

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 Services

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

2 Financial

2.1 Fees:

- a The fees 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 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 the 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 6 minute units, with time rounded up to the next unit of 6 minutes.

- 2.2 **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 when the expense is incurred. We may require an advance payment for the disbursements or expenses which we will be incurring on your behalf.

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

- 2.4 **Invoices:** We will send interim invoices to you, usually monthly and on completion of the matter, or termination of our engagement. We may also send you an invoice when we incur a significant expense.

- 2.5 **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 rate of 5% above our firm's main trading bank's 90-day bank bill buy rate as at the close of business on the date payment became due.

- 2.6 **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.

- 2.7 **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.

3 Confidentiality

- 3.1 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 to the extent required by law or by the Law Society's Rules of Conduct and Client Care for Lawyers.
- 3.2 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.
- 3.3 We will of course, not disclose to you confidential information which we have in relation to any other client.

4 Termination

- 4.1 You may terminate our retainer at any time.
- 4.2 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
- 4.3 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.

5 Retention of files and documents

- 5.1 You authorise us (without further reference to you) to destroy all files and documents for this 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.

6 Conflicts of Interest

- 6.1 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.

7 Duty of Care

- 7.1 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.

8 Trust Account

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

9 General

- 9.1 These Terms apply to any current engagement and also to any future engagement, whether or not we send you another copy of them.
- 9.2 We are entitled to change these Terms from time to time, in which case we will send you amended Terms.
- 9.3 Our relationship with you is governed by New Zealand law and New Zealand courts have non-exclusive jurisdiction.

CLIENT CARE LETTER

We confirm we are to act on your behalf in respect of the above matter.

We advise that the Lawyers and Conveyancers Act 2006, which came into effect on the 1st of August 2008, sets out what are now to be known as the Rules of Conduct and Client Care for Lawyers. Pursuant to those Rules we are required to provide you with certain information. What follows in this letter is the information required.

If you have any query concerning the information please do not hesitate to discuss such matters with the writer at the first opportunity.

Client Care Charter – our commitment to you

We are committed to doing our best to ensure that your legal needs are met in this matter. We will:

- Protect and promote your interests and act for you free from compromising influences or loyalties.
- Discuss with you your objectives and how they should best be achieved.
- Act competently, in a timely way, and in accordance with instructions received and arrangements made.
- Provide you with information about the work to be done, who will do it and the way the services will be provided.
- Protect your privacy and ensure appropriate confidentiality.
- Treat you fairly, respectfully and without discrimination.
- Give you clear information and advice.
- Keep you informed about the work being done and advise you when it is completed.
- Charge you a fee that is fair and reasonable and let you know how and when you will be billed.
- 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 the justice system. If you have any questions, please contact us on (09) 525 2163 or the Law Society on 0800 261 801 or lawsociety.org.nz.

People responsible for your work

Ross Stuhlmann will be the partner with overall responsibility for the work on this matter. Ross Richard Stuhlmann and Craig Scott Stuhlmann and others may work on this matter on your behalf. Feel free to contact any of us at any time.

The basis of our charges

Unless agreed otherwise our fees are based on the range of factors applied by the NZ Law Society, including time, expertise, importance, urgency and results achieved. The current hourly rate of Ross Stuhlmann is \$350.00 plus GST and the rate of Craig Stuhlmann is \$350.00 plus GST. These rates may change from time to time, and a full list of the rates of any lawyers working for you is available at any time. We also charge for disbursements (court fees, registrations, duties/levies etc) and travel expenses incurred on your behalf. These will be itemised separately, and we will notify you if any fees or disbursements need to be paid for in advance.

Billing arrangements

To help you budget we may issue interim accounts, usually monthly, while work is in progress, with a final bill on completion. Current payment terms are set out on invoices from time to time, and unless otherwise stated are due for payment within 14 days. We may deduct from funds held on your behalf any fees, disbursements or expenses for which we have provided an invoice. In regard to conveyancing matters an invoice will usually be provided before or immediately after settlement.

For straightforward conveyancing, refinancing work, Wills and other standard transactions an estimate of fees and disbursements is available on enquiry.

Professional indemnity insurance & fidelity fund

We hold professional indemnity insurance that meets or exceeds standards specified by the Law Society. The Lawyers' Fidelity Fund also provides a limited form of cover up to specified maximums in certain circumstances, generally excluding investment monies.

Complaints

If you have any concerns or complaints please contact Ross Stuhlmann personally. We are committed to resolving any issues as soon as possible.

You can also contact the NZ Law Society's Lawyers' Complaints Service, at 26 Waring Taylor Street, PO Box 5041, Wellington 6145, Tel (04) 472 7837 or (0800) 261 801, Fax (04) 473 7909.

Conveyancing

If the work being done for you includes conveyancing work then you are advised that we do not give advice as to the merits of a particular transaction from an investment perspective.

Completion

When this matter is completed, we will advise you accordingly and provide a brief summary of the work undertaken if we have not already done so. Where appropriate we will also identify any necessary future action that may be required.

Conclusion

We value your instructions in this matter and look forward to their successful completion. We also look forward to an ongoing relationship with you, so please retain this letter as the core basis of our relationship and our commitment to you to attend to your affairs diligently, with an efficient, effective and professional service.

Yours faithfully

BRUCE SCOTT STEVENS

C S Stuhlmann

css/kv

writer's direct email: craig@bscottstevens.co.nz