

**TERMS OF ENGAGEMENT OF McVEAGH FLEMING ("the firm")**

The following terms and conditions apply between us as a firm and you as the client:

**Lawyers**

1. Our aim at all times is to provide quality legal services in a prompt, efficient and economical manner. This may involve utilising other partners, solicitors, legal executives or assistants within the firm with the requisite or suitable expertise for the completion of various tasks. In appropriate cases it may also involve utilising the expertise of external Counsel. A partner will be available to oversee all work.
2. We will inform you as soon as possible if we are unable or unwilling to act for you due to a conflict or a potential conflict of interest.
3. On request you are required to provide us with a current residential address and suitable identification, although an alternative address or box number may be given for correspondence. We will report to, and take instructions from you and from any person or entity authorised or reasonably believed by us to be authorised by you to give such instructions.
4. At all times you are obliged to provide us with all or any relevant instructions, information, evidence and documents, and in a timely manner. Any failure to do so may have a material effect on our conclusions and the provision of work, services or representation.

**Fees**

5. Unless otherwise agreed by us in writing, our fees will be based on the amount of time spent by partners, solicitors and legal assistants on your file, based on the hourly rate applicable at the time, the seniority of the person dealing with the matter, its complexity, the degree of urgency required, the time spent, and the other principles of charging laid down by the New Zealand Law Society. Usually the time spent on a file is recorded electronically.
6. Each partner, solicitor, legal executive or para-legal has an hourly billing rate based generally on his or her experience and any special expertise. At any time you may request the hourly rate of any partner, solicitor or legal assistant working on your file. We reserve the right to change those hourly rates from time to time.

**Retainer**

7. Before commencing work on a matter we shall be able to require an advance against fees, disbursements and other charges. This retainer will be deposited into our trust account, and it may be used to pay any invoice rendered by us or any disbursement on your behalf.
8. We will be entitled to ask you to make further retainer payments from time to time as the matter advances and if the earlier retainer payment has been used. Any remaining balance of the retainer will be returned to you upon the completion of our services.
9. We reserve the right to decline to act if there is a failure or delay in payment of any retainer requested. A non-payment of a retainer may also result in a delay in our undertaking of work or providing services for you, and it may result in our withdrawing our services and representation.

**Accounts**

10. Fees, disbursements and other charges will normally be billed monthly, and our invoices are payable on receipt. Our accounts are marked "E & O E" standing for errors and omissions excepted. Unless otherwise agreed by us, accounts rendered to you must be paid in full before we undertake or provide any further work, services or representation.
11. We can also charge interest on all sums billed and unpaid if the payment of any account is overdue. This will include all invoices issued after interest has been charged on any still outstanding accounts, and without any requirement for further demand, until all accounts and default interest have been paid. The interest charged will be at 12.5 per cent per annum, and will be payable by you on demand.
12. All costs incurred, including but not limited to debt collection agency charges and legal fees (which may include time spent by partners or solicitors of this firm at their usual hourly billing rate) by us in recovery of our overdue accounts will be payable by you as a fee.
13. We reserve the right to decline to undertake or provide any further work, services or representation due to the non-payment of any account rendered or any delay in payment.

**Disbursements and Office Service Fees**

14. In addition to our fees, we are entitled to reimbursement for disbursements and office service fees incurred and all other charges as are reasonably necessary to carry out your instructions. Common disbursements are Court filing fees, process server fees, Companies Office and Land Titles Office search and registration fees, e-dealing fee, courier, faxes, toll calls, photocopying and agency charges. Disbursements may also include external Counsel's, expert witnesses', or mediator's fees. Office service charges will be charged for forms, stationery, postage and printing, computer services, faxes and the like, generally established by reference to a scale of charges based on the fee value of the invoice.
15. Disbursements may be requested in advance, to be paid prior to the provision of work, services or representation.
16. We use Central Search and Registration for searching, registration and filing. The owners of this business are associated with the partners of the firm.

**Joint and Several Liability**

17. If there is more than one person comprising the client, each person is jointly and severally liable for payment in due time of all the firm's accounts and other charges, such as those under clauses 11 and 13.

**Moneys Held or Received**

18. For property and financing transactions, you must credit our trust account with the ASB Bank before 10.00 am on the day of settlement with cleared funds for the correct amount.
19. We will be entitled to deduct at any time our fees, disbursements and other charges from any money held or received on your behalf. The raising of an invoice to you is authority for this deduction, and such invoices will be forwarded to you.
20. Any moneys placed on interest earning deposit through our trust account will have deducted 7.5% of the gross interest earned on those moneys in payment of our administration fee for such interest earning facilities. You acknowledge and agree that McVeagh Fleming shall not put funds on interest bearing deposit if you have not completed any requested certification in accordance with clause 25 of these terms of engagement.

**Transfers and Payments of Client's Trust Money**

21. If there is more than one person comprising the client the firm is entitled to act on the individual instructions of one of you as to where transfers of or payments from your funds are to be made. You each hereby jointly and severally instruct and authorise the firm to make transfers or payments on such basis. Any variation to this authority must be communicated in writing by you to the firm.

**Termination of Legal Services**

22. You may terminate our services and representation at any time upon written notice to us. We will render a final account to you, and at all times we will have a lien over your file, papers, information, money held and money received on your behalf until payment in full of all or any accounts.
23. We reserve the right to seek to withdraw from our representation with your consent, or by an order of a Court, and otherwise we may decline to act further or withdraw our services on giving notice (whether oral or written) for good cause, including without limitation for any failure to pay an account rendered or due to any delay in payment.

**Information and Privacy**

24. All information we receive from you will be kept confidential. Such information will only be disclosed when necessary in order to give effect to your instructions, or if otherwise required by law.

**Foreign Account Tax Compliance Act (FATCA)**

25. You acknowledge that McVeagh Fleming is or may be required by law, including, without limitation, the Foreign Account Tax Compliance Act and the OECD Common Reporting Standard, to obtain certain information or certification from clients in respect of their legal or financial status, in particular their taxation status in overseas jurisdictions. You agree that you shall promptly provide all such requested information or complete any certification required by McVeagh Fleming and further acknowledge that McVeagh Fleming may provide that information to its bank and any other organisation or regulatory body to the extent necessary to comply with all relevant legislation. You acknowledge and agree that due to the requirements of relevant legislation and the requirements of McVeagh Fleming's own bank your funds will not be placed on interest bearing deposit until McVeagh Fleming is provided satisfactory certification from you in terms of this clause and you shall have no claim against McVeagh Fleming for failure to place funds on interest bearing deposit (or failure to do so promptly) due to any non-compliance by you with the terms of this clause.

**Resident Land Withholding Tax**

26. If you are selling a residential property and you are deemed by us to be an offshore person for the purposes of the Income Tax Act 2007, you accept that in certain circumstances we are obliged to calculate and deduct from the sale proceeds Resident Land Withholding Tax (RLWT) and account to Inland Revenue Department for such moneys deducted.

**Engagement**

27. By you engaging our services or continuing to instruct us after receiving or being notified of these terms of engagement, and by us providing work, services or representation, you agree to and are deemed to immediately accept the terms and conditions as set out above (unless we receive written notice from you otherwise and such change is expressly agreed to by us in writing).
28. No waiver by us of a breach of any term of engagement will be deemed to be a waiver of any other term or subsequent breach.
29. These terms of engagement constitute the entire understanding between you and us.