

## **Terms of Engagement and Information for Clients**

1. As required by the Rules of Conduct and Client Care for Lawyers of the New Zealand Law Society (the "Rules") we are required to provide you with our Terms of Engagement and Information for Clients.

### **Our Services**

2. A partner of the firm will be primarily responsible for all matters on your file. If you receive these Terms of Engagement and Information for Clients from a staff member, his or her supervising partner, will have primary responsibility for your file. Your file or tasks on your file may be delegated to other partners, solicitors and legal executives from time to time as appropriate.
3. We are committed to doing our best to ensure that your legal needs are met in this matter. We will:
  - 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.
4. The obligations lawyers owe to clients are described in the Rules. 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 (04) 569 3997 or the Law Society on 0800 261 801 or [www.lawyers.org.nz](http://www.lawyers.org.nz).

### **Professional Fees and Charges**

5. Except where our Letter of Engagement provides for our fee to be charged in accordance with our Residential Conveyancing Schedule, your fees will be charged as follows:
  - (a) The charge will be our assessment of a reasonable fee for the services we have provided. In setting the fee we will take into account a range of matters including the hourly rates which take account of the levels of experience of our lawyers and legal staff who have worked on the file. It will also take into account a range of factors set out in the Lawyers and Conveyancers Act (Lawyers: Conduct and Client Care) Rules 2008 which include the skill, specialist knowledge and responsibility required by the file, the amount of time taken to complete the file, the importance of the matter to you, complexity, urgency, the volume and complexity of documents prepared or reviewed, the consideration comprised in the transaction and the result achieved. Recorded time is used as an aid and base for calculating fees: total fees charged for any particular transaction may be more or less than the total time recorded applying the factors set out above. Our firm's hourly rates for solicitors and other members of the professional staff are based on years of experience, specialisation, and level of professional attainment. Any variation in the hourly rates referred to in our Letter of Engagement will be advised to you before being applied.
  - (b) Where a file does not proceed to completion for any reason a fee will be payable for services provided up to the point our services end and the retainer is terminated. Any disbursements incurred will be payable.
  - (c) Where moneys are lodged on interest bearing deposit with a trading bank then a commission of 5% of the gross interest is deducted.

### **Accounts**

6. We may deduct from any funds held on your behalf in our trust account any fees, expenses and disbursements for which we have provided an invoice and have received your prior approval to do so.
7. Accounts are payable within 7 days of invoice or otherwise as provided in our Letter of Engagement.
8. If any account is not paid within 30 days, interest may be charged on the outstanding balance at the rate of 12% per annum (calculated on a daily basis) from the date upon which payment was due, and you will be responsible for any reasonable debt collection costs that we incur (including the cost of preparing any proceedings) in recovering outstanding amounts due to us. Where accounts remain outstanding then, notwithstanding interest

has not been added to previous statements we reserve the right to add interest calculated from the date 7 days after the account was rendered.

#### **Disbursements, Office Services and Anti-money Laundering charges**

9. Disbursement costs incurred with outside agencies such as searches, registration fees, electronic forms, courier charges and agency fees will be charged separately. The amounts charged for disbursements include only the costs we incur with outside agencies. Where we are required to verify identity and address for Anti-Money Laundering and Countering Financing of Terrorism Act 2009 purposes, where possible we will be using our preferred third-party verification service provider. The costs incurred for use of the service will be charged as a disbursement for each report received including where multiple applications are required and irrespective of whether the report is a verification pass or fail. Disbursements may be included with our accounts or may be billed separately. It is our policy to require payment in advance for significant disbursements. Where disbursements are included in an account these may not be paid by credit card unless an arrangement is made to include the administration charges which are incurred.
10. Office services (which include telephone charges, routine photocopying, printing and applicable software subscriptions) are charged at the rate of 8% of the fee. Large photocopying volumes will be charged on a per page basis. Additional internal administrative attendances are not charged in the hourly rates of our lawyers. Our administrative attendances in relation to disbursements e.g. obtaining a copy of the title through our Landonline licence are covered by our office services charge.
11. Where Counsel is to be instructed we may require you to lodge Counsel's estimate of their fee prior to Counsel commencing work. We may require an instructed barrister to accept instructions from us on the basis that we have no responsibility for the barrister's fee beyond funds held in our trust account for that purpose.
12. Where we are required to send or receive funds to or from an international source Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT) reporting requirements will apply. Our fee will include a charge to cover the administrative attendances involved in reporting the extent of which will be dependent upon the level of reporting required. You may find it more cost-effective to arrange for funds to be received and sent to or from your personal New Zealand bank account.
13. Where AML/CFT due diligence is required our fee will include a charge for attendances involved.

#### **Communication, Files and Documents**

14. Email is our preferred means of communication and will also be used for the delivery of accounts.
15. All files are scanned on completion and the hard copy destroyed.
16. You authorise us to hold all your information electronically. Your information (about you and about your matter) is stored on servers owned and operated by Amazon Web Services Australia Pty Ltd and NextDC in Sydney, Australia. You directly authorise those companies to store your personal and matter information.
17. We provide a complimentary storage service in respect of Wills, Enduring Powers of Attorney, Powers of Attorney and Deeds of Delegation, Memorandum of Wishes, Trust Deeds, Variations of Trust, Deeds of Retirement and Appointment of Trustees and Occupation Licences/Agreements.
18. We provide a document storage service for all other documents at an annual charge presently \$50.00 plus GST.

#### **The Lawyers Fidelity Fund (the "Fund")**

19. The Law Society maintains the Fund for the purposes of providing clients of lawyers with protection against pecuniary loss arising from theft by lawyers. The maximum amount payable by the 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 Fund does not cover a client for any loss relating to money that a lawyer is instructed to invest on behalf of the client.

#### **Professional Indemnity Insurance**

20. We hold current Professional Indemnity insurance which exceeds the minimum standards from time to time specified by the Law Society. We will provide you with particulars of the minimum standards on request.

#### **Limitations on extent of our obligations or liability**

21. Any limitations on the extent of our obligations to you or any limitation or exclusion of liability in respect of any particular file will be recorded in writing.

#### **Compliance**

22. We are subject to a number of statutory mandatory compliance regimes. From 1 July 2018 all law firms are required to comply with the Anti-Money Laundering and Countering Financing of Terrorism Act 2009. We are required to conduct due diligence on all clients and transactions captured by the Act. In most cases we are unable to provide legal services until we have completed Customer Due Diligence which includes obtaining information from you and verifying your identity. Various activities, if they occurred during the course of the file, trigger reporting obligations. Please be aware that legal privilege is specifically excluded by the Act as a ground for not reporting. For more information please see our website [www.gywlaw.co.nz](http://www.gywlaw.co.nz).
23. Where you are involved in a transaction that involves a transfer of land we may be required to obtain completion of a Land Transfer Tax Statement including personal information. There are a range of circumstances where we will also require your IRD number.

#### **Bank deposits**

24. Where we are holding funds on your behalf our policy is that funds will only be placed on interest bearing deposit in the following circumstances:
  - (a) Where, having regard to the amount of funds held and the time for which they are likely to be held total interest accrued is likely to exceed \$250.00; and
  - (b) You have provided us with your IRD number; and
  - (c) You have provided us with your marginal tax rate. If we are holding funds for your Trust or Estate on interest bearing deposit, the tax rate will be as per IRD requirements; and
  - (d) You have provided us with all necessary information for us to complete customer due diligence under the Anti-Money Laundering legislation.
  - (e) You provide us with the necessary information to comply with the Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS). Compliance is required by the bank to enable exchange of customers foreign tax residency information between countries and is intended to combat global tax evasion.

#### **If you have a Complaint**

25. If you have any complaint at all about our service please raise it with the partner responsible for your matter, or, if you prefer, any other partner in our firm.
26. If it cannot be resolved immediately to your satisfaction we shall appoint a partner who has not been involved in your matter to deal with it promptly and fairly.
27. If you are not satisfied with the outcome, you have the right to take the matter up with the Law Society which runs a complaints service (0800 261 801 or [www.lawyers.org.nz](http://www.lawyers.org.nz)).
28. These Terms of Engagement and Information for Clients are subject to change from time to time. You will be advised of any change. The prevailing Terms of Engagement and Information for Clients document incorporating all amendments can be viewed on our websites [www.gywlaw.co.nz](http://www.gywlaw.co.nz) or [www.homelegal.co.nz](http://www.homelegal.co.nz).

#### **Agreement**

We are providing legal services based on our Letter of Engagement and these Terms of Engagement and Information for Clients. Effective 12 April 2024.