

## **TERMS OF ENGAGEMENT AND CLIENT CARE AGREEMENT**

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We are pleased to be acting as lawyers for you.

### **Client Care Charter**

We are required by the New Zealand Law Society to issue an engagement and client care agreement setting out the terms of engagement and arrangements which exist between us as your lawyer and you as our client.

We are committed to doing our best to ensure that your legal needs are met. We will:

1. Protect and promote your interests and act for you free from compromising influences or loyalties.
2. Discuss with you, your objectives and how they should best be achieved.
3. Act competently, in a timely way, and in accordance with instructions received and arrangements made.
4. Provide you with information about the work to be done, who will do it and the way the services will be provided.
5. Protect your privacy and ensure appropriate confidentiality.
6. Treat you fairly, respectfully and without discrimination.
7. Give you clear information and advice.
8. Keep you informed about the work being done and advise you when it is completed.
9. Charge you a fee that is fair and reasonable and let you know how and when you will be billed.
10. 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 the justice system. If you have any questions, please contact us on telephone 07-888-7072 or e-mail [reception@joneshowden.co.nz](mailto:reception@joneshowden.co.nz) or the Law Society on 0800 261 801 or [lawsociety.org.nz](http://lawsociety.org.nz).

### **People responsible for your work**

Christine Wilson will be the overall partner responsible. Don Howden and staff within the office will be completing the work.

### **The basis of our charges**

The New Zealand Law Society Rules provide that our fees be fair and reasonable for the services provided. Unless agreed otherwise our fees are based on the range of factors applied by the NZ Law Society, including time, expertise, value importance, urgency, the reasonable costs of running our business (including costs involved with complying with AML/CFT law, FATCA and & CRS requirements) and the results achieved. Our fees may change from time to time, and a full list of the rates of any lawyers working for you is available at any time. We also charge for disbursements which you authorise us to incur such as Court fees, registration fees, searches, etc and travel expenses incurred on your behalf. The disbursements will

be itemised separately and are necessary to provide the service. We will notify you if any fees or disbursements need to be paid for in advance. You also authorise us to make payments on your behalf to third parties, this may include experts' costs or barrister fees. We also charge for office expenses such as printing, photocopying, postage, and toll calls, etc as appropriate which are not included in our fee and which are not recorded as disbursements. Office expenses are up to 5% of our fees (plus GST, if any) but vary depending on the matter.

Where fees are calculated on an hourly basis, the time spent is recorded in 6-minute units with the time rounded up to the next unit of 6 minutes and with reference to the NZ Law Society Guidelines. The current hourly charge rate for Don Howden is \$385.00 plus GST.

We also reserve the right to charge interest at a rate not exceeding 5% above the rate charged by our bankers for ordinary overdraft facilities.

### **Billing arrangements**

We will send interim invoices, as appropriate to you and on completion of the matter. We may send you invoices more frequently or ask you to pay funds in advance, especially when there is a significant expense to be incurred or a significant amount of work has been completed in a short period of time.

Accounts are due for payment within 14 days. If your account/s remains outstanding after 30 days, we reserve the right to do no further work for you until appropriate arrangements are made to bring the account back into good standing.

If your account/s remains outstanding after 60 days without arrangement we may request a Debt Collection Agency to recover the debt owed to our firm. All costs and disbursements charged to us by the Debt Collection Agency will be payable by you.

In terms of rule 3.4(a) of the Rules of Conduct and Client Care fees may be deducted from funds held for you upon issue of an invoice, by e-mail or otherwise. Our computer programme is such that any fees and disbursements will be automatically debited from any funds held to your credit. If you have any difficulty with this please advise us.

### **Estimate**

We are able to provide a fee estimate of our fees which, unless specified, excludes GST, disbursements and office expenses. We recommend you discuss with us the exact nature of the work and the manner in which it is to be undertaken. We will inform you if there are any unusual features or any other matters which may arise or of any unexpected delays.

### **Third parties**

In some instances, you may expect to be reimbursed by a third party for our fees and expenses. We note that you remain responsible for payment to us in accordance with these Terms of Engagement should the third party fail to meet our costs within 14 days.

### **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 a bank provided that we are holding current and fully executed United States Foreign Account Tax Compliance Act (FATCA) documentation relating to your file. We charge an administration fee of 5% of the gross interest received on deposited balances. You agree to us deducting the administration charge from your funds on deposit. We no longer make payments from our trust account to overseas accounts.

### **Professional indemnity insurance & fidelity fund**

We hold professional indemnity insurance that meets or exceeds standards specified by the Law Society. The Lawyers' Fidelity Fund also provides a limited form of cover up to specified maximums in certain circumstances, generally excluding investment monies. Any funds held for you will not be held or utilized for purposes not covered by the Lawyers' Fidelity Fund.

### **Termination**

You have the right to terminate this agreement at any time. We may terminate the agreement as provided by the Law Society Rules. If the agreement is terminated you will pay to us all fees and others costs and expenses incurred up to the date of the termination.

### **Tax**

We do not provide tax advice unless you specifically ask us to do so in writing.

### **E-mail**

We may make contact with each other by e-mail. If there are any problems which arise out of the e-mail which causes viruses or any other problems we do not accept responsibility for any loss arising from that.

### **Independent Advice**

If you wish to obtain independent advice on these terms please do so before accepting them by signing a copy of this agreement.

### **Complaints**

We are committed to resolving any concerns and complaints as soon as possible. If you have any concerns or complaints that you prefer not to raise with the partner named above with overall responsibility for this matter, please contact Natasha Strauss, our Practice Manager personally. We are committed to resolving any concerns and complaints as soon as possible. You can also contact the NZ Law Society's Lawyers' Complaints Service, at 26 Waring Taylor Street, PO Box 5041, Wellington 6145, Tel (04) 472 7837 or (0800) 261 801, Fax (04) 473 7909.

### **Completion**

When this matter is completed, we will advise you accordingly and provide a brief summary of the work undertaken and a trust account statement, if applicable. Where appropriate we will also identify any necessary future action which may be required by you.

### **This Memorandum**

Whether or not you sign this memorandum you will be bound by its terms. However, we would prefer to have a signed copy on our file and therefore ask that you sign and return the **duplicate copy attached**.

We may only forward this memorandum to you once. These Terms of Engagement will apply to all further instructions received from you and all works and services that we perform for you unless we advise you that our Terms of Engagement have been amended.

However please note that we may change these terms at any time. Such changes will be published on our website. Such changes will bind you in respect of any matters on which we accept instructions after publication or notification of the change.

### **Ownership of Files**

The file or files created by the firm on your behalf remain the property of the firm. Copies of documents and letters will be provided to you, if requested, as part of the normal practice. Should you wish to obtain a copy of the file or documents from the file the firm may charge you a fee for copying the file or documents from the file (including an administration fee and a fee per page of copying required). The firm's file remains its property at all times.

Your file and associated papers excluding deeds, will be kept for ten (10) years after which time the files will be reviewed and destroyed at the firm's discretion.

### **Privacy, Confidentiality, FATCA & CRS**

We consider client confidentiality to be of utmost importance. We will treat all information we hold about you in strict confidence. We will not use it or share it without your authorisation, we need to so as to complete your work, we are legally required to, the Rules of Conduct and Client Care for Lawyers permits us to, or we are required to provide information to our Trust Account Auditors and/or Professional Indemnity Insurance Underwriters.

Information we hold about you will as far as practicable be only made available to our partners and staff who are doing work for you.

However to meet out changing legal requirements, you agree that we may provide any information we hold relating to your United States Foreign Account Tax Compliance Act (FATCA) or Common Reporting Standard (CRS) status, or other FATCA

or CRS matters, to IRD and to our Bank and/or the information is requested in order to meet FATCA or CRS obligations. Please ask us if you would like more information about FATCA or CRS.

**Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (“AML/CFT law”)**

We are required under the AML/CFT law to comply with the requirements to help combat money laundering and terrorist financing. This means that we must obtain and verify information from prospective and existing clients about a range of matters by completing “customer due diligence”.

What this means for you: We will need to undertake certain background checks **before providing services**, take steps to make sure the information received from you is correct and obtain original or certified documents to provide formal proof of information collected, including: your full legal name, date of birth, address and in some cases, bank account details. Please note that you will be charged a minimum fee of \$250 + GST to set up a file and complete our obligations under the AML/CFT Law, or on a time in attendance basis if in our opinion the compliance cost will exceed \$250.00

Please provide us with the following **original** or **certified** documents so that we may complete work on your file:

Evidence of Identity: (must not have expired)

Passport OR

Driver’s License and one of:

- Firearms licence; or
- NZ bank statement containing full name; or
- Birth certificate; or
- NZ Govt issued document containing full name; or
- Credit or Eftpos card containing full name.

Evidence of Address: (no older than 3 months):

A power account, rates demand, bank statement, or any government issued document displaying your name and residential address.

Evidence of Bank Details (no older than 3 months):

A bank statement, bank issued ‘print-out’ (stamped, dated and signed by banker) containing your full name and account number, or any government issued document (such as correspondence from the IRD) which lists your full name and bank account number.

Should you be seeing us about company, trust or estate matters, we will need information about the company, trust or estate including the people associated with it (such as directors and shareholders, trustees and beneficiaries).

We may also need to ask you for further information. We will need to ask you about the nature and purpose of the proposed work you are asking us to do for you. Information confirming the source of funds for a transaction may also be necessary to meet our legal obligations.

**Should we be unable to obtain the required information from you, it is likely we will not be able to act for you or will need to stop acting for you.**

**Conclusion**

We value your instructions and look forward to an ongoing relationship with you, so please retain this letter as the core basis of our relationship and our commitment to you to attend to your affairs diligently, with an efficient, effective and professional service.

Please ask us if you would like more information about any matter raised in this Agreement.

**Would you please sign the enclosed copy of this letter and return back to us at your earliest possible convenience.**

Yours sincerely  
**JONES HOWDEN**  
Per:

**DF HOWDEN**

We \_\_\_\_\_, accept the terms set out above.

Signed: .....

Signed: .....

Full Name: .....

Full Name: .....

Date: .....

Date: .....

IRD Number: .....

IRD Number: .....