

WILSON M c KAY

BARRISTERS & SOLICITORS

INTRODUCTION

These Standard Terms of Engagement (“Terms”) apply in respect of all work carried out by us for you, except to the extent that we that we otherwise agree with you writing.

SERVICES

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

FINANCIAL

Our fees are charged in accordance with guidelines laid down by the Lawyers and Conveyances Act (Lawyers: Conduct and Clients Care) Rules 2008. In determining the fee, we are entitled to take into account the following:

- 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 in undertaken and any time limitation 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 question 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 for fees given by the lawyer.
- Any fee agreements (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.

Where possible and if requested, we will give you an estimate. The estimate will be our "best guess" as to what the fee is likely to be. If however, the work does not proceed as we had expected due to unexpected complications, or if, the work proves more complicated than originally anticipated, we will charge for all additional work done. If the engagement letter specifies a fixed fee, we will charge for this for the agreed scope of our services. Work, which falls outside that scope, will be charged on an hourly 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. 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 specialization of our professional staff. Time spent is recorded in six minute units, with time rounded up to the next unit of six minutes. 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. GST is payable by you on our fees and charges. We will send interim invoices to you, usually monthly and on completion of matter or termination of our engagement. We may also send you an invoice when we incur a significant expense. Invoices are payable within the fourteen days of the date of the invoice, unless alternative arrangements have been made with us. If we are holding money for you (for example from the sale of a property), we may deduct the account from that money and will provide you with a full statement. We may require interest to be paid on any amount which is more than seven days overdue. Interest will be calculated at the rate of 1% 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. We may ask you to pre-pay amounts to us, or to provide security for our fees and expenses. You may authorise us to debit against amounts prepaid by you and deduct from any funds held on your behalf in our trust account any fees, expenses or disbursements for which we have provided an invoice. 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.

CONFIDENTIALITY

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 the information to any other person except, to the extent necessary or desirable to enable us to carry out your instructions of 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 with our firm who are providing legal services for you. We will of course, not disclose to you confidential information which we have in relation to any other client.

TERMINATION

You may terminate our retainer at any time. We may terminate our retainer in any circumstance 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 up to the date of termination and all expenses incurred up to that date.

RETENTION OF FILES AND DOCUMENTS

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) seven years after our engagement ends, or earlier if we have converted files and documents to an electronic format.

LIEN

Where work has been done by us, but you have not paid us then as a general rule we have the right to retain original documents and correspondence on your file until such time as all outstanding fees, disbursements and other expenses have been paid. This is known as lien.

This will be particularly important in circumstances where you decide for whatever reason to instruct another firm. That other firm may be obliged to give an undertaking to us to pay all outstanding fees and disbursements before your file is released.

COPYRIGHT

Unless otherwise agreed, when we prepare any document for you, you are free to use that document as you see fit, but only as our licensee. Ownership of the copyright shall at all times remain with us unless otherwise agreed.

TAXATION AND ACCOUNTING ADVICE

We do not provide taxation and accounting advice and strongly recommend you consult a taxation and accounting expert. We shall not be liable in any way for any taxation and or accounting advice, which may be provided to you.

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 Clients Care for Lawyers. Where you are borrowing moneys from a bank or lending institution we may be instructed by the lender to act on the lender's behalf in the preparation and registration of the security documents. In these circumstances, we will be acting for more than one party in the transaction and will owe a duty of care to the lender. This may prevent us from disclosing information to you that we obtain from the lender and may prevent us from giving you advice that conflicts with the interests of the lender. Our costs for this work are payable by you and are included in our fees estimate (if any). Unless you advise to the contrary, your instructions will be taken as your informed consent to us also acting for the lender.

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.

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 our bank. In that case, we will charge commission of 5% of the interest derived.

GENERAL

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

INFORMATION FOR CLIENTS

Set out below is the information required by the Rules of Conduct and Client Care for Lawyers of the New Zealand Law Society ("Law Society")

FEES

The basis on which fees will be charged is set out in our letter of engagement. When payment of fees is to be made it is set out in our Standard Terms of Engagement. We may deduct from any funds held on you behalf in our trust account any fees, expenses or disbursements for which we have provided an invoice.

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.

LAWYERS' FIDELITY FUND

The Law Society maintains the Lawyers' Fidelity Fund for the purpose of providing clients 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 claim and is limited to \$100,000. Except under 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.

COMPLAINTS

We maintain a procedure for handling 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 complaint, you may refer your complaint to Colin McKay.

He may be contacted as follows:

- In writing
- Email to colinmckay@wilsonmckay.co.nz
- Telephone (09) 523 0756

The Law Society operates the Lawyers Complaints Service and you are able to make a complain to that service – Telephone 0800 261 801. 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 in our letter of engagement.

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 interest and act for you free from compromising influences or loyalties*
- *Discuss with you your objective and how they should 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*
- *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 advise*
- *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

LIMITATIONS ON EXTENT OF OUR OBLIGATIONS OR LIABILITY

We will provide our services in accordance with clause 6 of the “Rules of Conduct and Client Care for Lawyers of the New Zealand Law Society” which has been provided to you separately or is available to you on request. Our liability at all times however is limited to the assets owned by the partnership of Wilson McKay and under no circumstances will liability be a personal liability of the partners or staff of Wilson McKay.