

ASHLEY LAW TERMS OF ENGAGEMENT

The following terms are the basis for which we will provide our advice and professional services.

1. **Our Advice:** We shall provide our advice to you for your sole benefit for the work we have agreed to undertake as set in our Letter of Engagement under the heading Our Professional Services. Our advice is based on the information you have disclosed to us and is relevant as at the date it is provided to you.
2. **Our Fees:**
 - 2.1 Our fees are based on our understanding of your instructions and for the professional services we will provide. Where the Letter of Engagement specifies a fixed fee, we will charge this for the agreed professional services. Work which falls outside or is in addition to the professional services will be charged at an hourly rate.
 - 2.2 **Other factors considered when rendering our fees:**
 - the time and labour expended;
 - the skill, specialised knowledge and responsibility required to perform the services properly;
 - the importance of the matter to you and the results achieved;
 - the urgency and circumstances in which the matter is undertaken and any time limitations imposed, including those imposed by you;
 - the degree of risk assumed by us in undertaking the services including the amount or value of the property involved;
 - the complexity of the matter and the difficulty or novelty of the questions involved;
 - the experience, reputation and ability of the members of our firm working on this matter;
 - the possibility that the acceptance of the particular instructions will preclude employment of us by other clients;
 - whether the fee is fixed or conditional;
 - any quote or estimate of fees given by us;
 - any fee agreement entered into between you and us;
 - the reasonable costs of running our firm;
 - the fee customarily charged in the market and locality for work similar to yours.
 - 2.3 Our fees are GST exclusive.
 - 2.4 **Disbursements and expenses:** During the course of providing our services to you we may incur disbursements or be required to make payments to third parties on your behalf. We may require an advance payment for these costs.
 - 2.5 **Invoices:** Where the matter is ongoing we will provide you with an interim invoice, usually monthly. At the conclusion of the matter we will provide to you our reporting letter, final invoice and statement.
 - 2.6 **Payment:** Our fees are payable within 14 days from the date of the invoice. If our fees remain outstanding after 30 days from the date of the invoice we will then charge interest at the rate of up to 2% per month on the outstanding amount compounding.
 - 2.7 **Security for Fees:** In some circumstances we may require pre-paid amounts to be provided or we may hold funds in our trust account on your behalf. You authorise us to deduct any amount owing to us, provided we have issued you with an invoice, from those funds held.

2.8 **Collections Costs:** Any debt collection costs incurred in the recovery of our fees, plus interest if any, shall be payable by you.

3. **Confidentiality:** 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:
 - a) To the extent necessary or desirable to enable us to carry out our instructions; or
 - b) To the extent required by law or by the Law Society's Rules of Conduct and Client Care for Lawyers.

Confidential information concerning you will, as far as practicable, be made available only to those within our firm who are providing legal services to you.

We will of course, not disclose to you confidential information which we have in relation to any other client.

4. Termination of Our Services

- 4.1 You may terminate our services by giving notice to us in writing at any time.
- 4.2 We, in turn, may elect to discontinue the provision of our professional services in the following circumstances:
 - if you fail to pay our fees when due;
 - if you fail to provide adequate instructions;
 - if, in our reasonable opinion, we believe our client/solicitor relationship has broken down; or
 - we are legally required to do so

We will provide you with written notice of our election of termination. All fees and expenses incurred up to the date of termination will be required to be paid by you.

5. **Retention of files and documents:** 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) seven (7) years after our engagement ends, or earlier if we have converted those files and documents to an electronic format.
6. **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 of Conduct and Client Care for Lawyers.
7. **Trust Account:** We maintain a trust account for all funds which we receive from clients (except monies received for payment of our invoices). If we are holding significant funds on your behalf we will normally lodge those funds on interest bearing deposit with a bank. In that case we will charge an administration fee of [5%] of the interest derived.
8. **Severability:** If any provisions within our terms of engagement are found to be invalid but would otherwise be valid if minimally modified then, the provision will apply with the minimum modification or be deleted but otherwise the remaining terms shall remain and be enforceable.
9. **General:** These terms apply to any current engagement and also to any future engagement, whether or not we send you another copy of them. We are entitled to change these terms from time to time, in which case we will send you amended terms. Our relationship with you is governed by New Zealand law and New Zealand courts have exclusive jurisdiction