law Society has a complaints service to which you may refer the issue. Matters may be directed to the Canterbury office of the New Zealand Law Society, 307 Durham Street, PO Box 565, Christchurch 8140, Ph: (03) 366-9184, Fax: (03) 366-9977.
- (d) If you have received any assistance or advice in your matter from a Licensed Immigration Adviser and remain unsatisfied, you are able to lodge a complaint with the Immigration Advisers Authority (**IAA**). This complaint must be writing either on the IAA complaint form (we will provide this form upon request) or by letter and sent to: Immigration Advisers Authority, PO Box 6222, Auckland 1141, Ph: 0508 422 422 or 64 9 925 3838 if outside New Zealand.

18. Feedback

Client satisfaction is one of our primary objectives and feedback from clients is very helpful to us. If you would like to comment on any aspect of the service provided by us, please contact the Partner responsible for your business or our Chief Executive Officer.

New Zealand Law Society Client Care and Service Information

Whatever legal services your lawyer is providing, he or she must:

1. act competently, in a timely way, and in accordance with any arrangements made;
2. protect and promote your interests and act for you free from compromising influences or loyalties;
3. discuss with you your objectives and how they should best be achieved;
4. provide you with information about the work to be done, who will do it and the way the services will be provided;
5. charge you a fee that is fair and reasonable and let you know when you will be billed;
6. give you clear information and advice;
7. protect your privacy and ensure appropriate confidentiality;
8. treat you fairly, respectfully and without discrimination;
9. keep you informed about the work being done and advise you when it is completed; and
10. 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 New Zealand Law Society's *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, please visit www.lawyers.org.nz or call 0800 261 801.