

GENERAL TERMS OF ENGAGEMENT

At Davenports West we are committed to providing excellent legal services. This document sets out the terms and conditions which govern our relationship and provides you with an understanding of how we work.

If you have any questions about these terms, please contact us before we commence working for you. It is important that you have read and understood these terms of engagement.

How We Work

To ensure that you are provided with the best possible service, we allocate teams to concentrate on specific areas of law. We have a property and conveyancing team, a commercial and business team and an asset planning and trusts team.

The Directors of the firm are responsible for the supervision of each team and the management of the relationship with each client. The partners will delegate work to the most appropriate team and author having regard to the level of expertise and technical specialisation required.

Your Instructions

Our ability to provide you with the best possible legal service is enhanced by receiving clear instructions, any important time limits that we need to be aware of, your expectations about what you want to achieve and full details of where we can contact you at any point of the day.

You must ensure that we are aware of your most recent instructions. Often work on your matter will proceed including attendances that you may not be aware of at the time. If you wish us to stop work at any time, you need to let us know immediately.

How We Charge

Our fees are charged in accordance with the guidelines laid down by the Rules of Professional Conduct of the New Zealand Law Society. We take into account; the time spent, the skill, knowledge and responsibility required, the value of the property involved, the complexity, novelty, importance and urgency of the matter, the reasonable cost of running a law practice, the result, the importance of the matter to you and the number and importance of the documents prepared or perused. To assist us in determining the appropriate charge for work done for you, each author has an hourly charge-out rate and keeps a record of all the time spent working for you.

Additional Charges

Usually we will also charge you for other ancillary services provided, such as photocopying, telephone calls and postage charges. We capture those additional costs as part of a communication charge, which is 4% of our fee exclusive of GST. We are often required to pay disbursements on your behalf such as, courier fees, filing and registration fees and other types of agency fees. Those charges will be specifically itemised on your invoice.

Estimate of Fees

Where possible we will give you an estimate of the fees you are likely to incur with us. Any estimate given will be on a GST exclusive basis. However, if the work proves to be more complicated than originally anticipated, we will charge for all the additional work done. If this occurs we will advise you of the reasons and obtain your further instructions.

Sometimes, we may ask for a substantial deposit before work can commence. This will be held in an interest-bearing account and applied to our final invoice on your matter. In the meantime, we expect that our monthly invoices will be met in full as per the terms and conditions set out below.

Our Billing Policy

It is our normal policy to bill you on a monthly basis. This assists by spreading payments over time and also enables you to keep track of how much the work is costing. Generally property and similar transactional matters may be billed at the time of settlement or on completion of the work. If you require any clarification in relation to the invoice you receive from us, please let us know immediately.

Payment of Our Invoices

Our accounts are due within seven days of the issue of our invoice. If we are holding money for you (for example from the sale of your house) we may deduct the account from that money and will provide you with a full statement.

You can pay any invoice by cash, cheque (payable to "Davenports West Trust Account"), Eftpos, credit card (Visa, MasterCard) or by bank transfer to Davenports West Trust Account at ASB Bank, Central Auckland Commercial Banking, Account Number 12 3109 0077654 02.

In the event that our accounts remain unpaid 30 days after the date of receipt of the invoice, interest will be payable on that account and shall be calculated at a rate of 10%. If you anticipate any difficulty in paying our accounts for whatever reason you must immediately contact us upon receipt of our invoice to discuss the matter.

In the event that payment of our accounts are not made on time, we reserve the right to immediately stop working on your matter. We also have the right to retain possession of your file and any documents belonging to you until we are paid. If you default in your payment obligations to Davenports West, information about that default may be given to Baycorp Advantage and Baycorp Advantage may give information about your default to other Baycorp Advantage customers. If we are required to initiate debt recovery proceedings we will also seek the interest charge set out above together with the cost of recovery.

Termination

You may terminate our representation at any time by notifying us in writing. If such termination occurs, papers and property which you have provided us will be returned promptly upon receipt of payment of outstanding fees and costs. Outline files pertaining to the transaction will be retained.

We are subject to the Lawyers & Conveyancers (Lawyers: Conduct and Client Care) Rules 2008 which lists several types of conduct or circumstances that require or allow us to withdraw from representing a client, including for example: non-payment of fees and costs, misrepresentation or failure to disclose material facts, action contrary to our advice and conflict of interest with another client. We try to identify in advance and discuss with you a situation which may lead to a withdrawal and if withdrawal ever becomes necessary we would give written notice of that occurring.

Commissions

If we place funds on an interest-bearing deposit in our trust account on your behalf, we may charge a reasonable commission out of the interest for arranging and administering the deposit.

Storing Records

Generally we are required to store your paper file for 7 years after the date of our final invoice. After that time we may destroy it, except for any documents we agreed to hold for you in safe custody. However we do not destroy property relationship files or documents such as wills, trust deeds and powers of attorney.

General

If you have any questions about these terms of engagement please let us know. We look forward to working with you and providing you with a service that is, in all respects, excellent.

INFORMATION FOR CLIENTS

Set out below is the information required by the Rules of Conduct and Client Care for Lawyers of the New Zealand Law Society ("Law Society")

1. **Fees:** The basis on which fees will be charged is set out in our letter of engagement. When payment of fees is to be made is set out in the Davenports West Terms of Engagement.
We may deduct from any funds held on your behalf in our trust account any fees, expenses or disbursements for which we have provided an invoice.
2. **Professional Indemnity Insurance:** We hold **Professional Indemnity Insurance** that meets or exceeds the minimum standards specified by the Law Society. We will provide you with particulars of the minimum standards upon request.
3. **Lawyers Fidelity Fund:** The Law Society maintains the Lawyers Fidelity 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 Fidelity Fund by way of compensation to an individual claimant is limited to \$100,000.00. Except in certain circumstances specified by the Lawyers and Conveyancers Act 2006 the Fidelity Fund does not cover a client for any loss relating to money that a lawyer is instructed to invest on behalf of a client.
4. **Complaints:** We maintain a procedure for handling any complaints by clients, designed to ensure that a complaint is dealt with promptly and fairly.
If you have a complaint about our services or charges, you may refer your complaint to the person in our firm who has overall responsibility for your work.
If you do not wish to refer your complaint to that person, or you are not satisfied with that person's response to your complaint, you may refer your complaint to: Partner, Simon Bratley.

He may be contacted as follows:

- by letter
- by email at simon.bratley@davenportswest.co.nz
- by telephoning him on (09)836 4099

The Law Society also maintains a complaints service and you are able to make complaint to that service. To do so you should contact the Auckland District Law Society at 2-8 Chancery Street, Auckland 1010, P O Box 58, Auckland 1140. Phone: 09 303-5270.

5. **Persons Responsible for the Work:** The names and status of the person or persons who will have the general carriage of or overall responsibility for the services we provide for you are set out in our letter of engagement.
6. **Client Care and Service:** The Law Society client care and service information is set out below:

Whatever legal service your lawyer is providing, he or she 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 be best 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, please visit www.lawyers.org.nz or contact the New Zealand Law Society on 04 472 7837.

7. **Limitations on extent of our Obligations or Liability:** 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.