

DAVIES LAW TERMS OF ENGAGEMENT

INTRODUCTION

These terms of engagement are the standard terms on which Davies Law (“we”) provide legal and related services to clients.

These terms will apply in respect of all work carried out by us for you, except to the extent that we otherwise agree with you in writing.

Our client on any particular matter will be the party identified as such in the engagement letter we send to you at the start of the matter or as otherwise agreed (“you”).

SERVICES

We will represent you and advise you on all legal matters that properly fall within the scope of your instructions. We will normally set out our understanding of those instructions in an engagement or initial reporting letter. If you wish to amend or withdraw the instructions please contact us and advise immediately in writing.

FEES AND CHARGES

Our fees are generally based on the time we spend on a matter and are charged at our current hourly rates with adjustment where appropriate to reflect other factors. These factors may include the skill, specialised knowledge or responsibility required, the amounts involved, the importance and urgency of the matter and the results achieved.

Depending on the staff or principal involved the fees range between \$150.00 - \$400.00 per hour. The difference in the rates relates to the experience and specialisation of our professional staff.

We can provide you with an estimate of the likely fees based on our experience in similar matters however, these are a guide only and not a fixed quotation. If the engagement letter specifies a fixed fee then we will charge this for the agreed scope of our services. For work, which falls outside the scope, attendance will be charged on an hourly rate basis.

We also charge for general office services and disbursements. From time to time we may require an advance payment for the disbursements or expenses, which we will be incurring on your behalf.

GST is payable on our fees and charges.

We may request you to pre-pay amounts to us, or provide us with security for our fees and expenses. You authorise us to; debit against amounts prepaid by you; and 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.

Although you may expect to be reimbursed by a third party for our fees and expenses, and although our invoices at your request may be directed to a third party, nevertheless you remain responsible for payment to us if the third party fails to pay us.

ACCOUNTS

It is our general practice to issue interim accounts for ongoing matters monthly. We also issue an account on the completion of the matter.

Our accounts are payable on receipt. Please raise any queries you have about the account within 14 working days of receiving it.

We accept payments by way of Visa, Cheque or Cash. Automatic Payments for accounts are only acceptable by prior arrangement.

If the account is not paid within 14 working days, we may elect:

- Not to do any further work, and to retain custody of your papers or files, until all accounts are paid in full.
- To charge interest at up to 10% per annum on any amount outstanding one month after the due date of the account. Interest shall accrue from the date when payment becomes due daily until the date of payment and shall accrue at such a rate after as well as before judgment.

If you do not settle the account within 30 days we may in addition to any other term of engagement:

- List your default with Equifax. This can adversely affect your ability to obtain credit and Equifax may provide this information to other Equifax customers. A listing with Equifax will remain in effect for five years after the outstanding balance is paid.
- Lodge the debt with a debt collection agency.

The client shall indemnify Davies Law from and against all of Davies Law's costs and disbursements in relation to the default and all of the debt collection agency's costs of collection.

SECURITY AND CHARGE

Notwithstanding anything to the contrary contained herein or any other rights which we may have:

- Where the client is the owner of land, realty or any other asset capable of being charged, the client agrees to mortgage and/or charge all of their joint and/or several interest in the said land, realty or any other asset to Stephen John Davies trading as Davies Law to secure all amounts and other monetary obligations payable under the terms of engagement. The client acknowledges and agrees that Stephen John Davies trading as Davies Law may lodge where appropriate a caveat, which caveat shall be released once all payments and other monetary obligations payable in terms of the engagement with Davies Law have been met.
- Should we elect to proceed in any manner in accordance with this term the client shall indemnify us from and against all of our costs and disbursements.

SETTLEMENT MONIES

For property and financing transactions where payment of monies is due by you, we require cleared funds for the correct amount to be deposited with us no later than the morning of the settlement.

VERIFYING IDENTITY

We have systems that protect our clients and ourselves against fraud. It is our policy to ask clients to confirm (or re-confirm) their identity by presenting NZ government issued photographic identification when engaging our services. This can be required at the time you become a client or where you have been a client for some time. This information may be shared with regulatory or law enforcement bodies.

CONFIDENTIALITY

We will hold in confidence all information concerning you or your affairs that we require 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 the 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 your retainer at any time. We may terminate our retainer in any circumstances set out in the Law Society's Rules of Conduct and Client Care for Lawyers. If our retainer is terminated you must pay all fees due up to the date of termination and all expenses incurred to that date.

FILES AND DOCUMENTS

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

CONFLICT OF INTEREST

We have procedures in place to identify and respond to conflict of interest issues that arise. If a conflict of interest arises we will advise you of this and follow the requirements and procedures as set out in the Law Society's Rules of Conduct and Client Care for Lawyers.

ELECTRONIC COMMUNICATION

Unless otherwise agreed with you, we will communicate with you and others at times by electronic means. These communications can be subject to interference or interception or contain viruses or other defects. We do not accept responsibility and will not be liable for any damage or loss caused in connection with corruption of an electronic communication. If you have any doubts about the authenticity of any communication or document purportedly sent by us, please contact us immediately.

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