

HARDY-JONES CLARK

LAWYERS • NOTARY PUBLIC

These are our standard terms of engagement ("Terms") applying in respect of all work carried out by us for you. They will be varied from time to time. Those which apply at any time are those which are posted on our website. In some individual cases we will be prepared to accept variations negotiated in advance.

1. Services

The services we are to provide for you will be in the terms of your instructions as accepted by us.

2. Our charges

We charge fees which are fair and reasonable.

We record the time which we take in dealing with clients' business. Usually we charge according to the time taken. While charges for time spent are our usual practice, it is not always applied. The end position is what is fair and reasonable to our clients and ourselves in the particular circumstances. Sometimes this will be less than time spent and sometimes it will be more than time spent.

New Zealand Law Society rules provide that the following factors are to be taken into account when charges are being set:

- the time and labour expended
- the skill, specialised knowledge and responsibility required to perform the services properly
- the importance of the matter to the client and the results achieved
- the urgency and circumstances in which the matter is undertaken and any time limitations imposed, including those imposed by the client
- the degree of risk assumed by the lawyer in undertaking the services, including the amount or value of any property involved
- the complexity of the matter and the difficulty or novelty of the questions involved
- the experience, reputation and ability of the lawyer
- the possibility that the acceptance of the particular retainer will preclude engagement of the lawyer by other clients

- whether the fee is fixed or conditional (whether in litigation or otherwise)
- any quote or estimate of fees given by the lawyer
- any fee agreement (including a conditional fee agreement) entered into between the lawyer and client
- the reasonable costs of running a practice
- the fee customarily charged in the market and locality for similar legal services

Within our practice different charging rates apply according to the qualifications, experience and responsibilities of the person undertaking the work. Some who work within our practice do not charge for their time. This is generally provided for the purposes of the practice and therefore their costs are recovered in an overall way in the charge-out rates of others within the practice. Our hourly rates may change from time to time without notice but are provided on request.

We are able to give estimates and sometimes quotes. However in many instances it is impossible for the cost of the work to be determined, as at the start when instructions are first given, it is impossible to know the extent of the work that will be required, its complexity, and the time likely to be taken.

We welcome discussion about fees at the commencement of our instructions. We welcome ongoing discussion about fees as work progresses. We are always willing to discontinue acting if the impact of fees is not likely to be justified having regard to outcomes.

We always look to give value to our clients and look to achieve a situation where clients are happy that they have received value for money. Sometimes however the nature of legal practice means that an outcome which had been hoped for is not able to be achieved. In contentious matters we are only rarely able to give assurances as to certainty of outcome.

If any client is dissatisfied with the fees we have charged then we encourage discussion about that.

3. Disbursements and expenses

In providing services we may incur disbursements or have to make payments to third parties on your behalf. These will be included in our invoice to you. We may require an advance payment for the disbursements or expenses which we will be incurring on your behalf.

4. GST

All our fees and disbursements are required to carry GST and GST will be payable in addition by you.

5. Invoices

We will send invoices to you usually on completion of the matter, or termination of our engagement. We may also send interim invoices to you if we incur a significant expense or the matter becomes protracted.

6. Payment

We require payment of all invoices **within 7 days** of the date of the invoice unless alternative arrangements have been made with us. We reserve the right to charge interest on any amount which is more than 7 days overdue. Interest will be calculated at the rate of 12% p.a. and charged monthly.

We accept payment by direct credit, cash or credit card.

It is not our usual practice to suspend work on a file pending payment of our account. However, we reserve the right to do so where no arrangements to cover on-going work have been made. The liability for any loss which follows from cessation of work where fees have not been paid must lie with the client.

We reserve the right to deduct fees and disbursements from monies held in Trust.

We reserve the right to charge fees or commission for the handling of client monies but on the basis that all commissions and fees will be disclosed to clients and will be in accordance with ordinary legal profession practices.

If after three months an account remains unpaid we may pursue its recovery and you will be responsible for all costs incurred in the recovery of any outstanding amount. You agree we may use and disclose any personal information (as defined in the Privacy Act 1993) for that purpose.

We will retain custody of all files, documents and funds held on your behalf until all accounts are paid.

7. Security

We may ask you to pre-pay amounts to us, or to provide security for our fees and expenses. You authorise us:

- to debit against amounts pre-paid by you
- 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.

8. 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.

9. Confidentiality

Client confidentiality is important to us. 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:

- to the extent necessary or desirable to enable us to carry out your instructions; or
- to the extent required by law or by the Law Society's Rules of Conduct and Client Care for Lawyers.

Confidential information concerning you will as far as practicable be made available only to those within our firm who are providing legal services to you.

10. Privacy

On occasions it is necessary to obtain information on your behalf from other organizations or people to complete the work for you. An example is attaining rate details from a Local Authority to finalize a property transaction.

This firm maintains a practice management system that records client details such as names, addresses, phone numbers and IRD numbers where relevant. This information remains confidential to partners and employees of this firm.

11. Electronic communication

We may communicate with you and others by electronic means (emails etc). While we maintain virus detection and internet access security software, we do not accept liability for any damage or loss caused in connection with corruption of or interference with any electronic communication.

12. Termination

You may terminate our retainer at any time.

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.

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.

13. Retention of files and documents

You authorise us (without further reference to you) to destroy all files and documents for the matter (other than any documents that we hold in safe custody for you) seven years after our engagement ends, or earlier if we have converted those files and documents to an electronic format.

14. Conflicts 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 requirements and procedures set out in the Law Society's Rules of Conduct and Client Care for Lawyers. We will only continue to act if we have the informed consent of all parties.

15. Verification of Identity

We are legally required by the Financial Transactions Reporting Act 1996 and the processes for electronic registration of land transactions to take a copy of documents verifying the identity of the client in some matters.

16. 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.

17. Trust account

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 a bank. In that case we will charge an administration fee of 5% of the interest derived.

If a payment is to be made from our Trust account to your bank account by direct credit, we require confirmation of details by one the following:

- original or scanned deposit slip
- copy of bank statement
- document from bank showing account details
- letter from bank confirming account details

18. Client satisfaction

This practice has been continuously providing legal services since 1865. It has a fundamental ethic of looking to ensure client satisfaction. Sometimes things do not go according to expectations and sometimes clients can become dissatisfied with an outcome or can become dissatisfied with what they consider to be unsatisfactory service.

Every worthwhile business has to have procedures for dealing with occasional client dissatisfaction.

In our practice we encourage the following steps:

- The voicing to us of any issues of dissatisfaction or concern. We cannot deal with things that we do not know about.
- If the matter having been raised, a client continues to be unhappy or dissatisfied we then encourage contacting one of our Partners Jodi Harris.

With all of our clients we hope that no issues of dissatisfaction will ever arise but we wish to give the assurance that if they do, they will be properly and professionally dealt with.

19. Complaints

If you have a concern or complaint about any aspect of work being undertaken for you, you should raise this with the lawyer dealing with the matter or the partner responsible who will endeavor to resolve the matter. If you are not satisfied with that outcome you can make a complaint to the New Zealand Law Society. Their details are 0800 261 801 or refer to its website www.lawsociety.org.nz The postal address is PO Box 5041, Lambton Quay, Wellington 6145.

20. General

These Terms apply to any current engagement and also to any future engagement, whether or not we send you a copy of them.

We are entitled to change these Terms from time to time. Those which apply at any time are those which are posted on our website.

Our relationship with you is governed by New Zealand law and New Zealand courts have non-exclusive jurisdiction.

We are happy to discuss this agreement with you.