

INFORMATION FOR CLIENTS AND STANDARD TERMS OF ENGAGEMENT

Our mission: To provide you with cost effective legal services of the highest quality

The information that Davenports Harbour Lawyers ("we" or "us") must provide to clients to comply with the *Rules of Conduct and Client Care for Lawyers* as laid down by the New Zealand Law Society is set out in the portion of this document headed "**(A) INFORMATION FOR CLIENTS**". In each and every matter we undertake on your instructions the professional relationship between us will be governed by the terms set in the portion of this document headed "**(B) STANDARD TERMS OF ENGAGEMENT**" unless we make other arrangements in writing with you.

(A) INFORMATION FOR CLIENTS

Fees

The basis on which fees will be charged and payment will be required to be made to us is set out fully in our Standard Terms of Engagement set out in this document. We may deduct from funds held for you in our trust account any fees for our legal services for which we have provided you with an invoice and any commissions earned on investments, GST and disbursements. We will provide you with a summary record on conclusion of each transaction.

Professional indemnity insurance

We hold professional indemnity insurance, which meets or exceeds the minimum standards specified by the New Zealand Law Society. Please ask us if you would like details of the minimum standards.

The New Zealand Law Society's Fidelity Fund

The New Zealand Law Society's Fidelity Guarantee Fund ("Fidelity Fund") provides clients of lawyers with protection against theft by a lawyer, lawyer's employee or agent. Protection is limited to a maximum of \$100,000.00 for any individual claimant and in most cases does not cover monies instructed to be invested. More information about what the Fidelity Fund covers is available at www.lawsociety.org.nz.

Persons responsible for your work

At the outset of any matter we will issue to you a Letter of Engagement advising the name and status of the person who will have primary responsibility for the work and the name of the supervising partner who will have overall responsibility for it, for supervising any staff, for assisting and for being available to you to discuss progress. Where appropriate, some legal services will be performed by staff members with levels of experience and specialisation which will best enable us to provide a quality service at a fair price.

Complaints

We take client complaints seriously and have a procedure for handling such complaints. We seek to deal with such complaints promptly and fairly and want to do what we can to right the situation. If you are unhappy, we encourage you to talk to the person you are dealing with and see whether the problem is simply miscommunication. If your problem remains unresolved please contact the supervising partner and if your complaint involves a partner, please contact the other partner. Complaints can be lodged:

- By letter to PO Box 302558, North Harbour, North Shore City 0751;
- By email to complaints@davenportsharbour.co.nz; or
- By telephone to +64 9 915 4380.

If you are still not satisfied with the way we have responded to your complaint, you can make a formal complaint to the Lawyers Complaints Service of the New Zealand Law Society (Ph 0800 261 801).

New Zealand Law Society's rules of conduct and client care for lawyers

Whatever legal services your lawyer provides, they must:

- 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.

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 to the justice system.

If you have any questions you may visit www.lawsociety.org.nz or call 0800 261 801.

Limitations on the extent of our obligations or liability

In property matters we do not accept any responsibility to advise on matters relating to the quality of any investment whether in matters of value or land or building quality. We urge clients to obtain appropriate independent expert advice in such matters. If there are any other limitations on the extent of our obligations to you or any limitation or exclusion of our liability they will be set out in our Letter of Engagement.

(B) STANDARD TERMS OF ENGAGEMENT

What we aim to do for you

We aim to ensure that you are satisfied with our services and that you have received value for the fees charged.

What we would like you to do for us

- Give us clear instructions;
- Advise us of your deadlines so that we can prioritise your work;
- Tell us if you change your address, telephone or facsimile numbers;
- Contact us to discuss your work and any worries you may have;
- Let us know if you require written progress reports.

Telephone and access

Our office is open from 8:00am to 5:30pm, Monday to Friday. You may contact us on our individual email addresses and direct dial numbers.

Trust account

We pay all funds received from clients into a separate trust account in accordance with New Zealand Law Society requirements. If we are holding significant funds for you we will arrange short term interest bearing deposit with a registered bank. For that service we will deduct from all interest recovered commission charges at the rate of 5% of the gross interest earned.

Records

We keep our files for seven years unless you let us know that for a special reason files are to be retained for a longer period.

Calculation of fees

We believe it to be important that our clients understand the basis upon which our fees are calculated, the times when fees and disbursements will be invoiced and our expectations for payment.

Our legal fees are calculated in accordance with the principles of charging established by the New Zealand Law Society. The fee fixed will depend upon the nature of the task undertaken and all relevant factors, including:

- The skill, specialised knowledge, experience and responsibility required;
- The time and labour expended;
- The value or amount of any property or money involved;
- The importance of the matter to the client and the results achieved;
- The complexity of the matter and the difficulty or novelty of the questions involved;
- The number and importance of the documents prepared or perused; the urgency and circumstances in which the business is transacted;
- The reasonable costs of running our practice;
- The possibility that acting for you may prevent us acting for other clients;
- Any estimate given to you, or any fee agreement between us;
- Market fees for similar services.

The importance of each of these factors will vary according to the circumstances of each matter.

Time expended on a task is only one of the factors taken into account in fixing a fee. The time provided by each professional staff member on a task is recorded and multiplied by a "time cost" rate, which varies according to the experience and skills of that staff member.

We are happy to discuss fees with you at any time. If you have any question or concern about costs please, in the first instance, contact the supervising partner. Please discuss with us any queries about an invoice before your payment is due. Special fee arrangements may be made to meet particular requirements.

Disbursements and services

Disbursements are payments that we make on your behalf. Examples are courier costs, search and registration fees. We have standard office charges for routine services such as photocopying, telephone and fax charges. Other disbursements are calculated based on usage and will be invoiced separately from our fees. We may ask for payment of major items before we pay them out.

Goods and Services Tax ("GST")

GST or any similar taxes will be payable in addition to the amount of any fee, quotation or estimate.

Billing

We may require payment of a reasonable retainer in advance and on account of costs to be incurred. This will be paid into our trust account and show as a credit on your first statement. If we require prepayment of such a retainer, we may choose not to begin work until we receive prepayment of that retainer, even if filing or other deadlines are due. We will not deduct fees from a retainer until we have properly invoiced you.

Your instructions for us to act for you constitute consent to a credit check being obtained.

For ongoing matters, we find that regular billing gives much better control for you and us over the progress and cost of legal work and assists for budgeting and cash flow planning. Progress or interim invoices will consequently be issued on a monthly basis where appropriate.

Our billing policies are regularly reviewed.

Payment terms

All accounts are to be paid within 7 days of the date of the invoice. Please make sure your account with us stays current.

Payment may be made by cheque, cash, direct debit or credit card.

When funds are held in our trust account on your behalf and not otherwise committed, the balance due to us will be deducted from those funds. We will forward to you details of our fee and disbursements together with a statement detailing the balance due and any balance held on deposit prior to deducting these funds.

If you have not paid your account we may choose to stop acting for you even if filing or other deadlines are due. We are entitled to keep all or any files and documents until you have paid all outstanding amounts. If payment is late, we may:

- Charge interest on the unpaid account at 1.5% per month until payment is received
- Pass onto you all legal and collection costs incurred in recovering payments from you
- Terminate our services without further notice

Our policy is to initiate recovery proceedings in respect of all overdue accounts unless alternative arrangements are approved by us.

Paper work and intellectual property

For their total protection, we will retain important documents indefinitely. Examples include wills, deeds of family arrangement, insurance policies and other unique and irreplaceable items.

General files, containing correspondence, copies of Court documents, file notes and Trust Account records are retained for a minimum of seven years and may be disposed of (securely) without notification after that period.

You are, for the purposes of the work we undertake for you, entitled to use and copy all documentation created by us for you but otherwise we continue to have exclusive ownership of all copyright and all other intellectual property rights in the documentation and in all original ideas created by us and relating to or connected with the work. Provided only that we do not breach our duty of confidentiality to you, we are absolutely entitled to use any of our documentation to form the basis of any other work done by us and to use our intellectual property and original ideas to give advice to other clients.

Termination

You are entitled to end our services at any time by notifying us. If this occurs, we will return your papers and property to you on payment of any outstanding fees and costs. We retain our own files relating to services provided to you.

Governing law

New Zealand law governs our relationship with you. The New Zealand courts have non-exclusive jurisdiction.

Changes

We may change or modify these terms at any time by publication of the changed or modified terms of our website at www.davenportsharbour.co.nz. The changes or modifications will bind you for any matters for which we accept instructions after publication of the change or modification.