

KAIMAI LAW KATIKATI STANDARD TERMS OF ENGAGEMENT

1 How does the Firm charge?

The Firm's fees are charged in accordance with guidelines laid down by the Rules of Professional Conduct of the New Zealand Law Society. In fixing the fee the Firm is required to take account of the following matters:

- 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 these 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.

2 How are my instructions dealt with?

- The Firm will act in your best interests to carry out your instructions.
- The Firm will take reasonable steps to keep you informed of the steps taken to carry out those instructions. Where on occasion we are unable to contact you for your specific instructions and/or we consider it in your interests or appropriate to take certain steps you accept our decision in that regard.
- By instructing the Firm you accept liability to pay the account that the Firm will render for work done together with all disbursements incurred in respect of such instructions.

3 Can I request an estimate of fees?

- Where requested the Firm will give you an estimate of legal costs. This estimate will be the Firm's "best guess" as to what the fee is likely to be. If however the work does not proceed as the firm had expected due to unexpected complications, or if the work proves more complicated than originally anticipated or if expanded instructions are given the firm will charge for all additional work done.

4 When will I be billed?

- Generally, property and similar transactional matters will be final billed at the time of settlement or on completion on the work.
- For other matters the Firm may bill you on a monthly basis.

5 What disbursements am I likely to incur?

- In providing services we may incur disbursements or have to make payments to third parties on your behalf. These will include Court filing fees, Land Registry fees for searches and registration of documents such as transfers, easements etc Land Information Memorandums and the like. The management and administration of such disbursements is dealt with by Bay Agency Limited a company in which I have an interest. The cost to you will include the disbursement together with an agency fee of \$35 for each instrument submitted for LINZ registration and \$10 for each LINZ title or instrument search. We may on occasion require advance payment for these disbursements if they are a large sum.
- In addition, we charge an office overheads fee equal to 7.5% of your fee. This fee is to cover telephone and fax, photocopying, scanning, emailing, opening your file, storing your file for at least 7 years, storing your deeds and other similar office overheads.

6. When do I have to pay your invoice?

- On conveyancing matters it is our practice to obtain payment of our fees on settlement date.
- Our retention and your receipt of these Terms of Engagement carry with it our absolute right to deduct our account from any money the Firm may be holding (including by way of example only funds held following the sale of your property and/or funds held following a refinancing by you or your company) in our trust account and to your credit. If you wish to make alternative arrangements, you must do so prior to our acting on your behalf.
- In any event payment of the Firm's accounts are due on the 20th of the month following the date of the invoice.
- The Firm reserves the right to charge interest calculated at 24% per annum on all accounts unpaid as at 60 days following the date of the invoice. All costs incurred in the recovery of any overdue account are payable by you.

7. What if I can't pay on time?

- If you anticipate difficulty in the payment of any account, you must contact the Firm immediately on receipt of the account and discuss arrangements for payment. We are quite open to assisting you in this regard.

8. What happens with my file and any deed held by you?

- The file created in the course of completing your instructions will be in the ownership of Kaimai Law Kaitkati unless you request, in writing, alternative instructions, those files will be retained by the Firm for up to 7 years following completion of your instructions, at which time the file will be destroyed.
- Deeds will be retained by the Firm for as long as you require it to hold them.
- The Firm reserves the right to retain those deeds and files until all monies due from you to the Firm are paid.

9. 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.

10. Computer Software

You will be aware, and if not please be advised that a large percentage of the work we will be completing for you is transacted through computers over the internet and in many instances by computer software that we have no control over. We are unable to take responsibility for any losses of information, correspondence, documents or any damages that may occur to you as a consequence of the failure of such software.

**Rules of Conduct and Client Care for Lawyers of the
New Zealand Law Society ("Law Society")**

1 Fees:

The basis on which fees will be charged is set out above in our Standard Terms of Engagement. When payment of fees is to be made is also set out in our Standard Terms of Engagement.

We may deduct from any funds held on your behalf in our trust account any fees, expenses or disbursements for which we have provided an invoice, including for fees, expenses or disbursements incurred following receipt from you of termination of our retainer.

2 Professional Indemnity Insurance:

We hold professional indemnity insurance that meets or exceeds the minimum standards specified by the Law Society. We will provide you with particulars of the minimum standards upon request.

3 Lawyers' Fidelity Fund:

The Law Society maintains the Lawyers' Fidelity Fund for the purpose of providing clients of lawyers with protection against pecuniary loss arising from theft by lawyers. The maximum amount payable by the Fidelity Fund by way of compensation to an individual claimant is limited to \$100,000. Except in certain circumstances specified in the Lawyers and Conveyancers Act 2006, the Fidelity Fund does not cover a client for any loss relating to money that a lawyer is instructed to invest on behalf of the client.

4 Complaints:

We maintain a procedure for handling any complaints by clients, designed to ensure that a complaint is dealt with promptly and fairly.

If you have a complaint about our services or charges, you may refer your complaint to the person in our firm who has overall responsibility for your work.

If you do not wish to refer your complaint to that person, or you are not satisfied with that person's response to your complaint, you may refer your complaint to Kit Robbins, Solicitor, Kaimai Law Katikati.

He may be contacted as follows:

- by letter;
- by email at kit@kaimailaw.co.nz; or
- by telephoning him at (07) 549 4890.

The Law Society operates the Lawyers Complaints Service and you are able to make a complaint to that service. To do so you should contact the Law Society as follows: NZLS, PO Box 5041, Lambton Quay, Wellington 6145 (Ph 04 472 7837, Fax 04 473 7909).

5 Persons Responsible for the Work:

The names and status of the person or persons who will have the general carriage of or overall responsibility for the services we provide for you are set out in our letter of engagement.

6 Client Care and Service:

The Law Society client care and service information is set out below.

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

- Act competently, in a timely way, and in accordance with instructions received and arrangements made.
- 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.
- Provide you with information about the work to be done, who will do it, and the way the services will be provided.
- Charge you a fee that is fair and reasonable and let you know how and when you will be billed.
- Give you clear information and advice.
- Protect your privacy and ensure appropriate confidentiality.
- Treat you fairly, respectfully and without discrimination.
- Keep you informed about the work being done and advise you when it is completed.
- 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 to the justice system. If you have any questions, please visit www.lawsociety.org.nz or call 0800 261 801.

7 Anti-Money Laundering & Countering Financing of Terrorism Act 2009

From 1st July 2018, we must adhere to the above Act. Therefore, we are now responsible for obtaining more information from our clients before we can start acting for you. This is called Client Due Diligence. It includes obtaining various forms of ID from all clients to verify their details. If you are coming to us as an entity (ie: Trust, Company or Partnership etc), we are required to obtain more in-depth information to establish the ownership/controlling parties of the entities. In accordance with the act, we may also require evidence of source of funds, if for example, you are advancing large amounts towards settlements etc. This must be carried out by our practice regardless of whether or not you have been an existing client for many years or a new client.

8 Limitations on extent of our Obligations or Liability

Any limitations on the extent of our obligations to you or any limitation or exclusion of liability are set out in our letter of engagement.