



## **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 in our standard 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. 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](mailto: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.

#### **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](http://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 – Sale & Purchase

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

- 1.1 The services which we are to provide for you are legal services for the sale and/or purchase of land, or land and buildings, within New Zealand.

### 2. Financial

#### 2.1 Standard Fees for a Sale

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

With a Mortgage: \$675 plus disbursements & GST = \$820 total

Without a Mortgage: \$520 plus disbursements & GST = \$600 total

These prices are sufficient for us to complete most residential property sales.

#### 2.2 Standard Fees for a Purchase

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

With a Mortgage: \$780 plus disbursements & GST = \$990 total

Without a Mortgage: \$580 plus disbursements & GST = \$720 total

These prices are sufficient for us to complete most residential property purchases.

#### 2.3 Reduced Fees for a Sale and Purchase (same day settlement only)

Our *estimated* professional fees to complete the sale and purchase if both Agreements proceed to settlement **on the same day** are:

With a Mortgage on:

-both properties: \$1325 plus disbursements & GST = \$1645 total

-sold property only: \$1145 plus disbursements & GST = \$1415 total

-purchased property only: \$1185 plus disbursements & GST = \$1460 total

Without any Mortgage: \$1010 plus disbursements & GST = \$1220 total

These prices are sufficient for us to complete most residential property sale & purchase transactions.

#### 2.4 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 a purchase transaction.

Examples of such additional work include:

- Preparing the sale & purchase agreement on your behalf.

- Agreement extensions or renegotiation.
- Additional requirements where you are making the sale and/or purchase via a Trust or Company.
- Dealing with significant problems arising from investigations under the agreement conditions (e.g. building issues, Title problems, council issues, etc).
- Private loan or Vendor finance arrangements.
- More than one mortgage to discharge (sale)
- Additional caveats or charges registered against the property (sale).
- Where you are outside New Zealand during the sale/purchase process.

*Feel free to call us if you think your sale and/or 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.*

## 2.5 Cancelled Agreements

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

## 2.6 Land Information Memorandum (LIM) Fees (purchase only)

If your Purchase agreement specifies a LIM is to be ordered we will confirm you want a LIM and advise you of the Council fee before ordering it on your behalf. The LIM will be prepared by the local Council where the property is located, and an invoice will be sent to us with the Report.

You will need to pay the Council invoice when you collect the LIM from our office, and we will forward the payment to the council on your behalf. We do not charge you any fees for arranging the LIM for you.

PLEASE NOTE: that our fees do not include us reviewing the LIM on your behalf. Please let us know if you wish us to do so & we will discuss with you the likely additional fee.

## 2.7 Terms of Payment:

### (a) If the sale and purchase proceeds

Fees are payable in full at settlement. This usually means we will deduct our fees from the sale proceeds/purchase funds on settlement day. We will then pay any balance to you as instructed by you. We will make those arrangements with you closer to the settlement day.

### (b) If the sale and purchase is cancelled (or in special circumstances)

We will 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 sale & 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. 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. Conflicts 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*.
- 6.2 We are often asked to act for both vendor and purchaser on conveyancing transactions within Marlborough. In such situations we will ensure that your interests and confidential information are protected, and that you will not be

disadvantaged in any way by another person within the office acting for the other party.

## 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 (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.

## 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.

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