

## 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

1.1 The services we are to provide for you are outlined in our engagement letter.

### 2. Financial

#### 2.1 Fees:

(a) The fees we will charge or the manner in which they will be arrived at, are set out in our engagement letter.

(b) If the engagement letter 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 any hourly basis, the hourly rates are set out in on our engagement letter. 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.

2.2 **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. We also charge for our office related expenses including photocopying, sundries, emails, phone related expenses, forms and postage. We will usually require an advance payment for the disbursements or expenses which we will be incurring on your behalf.

2.3 **GST (if any):** Is payable by you on our fees and charges.

2.4 **Invoices:** We will send interim invoices to you, usually monthly and on completion of the matter, or termination of our engagement. We may also send you an invoice when we incur a significant expense.

2.5 **Payment:** Invoices are payable within 7 days of the date of the invoice, unless alternative 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 at the rate of 4% above our firm’s main trading bank’s 90-day bank bill buy rate as at the close of business on the date payment became due.

2.6 **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.

2.7 **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 with your approval be direct to a third party, nevertheless you remain responsible for payment to us if the third party fails to pay us.

## 2.8 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 your instructions; or to the extent required by law or by the Law Society's Rules of Conduct and Client Care for Lawyers. Confidential information concerning your 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.

## 3. Termination

- 3.1 You may terminate our retainer at any time.
- 3.2 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.
- 3.3 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.

## 4. Retention of files and documents

- 4.1 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.

## 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 in writing.

## 7 Trust 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. In that case we may charge administration fees based on time engaged in administering same or based on a small percentage of the interest derived. We are happy to discuss these terms with you at any time.

## 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.

**9. Foreign Account Tax Compliance Act (FATCA)**

9.1 If we are to hold funds on your behalf in our Professional Trust Account on an Interest Bearing Deposit (IBD) and will require from you a Self-Certification Form before we can open an IBD. The Self-Certification Form seeks information regarding your personal Tax Residency or that of the entity that owns the deposit funds. This may include information from certain individuals associated with any such entity including beneficiaries of a Trust, Trustees, Company Directors, Partners in a partnership or Shareholders in a Company.

9.2 Please advise us if it is likely you will require us to open an IBD so we can provide you with the appropriate forms and assistance in completion of a Self Certification Form.

9.3 Without this we cannot place funds on deposit for you.

**10. Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML)**

10.1 From 1 July 2018 all law firms are required to comply with the provisions of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML).

10.2 Rick Williams Associates have developed policies and procedures as required by AML to detect suspicious activities that may indicate money laundering or the financing of terrorism.

10.3 We will be gathering information from you as now required of us by AML on any new matters arising which includes:

- (a) personal information and current photo identification.
- (b) information regarding your trust, company, or business partnership and the people involved with these.
- (c) source of wealth or funds in particular transactions.
- (d) documents that identify you or an associated person (such as your driver licence or passport).
- (e) proof of current address (current bank statements, utilities invoices and the like).

10.4 If you are unable to provide us with the information we request we are likely to be compromised in acting for you. We appreciate that you may have been a client of our firm for many years however we are obliged by the AML to comply and we are happy at any time to discuss these obligations with you and to assist you in this process.