

**ROUT MILNER FITCHETT  
STANDARD TERMS OF ENGAGEMENT**

These standard Terms of Engagement ("Terms") apply in respect of all work carried out by us for you, except to the extent that we otherwise agree with you in writing

**1. SERVICES**

1.2. The services which we are to provide for you are outlined in our Letter of Engagement.

**2. FINANCIAL**

**2.2. Fees**

- a. The fees which we will charge, or the manner in which they will be calculated, are set out in our Letter of Engagement.
- b. If the Letter of Engagement specifies a fixed fee, 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 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 Letter of Engagement. The differences in those rates reflect the experience and specialisation of our professional staff. Time spent is recorded in 6 minute units, with time rounded up to the next unit of 6 minutes.

**2.3 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 and specified on 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.

We may also charge an Office service charge to cover incidental expenses such as telephone toll charges, fax charges and office stationery used but not charged directly to your matter.

**2.4 GST (if any)**

GST is payable by you in our fees and charges.

**2.5 Invoices**

We will send invoices to you, usually monthly (on large matters), on completion of the matter, or on termination of our engagement. We may also send you an invoice when we incur a significant expense.

If our Letter of Engagement specifies to you a fixed fee, this fee is due for payment when the transaction is settled and you authorise us to pay these fees out of any settlement funds received.

**2.6 Payment and Debt Collection**

Invoices are payable within 14 days of the date of the invoice, unless alternative written arrangements have been made with us. We may require interest to be paid on any amount which is more than 7 days overdue. Interest will be calculated monthly at a rate of 12% per annum.

If invoices are not paid in full and on time, you will pay collection and legal fees and such fees may include additional fees or commissions charges by debt collecting firms as well as actual legal costs and disbursements charged on a solicitor own client basis. If we find it necessary to sue you, service of any document will be deemed to be effected on you if that document is left at the address shown as your business address or home address or registered address.

**2.7 Security**

We may ask you to pre-pay amounts to us, or to provide security for our fees and expenses. You authorise us:

- a. to debit against amounts pre-paid by you; and
- b. to deduct from any funds held on your behalf in our Trust Account; any fees, expenses or disbursements for which we have provided an invoice.

## **2.8 Third Parties**

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 at your request or with your approval be directed to a third party, nevertheless you remain responsible for payment to us if the third party fails to pay us.

## **3. CONFIDENTIALITY**

- 3.1 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:
- To the extent necessary or desirable to enable us to carry out your instructions; or
  - To the extent required by law or by the Law Society's *Rules of Conduct and Client Care for Lawyers*.
- 3.2 Confidential information concerning you will as far as practicable be made available only to those available within our firm who are providing legal services for you.
- 3.3 We will of course, not disclose to you confidential information which we have in relation to any other client.

## **4. TERMINATION**

- 4.1 You may terminate our retainer at any time.
- 4.2 We may terminate our retainer in any of the circumstances set out in the Law Society's *Rule of Conduct and Client Care for Lawyers*.
- 4.3 If our retainer is terminated, you must pay us all fees incurred up to the date of termination and all expenses incurred up to that date.

## **5. RETENTION OF FILES AND DOCUMENTS**

- 5.1 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.

## **6. CONFLICT OF INTEREST**

- 6.1 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 of Conduct and Client Care for Lawyers*.

## **7. DUTY OF CARE**

- 7.1 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.

## **8. TRUST ACCOUNT**

- 8.1 We maintain a trust account for all funds which we receive from clients. If we are holding significant funds on your behalf we would normally lodge those funds on interest-bearing deposit with a bank. In that case we will usually charge an administration fee of 5% of the interest derived.

## **9. GENERAL**

- 9.1 These Terms apply to any current engagement and also to any future engagement, whether or not we send you another copy of them.
- 9.2 We are entitled to change these Terms from time to time, in which case we will send you amended Terms.
- 9.3 Our relationship with you is governed by New Zealand law and New Zealand courts have non-exclusive jurisdiction.

## **10. REGISTRATIONS**

- 10.1 We do not keep a record of Financing Statements registered on the Personal Property Securities Register or trademarks registered as part of our retainer, nor do we guarantee that we keep a record of usernames/identities or passwords in connection with such registrations. The renewal of such registrations is your responsibility and we do not accept any liability for any loss caused by the non-renewal of such registrations.