

Gillespie Young Watson and HomeLegal

Terms of Engagement and Information for Clients

1. Under the Lawyers and Conveyancers Act (Lawyers: Conduct and Client Care) Rules 2008 (the "Rules") we are required to provide you with these Terms of Engagement. **No action is required on your part.**

Our Services

2. You have engaged our firm as your lawyers to act for you in legal matters which may arise from time to time.
3. A partner of the firm will be primarily responsible for all matters on your file. If you receive these Terms of Engagement 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.
4. 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.
5. 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.

Professional Fees

6. The fees we 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 and levels of experience of our lawyers and paralegal staff who have worked on the file. It will also take into account a range of factors applied by the Law Society 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. These rates vary from time to time.
7. Where requested we will provide an estimate of fees where it is possible to predict with any level of accuracy what the final fee is likely to be. It will be a guide only and not a fixed quote. Where an estimate is given and as the file progresses it appears likely that the estimate will be exceeded we will advise you of the same and provide you with an updated estimate.
8. 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 disbursements incurred will be payable.
9. We may issue interim accounts while work is in progress. Some files may be billed monthly or where attendances reach a point where we consider it appropriate to render an interim account.
10. Where moneys are lodged on short-term deposit with a trading bank then a commission of 1/20th of the gross interest is deducted.

Accounts

11. 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.
12. Accounts for property transactions are payable on or before the day of settlement.
13. All other accounts are due for payment 7 days after the date of the account unless prior arrangements are made with us in writing. Payment can be made by direct payment to our bank account or by cheque, cash or credit card.
14. 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.

Office Services and Disbursements

15. Office services (which include file opening fee, telephone charges, faxes and some photocopying and printing) are charged at a flat fee of 5% of the fee. Large photocopying volumes will be charged on a per page basis.
16. Disbursements 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 not only the costs we incur with outside agencies but also cover internal administrative attendances not charged in the hourly rates of our lawyers e.g. the disbursement charged for obtaining a title search will include our administrative attendances in obtaining a copy of the title through our Landonline licence. Disbursements may be included with our accounts or may be billed separately. It is our policy to require payment in advance for significant disbursements.
17. 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.

Files and Documents

18. All files are scanned on completion and the hard copy destroyed. Some original documents are retained in our Deeds System. You agree to pay our costs of retrieving and printing a file or documents if at any time you wish to access them.

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.

If you have a Complaint

22. 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.
23. 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.
24. 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).
25. These terms of engagement are subject to change from time to time. The prevailing terms of engagement document incorporating all amendments can be viewed on our websites www.gywlaw.co.nz or www.homelegal.co.nz.

Agreement

26. We are providing legal services based on these terms of engagement which will apply unless you notify us to the contrary immediately. Meantime, we are continuing to act on your instructions.
27. We value our relationship with you as a client. Please retain these terms of engagement as the core basis of our commitment to you.

Effective 1 January 2012