



Information for Clients and Standard Terms of Engagement

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 below in our letter 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. 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.

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 Roy Seaton, Practice Manager. He may be contacted as follows:

- by letter to PO Box 679 Blenheim;
- by email at roy@tslaw.co.nz;
- by telephoning him at 578 8122.

The Law Society also maintains a complaints service and you are able to make a complaint to that service. To do so you should contact the Law Society. The address is;

- New Zealand Law Society
- Telephone (04) 472 8978.

5. Persons Responsible for the Work:

The person/persons who will have the general responsibility for the services we provide for you are Andrew Townshend and/or Audrey Seaton, and/or Roy Seaton.

6. 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:

- 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 best be 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 call 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.

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

The services which we are to provide for you are legal services in relation to a reverse equity loan and mortgage.

2. Financial

Standard Fees

Our *estimated* professional fees to complete the transactions if it proceeds are:

With an existing mortgage to discharge:

\$550 plus disbursements & GST = \$700.00 total

Without a Mortgage: \$450 plus disbursements & GST = \$575 total

These prices are sufficient for us to complete most reverse equity loans.

Additional Fees

While we strive to work within the standard fees estimates above, we reserve the right to charge reasonable additional fees (based on time) if we are required to undertake significantly more work than normal for your transaction.

Feel free to call us if you think your purchase may involve additional work, as we can often advise you if extra costs are likely once we have a few extra details from you.

Cancelled Transaction

If the loan is cancelled we will normally charge you for our time and any direct costs outlaid on your behalf (in particular Land Information NZ search fees).

Terms of Payment:

If the loan proceeds

Fees are payable in full at settlement. This means that when arranging your finance for the purchase, you need to ensure that you include the amount payable for our fee in your calculations.

On settlement day we usually have our fees credited to our trust account, and the loan that you wish to draw down direct credited to your bank account.

If the transaction is cancelled

We may invoice you for our fees separately. Payment terms are 7 days unless agreed otherwise. If you do not think you will be able to meet our payment terms we may be able to agree other arrangements, PROVIDED you discuss these with us early in the purchase process.

If you have not discussed alternative arrangements with us before settlement (or cancellation) then we will expect payment in accordance with the above terms. Note that we may also charge our reasonable costs where required to collect overdue payments.

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:
 - a. to the extent necessary or desirable to enable us to carry out your instructions; or
 - b. 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 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 Rules of Conduct and Client Care for Lawyers
- 4.3 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.

5. Conflicts of Interest

- 5.1 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*.

6. Duty of Care

- 6.1 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.

7. Account

- 7.1 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. We will credit you with any resulting interest; we do not charge a fee or commission for this service.

8. General

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

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