

## FURTHER TERMS AND CONDITIONS AND INFORMATION FOR CLIENTS

We provide this information to assist you to understand how our firm works and to avoid miscommunication in any areas of our relationship. We strive to provide in-depth and practical legal advice and endeavour to present this in plain English and simple terms. Our focus is to achieve the best possible outcome for our clients, regardless of what type of advice is sought. You can be rest assured we are committed to looking after you in the best way possible.

### 1. Fees and Payment Terms

- (a) The fees which we will charge, or the manner in which they will be arrived at, are set out in our terms and conditions of engagement.
- (b) If a set fee has been specified, we will charge this for 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 reasonably practicable if it becomes necessary for us to provide services outside the agreed scope in order to obtain your further instructions and if requested, give you an estimate of the likely amount of the further costs.
- (c) Where our fees are calculated on an hourly basis, the hourly rates are set out in our terms and conditions of engagement. The differences in those rates reflect the experience and specialisation of our professional staff. Time is recorded in six minute units, rounded up to the next unit of six minutes. We reserve the right to review our hourly rates at any time.
- (d) Pursuant to the guidelines laid down by the New Zealand Law Society, we reserve the right to take additional factors into consideration when calculating fees including the requirement for specialised knowledge and expertise; the urgency of the matter and circumstances imposed; the degree of risk assumed and the complexity of the matter.
- (e) Disbursements and Expenses: In providing services we may incur disbursements or have to make payments to third parties on your behalf. These will be included in our invoice to you when the expense is incurred. We may require an advance payment for the disbursements or expenses which we will be incurring on your behalf. Expenses include file opening and storage fee, tolls and faxes, photocopying and any payments we may have to make to third parties on your behalf (including registration and filing fees, court charges, fees of agents, experts and other professionals, travel and accommodation costs). For out of town travel costs these will be charged on a pro rata basis depending on the number of client attendances. These will be included in our invoice to you when the expense is incurred. Should the matter prove to be voluminous, we reserve the right to charge for each new physical file created.
- (f) GST is payable by you on our fees and charges.
- (g) We may send interim invoices monthly and on completion of the matter, or upon termination of our engagement. We may also send you an invoice when we incur a significant expense.

- (h) We may hold funds in our trust accounts on your behalf or we may ask you to pre-pay amounts to us, or to provide security for our fees and expenses. You authorise us:
  - To debit against amounts pre-paid by you; and
  - To deduct from any funds held on your behalf in our trust account, any fee expenses or disbursements for which we have provided an invoice.
- (i) Although you may expect to be reimbursed by a third party for our fees and expenses, and although our invoices may at your request or with your approval be directed to a third party, you remain responsible for payment to us if the third party fails to pay us.
- (j) All accounts are payable within fourteen days of the date of the invoice, with the exception of invoices relating to final settlement of conveyancing or relationship property transactions. We require all funds to settle a conveyancing or relationship property transaction (including our fees and any anticipated fees) in cleared funds by the settlement date. We reserve the right to delay settlement of such transactions should payment of the sums specified herein not be paid in cleared funds by the settlement date and you may then be liable for any late settlement penalties applicable under the terms of the sale and purchase or relationship property agreement.
- (k) All overdue accounts will incur interest at the rate of 2.5 percent per month and should it be necessary to take enforcement steps to recover outstanding accounts (either by way of legal proceedings or by referral to a debt collection agency) then such recovery and enforcement costs will be added to your account including actual solicitor/client costs.
- (l) We reserve the right to cease acting for you where accounts are not paid in accordance with these terms.
- (m) If you are unable to comply with our terms of payment you must enter into a payment arrangement prior to commencement of work.

## 2. Legally Aided Clients

- (a) If you are making an application for Legal Aid you must pay \$50 immediately upon engaging our services (or at such other time as agreed in writing on the Terms of Engagement). If your application is granted the \$50 will be applied towards the total cost of services provided in accordance with the provisions of the Legal Services Amendment Act 2013. If your application is declined then the \$50 will be applied toward any fee owed to us in terms of the provisions set out in this document.
- (b) Section 18A(3)(a) of the Legal Services Amendment Act 2013 states that I may decline to *provide any services under a grant of legal aid until the user charge is paid. I require payment of the \$50 user charge in full before undertaking any further work on your behalf.*

- (c) An application has been, or will be made to the Ministry of Justice for a grant of legal aid on your behalf.
- (d) The Ministry will tell us and you in writing whether legal aid is granted and the amount of legal aid that is approved.
- (e) If legal aid is granted, we will invoice the Ministry of justice for the work we do for you on this matter.
- (f) You may have to repay some of your legal aid to the Ministry of Justice, depending on how much you earn, what property you own, how much your case costs, and on how much money you win from your case (if applicable). The Ministry will tell you the maximum amount of any legal aid you may have to repay when it tells you if you have been granted legal aid. If you are a beneficiary with no assets, it is likely that you will not have to repay any of your legal aid.
- (g) The Ministry uses the financial information you give on your legal aid application form to work out whether you have to pay anything.
- (h) You must inform us or the Ministry of Justice immediately if your financial circumstances change.
- (i) If legal aid is not granted, you will be responsible for our fees.

3. Verifying your identity/Credit checks

In some circumstances we are required by law to verify your identity. We may carry out reasonable credit checks on you. You authorise anyone we contact to provide us with information we request as part of our credit enquiries and you acknowledge and agree that we may provide information to credit agencies about any account you have failed to pay by the due date.

4. 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.

5. 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. Except in certain circumstances specified in the Lawyers & 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 the client.

6. 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 one of the firms Directors, Lee Stevens or Margot Harkness. They may be contacted by letter, telephone or email ([office@stevensorchard.co.nz](mailto:office@stevensorchard.co.nz)).

The New Zealand Law Society operates the Lawyers Complaints Service and you are able to make a complaint to that service. To do so, phone 0800 261 801 for information and advice about making a complaint.

7. Responsible for the work

You will be advised of the person who will have general carriage of or overall responsibility for the services we provide for you. From time to time you may be contacted by her assistant /PA. Any work carried out by a Legal Executive is carried out as an authorised representative of Stevens Orchard Lawyers Limited.

8. Client Care and Service

The Law Society client care and service information is set out below. Whatever legal services your lawyer is providing, he or she must:

- (a) Act competently, in a timely way, and in accordance with instructions received and arrangements made;
- (b) Protect and promote your interests and act for you free from compromising influences or loyalties;
- (c) Discuss with you your objectives and how they should best be achieved;
- (d) Provide you with information about the work to be done, who will do it and the way the services will be provided;
- (e) Charge you a fee that is fair and reasonable and let you know how and when you will be billed;
- (f) Give you clear information and advice;
- (g) Protect your privacy and ensure appropriate confidentiality;
- (h) Treat you fairly, respectfully and without discrimination;

- (i) Keep you informed about the work being done and advise you when it is completed; and
- (j) 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. Those obligations are subject to other overriding duties, including duties to the courts and the justice system.

If you have any questions please visit [www.lawyers.org.nz](http://www.lawyers.org.nz) or contact your local law society.

#### 9. 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.

#### 10. Your Obligations

- (a) You must provide us with full, complete and honest instructions.
- (b) You accept liability to pay all accounts as they fall due that we render for work undertaken, together with all disbursements arising from your instructions.
- (c) If you are a US citizen or resident or have an interest in a non US entity, you authorise us to disclose FATCA information to our Bank or IRD when money is placed on interest bearing deposit. You agree to complete a self- declaration form.
- (d) If you are a citizen or resident of any other country other than NZ then you authorise us to disclose CRS (OECD common reporting standard) information to our Bank or IRD when money is placed on interest bearing deposit. You agree to complete a self- declaration form. (*operative after 1 July 2017*)

#### 11. Trust Account

- (a) All monies received from you or on your behalf will be held in our trust account in your name. Any payment made from funds held on your behalf will be made to you or to a third party with your authority.
- (b) Stevens Orchard Lawyers Limited trust account is maintained up to date at all times and a statement of trust account transactions will be provided at any time upon your request.
- (c) Where appropriate, funds held on your behalf in our trust account will be placed in an on call deposit with a trading bank registered under section 69 of the Reserve Bank Act 1989. Funds may also be placed on term deposit and in this instance your written authority and instructions are required.

- (d) It is acknowledged that funds invested on an on call basis are likely to earn interest at a lesser rate than what could be obtained from a term deposit.
- (e) Interest earned from on call deposits, less withholding tax will be credited to your account.  
You authorise us to deduct commission at the rate of 5% of the interest earned.
- (f) Monies held in our trust account and not placed on call or term deposit will not earn interest.

## 12. Confidentiality

- (a) We will hold in confidence all information concerning you or your affairs that we acquire during the course of acting for you. We will not disclose any of this information to any other person except:
  - (i) To the extent necessary or desirable to enable us to carry out your instructions; or
  - (ii) To the extent required by law or by the Law Society's the Rules.
- (b) Confidential information concerning you will as far as practicable be made available only to those within our firm who are providing legal services for you. We will of course, not disclose to you confidential information which we have in relation to any other client.

## 13. Termination

You may terminate our retainer at any time. We may terminate our retainer in any of the circumstances set out in the Law Society's rules. If our retainer is terminated you must pay us all fees due up to the date of termination and all expenses incurred up to that date.

## 14. Retention of Files and Documents

You authorise us (without further reference to you):

- To retain your files and documents in paper and an electronic format if required;  
and
- To destroy all files and documents for this matter (other than any documents we hold in safe custody for you) seven years (or ten years if an e-dealing transaction) or earlier if we have converted the format.

## 15. Conflicts of Interest

We have procedures in place to identify and respond to conflicts of interest. If a conflict of interest arises we will advise you of this and follow the requirements and procedures set out in the Law Society's rules.

16. Duty of Care

Our duty of care is to you and not to any other person. Before any other person may rely on our advice, we must expressly agree to this.

**These terms and conditions of engagement apply to your current instructions for our services and also to any future instructions. If we do not hear otherwise and you continue to instruct us, you are deemed to have accepted all of the above terms and we will proceed accordingly.**

**Please contact us immediately if you do not wish us to proceed or continue acting on your behalf. We will continue to act on your behalf and you may incur further fees unless we receive notice in writing of your termination of our retainer.**

**We reserve the right to amend or change our terms and conditions of engagement and if so we will send you an updated copy.**