

## **Terms of Engagement**

Thank you for choosing to instruct Morrison Kent to act as your lawyers. This document sets out our general Terms of Engagement. These terms form part of your contract with us, except to the extent that we otherwise agree with you in writing. You accept our Terms of Engagement when you provide us with your instructions after we have given you a copy of this document.

### **Acting for You**

As your lawyers, we act on instructions that you give us. When we give you legal advice, we will be relying on the information that you, and sometimes other people or agencies, provide to us. Our opinions are based on our best professional judgment.

Your instructions will be carried out by a partner, solicitor, law clerk or a legal executive, depending on the level of skill required for the particular tasks. However, at all times your affairs will be supervised by a partner.

### **Our Privacy Policy - Confidentiality**

While we are acting as your lawyers, we are authorised by you to collect and hold personal information about you. If you fail to provide us with the necessary information, this may prevent us from representing you effectively.

We will hold in confidence all information concerning you or your affairs that we acquire while 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 instruction; or to the extent required by law or by the New Zealand 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 our firm who are providing legal services for you. We will of course not disclose to you confidential information which we hold in relation to any other client.

We may use the information we hold about you to provide you with legal services and to inform you about issues and developments that may be of interest to you. We may also use this information to obtain credit references or other references about you, and we may give the information to debt-collection agencies if you have not paid a bill when it is due. You authorise us to obtain from any person, or to release to any person, any information that is necessary for those purposes, and you also authorise any person to release any information to us that we require for those purposes.

Under the Privacy Act 1993 you have the right to have access to personal information that we hold about you and to require us to change it if it is not correct.

The Financial Transactions Reporting Act 1996 requires us to verify the identity of our clients and to report any suspicious transactions involving our clients.

### **Our Fees and Expenses**

We will charge you a reasonable fee for the work we carry out, and this may take into account a number of factors as set out in our letter of engagement including the time spent on your work by us. We have set out in our letter of engagement the specific basis on which we will charge you.

If the letter of engagement specifies a fixed fee, we will charge this for the agreed scope of our services. For work which falls outside that scope, we will charge you a reasonable fee based on relevant factors including the time spent on your work by us. 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 based on an hourly basis, the hourly rates are set out in our letter of engagement. The differences in those rates reflect the experience and specialization of our professional staff. Time spent on your behalf is recorded in six minute units, with actual time spent rounded up to the next unit of six minutes. GST (if any) is payable by you on our fees and charges.

As well as our fees, we will charge you for direct expenses (disbursements) that we incur while carrying out your instructions, such as registration fees and funds-management fees. We will also apply an Office Charge to cover incidental office expenses, such as toll calls and photocopying. We may ask you to pay in advance for any sums that must be paid to third parties, such as registration fees or court filing fees.

## **Billing and Terms of Payment**

Morrison Kent will send you an invoice for our fees and disbursements at the end of each month while the work we do for you is continuing, or if expressly agreed by us when the particular matter or transaction is completed. We require you to pay within 14 days of the date of the invoice.

Unless you notify us otherwise you authorise us to deduct from any money that we hold on your behalf our fees and expenses which we have invoiced to you.

To ensure that we continue acting for you, it is essential that you pay your bills promptly. If a bill is not paid by the due date we will stop acting as your lawyers. In the unlikely event that this happens, we will notify you that we intend to stop acting for you. You will continue to be responsible for paying our fees for the work we have done for you and the expenses we have incurred.

If your bill or part thereof remains unpaid more than 30 days after the due date, we reserve the right to charge you interest at the rate of 12% per annum. You will be responsible for all legal (solicitor/client) and other costs that we incur through recovering or attempting to recover the debt owed by you to us. Any payments made by you will be applied first in reduction of costs, secondly interest, and then principal.

## **Our Money Handling Procedures**

Any money or property which we receive from you, or on your behalf, will be held by Morrison Kent on trust for you unless you instruct us otherwise. Morrison Kent will follow your instructions as to how money or property that we hold on your behalf is to be applied or distributed.

If a significant sum is held by Morrison Kent on trust for you, we will normally place these funds on interest bearing deposit with a registered trading bank. In this case we will charge an administration fee of 5% of the interest derived.

Morrison Kent cannot withhold from you, nor use for our own benefit, any money or property that we hold in trust on your behalf, except for money that we use to pay fees and expenses that we incur through acting as your lawyers, or for money that we deduct as our commission from the interest received on money that we hold on your behalf, or when we are legally required to withhold the money from you.

Morrison Kent will keep records of all money or property that we hold on your behalf for at least the period that is legally required. During our normal office hours we can provide you with details of any financial transactions that relate to you. We will not provide you with a receipt unless you specifically ask for one, unless you pay us in cash.

Any money that you pay to us for settlement purposes should be in cleared funds, and paid either by bank cheque or direct credit, made payable to "Morrison Kent Trust Account". If money has not been provided to us in cleared funds we may delay distributing it until we have received confirmation that the funds have been cleared.

If your instructions to Morrison Kent require us to provide investment advice which is more than purely incidental to us providing legal services, disclosure will be provided to you as required by the Securities Markets Act 1988.

### **What to Do if You Have Concerns about Our Work or a Complaint**

We value our relationship with you. If at any time you have any concerns about our work, our costs, or a complaint, please contact the partner who is supervising the work or our Client Care Partner (Ian Gordon).

We will endeavour to resolve your concern or complaint in an efficient manner. The partner who is supervising the work will meet with you within a week of you first contacting us with your concern or complaint.

If we cannot resolve your concern or complaint through your meeting with the supervising partner, we will ask our Client Care Partner to review the matter and formally respond to you within two weeks of the matter being referred to that partner.

If the Client Care Partner is unable to resolve this matter to your satisfaction, then we will assist you in referring your concern or complaint to the New Zealand Law Society Complaints Service. You have a right to raise any concern or complaint regarding our work with the New Zealand Law Society at any time if you so wish.

### **End of Your Relationship with Morrison Kent**

You can end your relationship with us at any time. Please notify us of this in writing and we will then send you an invoice for our fees and expenses up to the date of termination of the relationship. If you want the documents relating to our work for you, we will provide you with those documents once you have paid all amounts invoiced by us to you.

We may terminate our relationship with you in any of the circumstances set out in the New Zealand Law Society's *Rules of Conduct and Client Care for Lawyers*.

### **Your Files and Information After the Work Is Completed**

When we have completed the work you have instructed us to do, Morrison Kent will keep all documents that relate to that work for at least seven years. At any time you can request we give you those documents, and we will give them to you when all our fees and expenses have been paid. Where we keep your documents, you authorise us to destroy those documents seven years after the date of our final bill. This does not include any documents that you have given us for safekeeping: we will hold those documents until you tell us otherwise.

### **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 New Zealand Law Society's *Rules of Conduct and Client Care for Lawyers*.

### **Duty of Care**

Our duty of care is to you and not to any other person. We must expressly agree before any other person may rely on our advice to you.

### **General**

These Terms of Engagement apply to any current engagement and also to any future engagement by you of our firm, whether or not we send you another copy of these Terms.

We may change our Terms of Engagement from time to time, in which case we will advise you of the changes.

Our relationship with you is governed by New Zealand law.