

STANDARD TERMS OF ENGAGEMENT

INTRODUCTION

These terms of engagement are the standard terms and conditions which govern the relationship between us and our clients. We also provide you with information relating to the Rules of Conduct and Client Care for Lawyers of the New Zealand Law Society.

AGREEMENT

- 1 These standard terms will apply whenever you engage Mana Law to act for you, subject to any different or additional terms agreed in writing. You are deemed to have accepted and agreed to these standard terms by continuing to engage us.
- 2 It is expressly acknowledged that in accepting these terms, you agree that these terms shall apply to all related entities in which you have an interest and for whom we accept instructions, including:
 - a. Partnerships;
 - b. Trusts;
 - c. Companies; and
 - d. Related companies, as defined in s 2(3) of the Companies Act 1993.

SCOPE OF WORK AND OUR ROLE

- 3 We will provide you with the legal services that you request or that we agree on, unless a conflict of interest or there are other causes prevent us from doing so. If this is the case we will give you reasonable notice of the termination of our instructions.
- 4 Usually we will confirm and record our understanding of your instructions in our letter of engagement. If this letter does not reflect your instructions please let us know immediately.
- 5 Any limitations on the extent of our obligations to you or any limitation or exclusion of liability are set out in our letter of engagement.
- 6 We provide our advice and services to you only and we have no obligations or liability to any third parties. Other people or entities (including those closely associated with you) who would like to rely or act on our advice can do so only if we agree in writing.
- 7 We are not responsible for advising you on any taxation matters unless we agree in writing otherwise.
- 8 We do not make representation or provide advice to you regarding structural integrity or weather tightness of property in any circumstance.
- 9 When your instructions on a matter are completed, our representation will end. We will only advise you further on issues arising from

the matter (for example, implementation and other dates or changes in relevant law) if you specifically engage us to do so. We will not be under any obligation to continue to provide advice or services.

- 10 Our work is done on the basis of the information you have provided to me and in strict accordance with your instruction. Should the information you provide me is incorrect or untrue, we shall not be responsible for the outcome of the matter. You agree to keep us updated with relevant information in relation to your matter and to provide written instructions should you require me to carry out specific task.

USE OF PERSONAL INFORMATION

- 11 You agree to provide us with all information that we may reasonably require to carry out your instructions and meet our statutory obligations, and for our internal statistical purposes. You authorise us to collect and use information from you and third parties for the above purposes.
- 12 Any information that you give us is treated as confidential information and will as far as reasonably practicable be made available only to those within our firm who are providing legal services to you. We may also need to disclose this information to:
- A. our service entities or agents; and
 - B. other organisations (including other parties in the matter) and government agencies responsible for processing transactions;
- but only to the extent necessary or describe to enable us to carry out your

instructions and our professional duties (including our duties as explained in these terms) or as required by law.

- 13 Under the Privacy Act 1993, we must follow the information privacy principles when we collect, use and disclose information about you.
- 14 We may also use your contact details and other information (for example, subjects you are interested in) to keep you informed about developments in relevant areas of law, promotions of other legal services or seminars we offer. If you do not want your personal information used for this purpose, please let us know by emailing to info@manalaw.co.nz.
- 15 You agree, in accepting these terms, that we are authorised to perform credit checks to confirm your credit worthiness, either directly or through our authorised agents. We may also perform further credit checks in the event that our fees are unpaid as required under clauses 30 to 32.

FEES

- 16 At Mana Law, legal fees are calculated in accordance with the principles of charging established by the New Zealand Law Society. In setting our fees we take into account the following factors:
- A. *the time and labour expended;*
 - B. *the skill, specialised knowledge, and responsibility required to perform the services properly;*
 - C. *the importance of the matter to you and the results achieved;*
 - D. *the urgency and circumstances in which your matter is undertaken and any time*

- limitations imposed including those imposed by the client;*
- E. *the degree of risk assumed by the lawyer in undertaking the services, including the amount or value of any property involved;*
- F. *the complexity of the matter and the difficulty or novelty of the questions involved;*
- G. *the experience, reputation and ability of the lawyer;*
- H. *whether the fee is fixed or conditional (whether in litigation or otherwise);*
- I. *any quote or estimate of fees given by the lawyer;*
- J. *any fee agreement (including a conditional fee agreement) entered into between the lawyer and the client;*
- K. *the reasonable costs of running a practice; and*
- L. *the fee customarily charged in the market and locality for similar legal services.*
- 17 Where we charge based on time and attendances, the current hourly rates of Kevin Lo is \$275.00 plus GST.
- 18 We reserve the right to amend these rates from time to time with reasonable prior notice to you.
- 19 If appropriate, we will give you an estimate of what we expect the fees will be for your matter. Our estimate will be subject to certain conditions notified to you at the time the estimate is made. If the conditions are not met, we are entitled to increase our fee and/or other charges above the estimated amount. We shall advise you promptly if a change of circumstances means that our estimate will be altered. In some cases, due to the nature of the work we are required to perform, we will not be able to provide an estimate for our work in advance.
- 20 If the engagement letter specifies a fixed fee quote, we will charge this for the agreed scope of our services. In the event of any unforeseen circumstances or complications resulting in further works to be done, due to any party's default under the transaction or other reasons, such works are deemed outside of the agreed scope of our services. Work which falls outside that scope will be charged on an hourly rate basis. We will advise you as soon as reasonable 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 further costs.
- 21 We will also, at your request, tell you the amount of fees incurred to date, or we can let you know when fees reach a certain level.
- 22 For a variety of reasons, some instructions are not completed. If this occurs, we will charge you for the work undertaken and costs incurred up to the time of termination.
- 23 In some instances, we may be required to incur additional time or expense following the termination or completion of a matter. We will charge you for this in accordance with the terms in our letter of engagement.

DISBURSEMENTS

- 24 Our charges include disbursements incurred on your behalf.
- 25 Disbursements are out-of-pocket expenses such as travel and accommodation costs, registration and filing costs, court charges, photocopying, printing, facsimile, toll and mobile charges,

deliveries, routine on-line searches, enquiries and matters of a similar nature.

- 26 Disbursements also include payments made on your behalf such as fees of agents, experts, outside counsel and other professionals. Where you have instructed us to engage such third parties then you will, upon demand, pay to us the fees billed to us by that third party.
- 27 You will also be charged GST at the current rate as required by law unless you are zero-rated or exempt for the purposes of GST.
- 28 Disbursements will be included in our invoice to you when the expense is incurred.

RELEASE OF FUNDS

- 29 We are unable to disburse any payment to you unless we have received cleared funds such as Bank Cheque. If funds are not cleared, we shall receipt and hold such funds in our trust account until the funds are cleared, then disburse such funds in accordance with your instructions.

BILLING AND ACCOUNTS

- 30 We will issue regular bills of costs (usually monthly, on completion of the matter or on termination of our engagement) unless otherwise agreed.
- 31 Our bills are payable upon the date of issue. We may charge you an account handling cost which is 5% of the fees payable excluding GST. We shall reward our clients who promptly pay their bills and you may deduct the account handling cost if payment is made within 7 days of the date of the invoice.
- 32 If your account remains unpaid for 7 days, in addition to the account handling cost, we:

- A. will not release your papers and files until all accounts are paid;
- B. may refer the unpaid account to a debt collection or credit listing agency;
- C. may charge you interest on any unpaid amount at the rate of our banker's unauthorised overdraft rate plus 5% per annum
- D. may issue proceedings against you for the recovery of the unpaid account; and
- E. may do no further work for you.

- 33 Although you may expect a third party to reimburse you for our fees and/or charges, and our invoices may be directed to a third party at your request, we have no recourse to any person other than you, and you shall remain responsible for payment to us if the third party delays or fails to pay us.

- 34 You are liable for all our costs (including solicitor / client costs) incurred or incidental to recover of any outstanding debt owing to us.

- 35 We shall be entitled to deduct fees and disbursements owing to us from monies held in our trust account on your behalf on provision of an invoice.

- 36 We may ask you for a payment in advance for disbursements payable to third parties on your behalf and/or as security for professional fees.

- 37 This money will be held in our trust account on your behalf and will be used to pay:

- A. any charges as they are due; and
- B. ourselves, immediately after sending you our account.

- 38 We will provide you with a statement showing you how this money has been spent.

- 39 If we hold significant funds on your behalf, we will place the funds on interest bearing deposit. The interest received as a consequence will be

payable to you, unless otherwise discussed. An administration fee of 6% of the interest will be charged to meet our costs in this respect, with a minimum fee of \$25 applying.

- 40 Please contact us immediately if you have any concerns about our account.

CONFLICTS

41 We have procedures in place to deal with issues that arise if the interests of two or more clients conflict in accordance with the requirements and procedures as set out by New Zealand Law Society.

42 We may accept instructions from other clients or potential clients working in the same or competing markets and whose commercial interests conflict with your own, where you have agreed, or as long as those instructions:

- A. are not substantially related to any active matter on which we are acting for you; and
- B. do not involve us using confidential information we have obtained from you.

43 It is possible that a legal conflict of interest may arise in a matter on which you have instructed us. If this happens, we will contact you as soon as possible. As a result, we may be required to refer you to another law firm.

44 If our retainer is terminated or we have not been instructed by you on a matter, we may act for other clients whose interests are contrary to your own, as long as we:

- A. do not hold confidential information belonging to you that is relevant to the matter; or
- B. have taken steps to keep your information confidential.

LITIGATION, EXPERTS AND SPECIALIST

MATTERS

45 For litigation and matters requiring specialist advice, we will retain the services of experts and/or outside counsel to act on your behalf where appropriate.

46 Payment of the costs of counsel and experts shall be in accordance with clauses 23, 25 and 29 to 37 above.

COMMUNICATION

47 We usually use electronic means such as email for timely and efficient correspondence with our clients and other parties. If you have another preferred method of communication, please let us know so that arrangements can be made.

48 The above electronic communications are subject to interception by third parties, or may contain viruses or other defects. We do not accept responsibility and will not be liable for any damage or loss caused by an electronic communication that is intercepted, or has a virus or other defect.

49 We do not accept liability for any damage or loss arising from failure to receive any communication, including email.

50 If you have any concerns regarding the authenticity of any communication or document purportedly sent by us, please contact us immediately.

USE OF EXTERNAL INFORMATION AND PUBLIC

RECORDS

51 We often have to obtain and rely on external information or public records (for example,

government agencies or registers) to carry out your instructions. This information may not always be accurate or complete.

- 52 We do not accept responsibility and will not be liable for any direct or indirect damage or loss caused by errors or omissions in external information.

TERMINATION

- 53 You may end our engagement at any time by giving us reasonable written notice. You must pay our fees for work done and for other charges incurred up to the time of termination.

- 54 We may end our engagement in any circumstances as set out in the New Zealand Law Society's Rules of Conduct and Client Care for Lawyers.

- 55 If we become unable to act for you, all outstanding fees and other charges (up to the time of termination) will be billed to you. When you pay your account you have a right to uplift your file. Until your account is paid we have a right to keep any of your property in our possession (this is called a solicitor's lien).

- 56 The enforceability of this agreement is not affected by termination of our engagement.

RETENTION OF FILES

- 57 You authorise us (without further reference to you) to destroy all files and documents for this matter (other than any documents that we hold in safe custody for you) 7 years after our engagement ends, or earlier if we have converted those files and documents to an electronic format.

LAW AND JURISDICTION

- 58 These terms and any other agreement we have with you are:

- A. governed by New Zealand law;
- B. subject to the exclusive jurisdiction of the New Zealand courts; and
- C. binding on you and your executors, administrators and successors.

- 59 You may not assign or transfer any rights or obligations under these terms or any other agreement that we have with you.

GUARANTEE

- 60 It is acknowledged that where the client is a company or other separate legal entity, we require the client's obligations to be guaranteed by a natural person.

- 61 Where the name of a guarantor is completed in our letter of engagement, then that person guarantees full payment of the client's fees and disbursements in accordance with our letter of engagement and standard terms of engagement.

CHANGE

- 62 We may change these terms of engagement at any time with reasonable prior notice.

ACCEPTANCE OF TERMS OF ENGAGEMENT

- 63 By instructing us to provide you with legal advice and/or services you are deemed to have accepted these terms of engagement. It is not necessary for you to sign these terms of engagement in order to accept them.