

Teresa Chan Law Limited-Terms of Engagement

By instructing us, you accept liability for our account. If you instruct us on behalf of someone else you remain liable to pay our account if it is not paid by that person.

Our fee will take into account the following factors:

- the time spent
- the skill and knowledge and responsibility required
- the importance of the matter to you
- the risk assumed by us in undertaking the work
- the value of property involved
- the complexity, novelty, importance and urgency of the matter
- our experience and reputation
- our accepting your instructions will preclude us from accepting other instructions
- whether our fee is conditional upon some event or outcome
- the reasonable costs of running a practice
- the result.

Generally with respect to property and similar transactional matters, we will as a minimum require settlement of our costs at the time the transaction is settled. For lengthy transactions and all other matters, we will issue interim bills on a monthly basis.

Our accounts are due within 14 days of issue. If we hold or receive money for you, we may deduct our account from that money and give you a statement. In addition we may:

- ask you to prepay disbursements (e.g. registration and Land Information Memorandum fees and other professionals' fees) before incurring them; and /or
- require prepayment of an estimate of our fees prior to commencing work in accordance with our credit policy at the time; and /or
- require you to provide at your expense appropriate security for our fee and disbursements.

If you do not pay our account by the due date, you agree that we may:

- charge you interest at the rate of 1.5% per month compounding on a monthly basis calculated from the time the account falls due until it is paid; and / or
- charge you the cost of recovery of the outstanding fees and interest including our costs on a solicitor/client basis, any Court costs and disbursements, service or collection fees; and / or
- retain original documents and correspondence on your file until such time as all outstanding fees and disbursements have been paid; and / or
- disclose any information about your default to any credit agency (and you authorise any credit agency to hold such information on their systems and use it to provide their credit reporting service); and / or
- decline to carry out any further work on your behalf.

You authorise us:

- to make enquiries from time to time with credit agencies and any previous legal advisors you may have regarding your credit history (and you authorise disclosure by those people to us); and

- to release information from time to time to the extent where necessary to the above persons for the purpose of making such enquiries (and you authorise any credit agency to hold such information on their systems and use it to provide their credit reporting service); and
- to disclose any information about you for the purpose of instructing other persons including a debt collecting agency to recover any outstanding fees from you; and
- to gather information about you as required under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 and disclose such information to authorities and others as and when required by law (see “Why we need to ask you for information” below); and
- to send you information about how we may assist you by providing other legal or professional services to you.

You may terminate our services at any time. You must pay us your fees for services up to the date of termination and all expenses incurred up to that date.

You agree that all files and documents created or obtained while working for you (regardless of whether they are received or held by us as Agent for you or created for your benefit or otherwise) belong to us. You acknowledge that we may (without further reference to you) destroy all files and documents for this matter (other than any documents that we hold in safe custody for you) seven years after our engagement ends, or earlier if we are required by law to do so or have converted those files and documents to an electronic format.

We owe a duty of care to you as our client and not to any other person. Before any other person may rely on our advice we must expressly agree to this.

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 the Bank. In that case we will charge an administration fee of 5% of the interest derived.

These Terms apply to any current engagement and also to any future engagement, whether or not we send you another copy of them. You acknowledge that if you acquire our services for the purposes of a business then the provisions in the Consumer Guarantees Act 1993 will not apply.

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 non-exclusive jurisdiction.

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

- 1.1 The basis on which fees will be charged is set out in our letter of engagement. When payment of fees is to be made is set out in our Terms of Engagement.

2 Professional Indemnity Insurance

- 2.1 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

- 3.1 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 \$100,000.00. 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**

- 4.1 We do not accept bullying, discrimination, harassment, racial harassment, sexual harassment, or violence at any level. All our clients and employees, anyone we engage with may expect to be treated with respect.
- 4.2 We are committed to providing a professional, efficient, and courteous service to all clients.
- 4.3 If you are not satisfied with our service, please raise your concerns with the person you feel most comfortable with. That may be the staff member you deal with, or Teresa Chan. Alternatively, you may wish to make a formal complaint, verbally or in writing. In that case, please direct your complaint to Teresa Chan. You may choose to do so yourself, or through a representative.
- 4.4 We will investigate your concerns objectively and try to reach a positive and speedy resolution.
- 4.5 If Teresa Chan is the subject person, and you feel uncomfortable raising your concerns or making a complaint to her, you may make a report or complaint by emailing the New Zealand Law Society at complaints@lawsociety.org.nz or contact the Law Society at:

The Secretary
New Zealand Law Society
Otago Office
Private Bag 1901
Dunedin 9054

- 4.6 If you are not satisfied with the outcome of our investigation of your complaint, you may make a report or complaint to the Lawyers Complaints service by email or contact them as set out under Clause 4.5 above.

5 **Persons Responsible for the Work**

- 5.1 The names and status of the person or persons who will have the general carriage of or overall responsibility for the services we provide for you are set out in our letter of engagement.

6 **Client Care and Service**

- 6.1 The Law Society client care and service information is set out below.
- 6.2 Whatever legal services your lawyer is providing, he or she must:

- a Act competently, in a timely way, and in accordance with instructions received and arrangements made.
- b Protect and promote your interests and act for you free from compromising influences or loyalties.
- c Discuss with you your objectives and how they should best be achieved.
- d Provide you with information about the work to be done, who will do it and the way the services will be provided.
- e Charge you a fee that is fair and reasonable and let you know how and when you will be billed.
- f Give you clear information and advice.
- g Protect your privacy and ensure appropriate confidentiality.
- h Treat you fairly, respectfully and without discrimination.
- i Keep you informed about the work being done and advise you when it is completed.
- j 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.lawsociety.org.nz or call 0800 261 801.

7 **Limitations on extent of our Obligations or Liability**

- 7.1 Any limitations on the extent of our obligations to you or any limitation or exclusion of liability are set out in our Terms of Engagement.

Why we need to ask you for information

New Zealand has passed a law called the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (“the AML/CFT law” for short). The purpose of the law reflects New Zealand’s commitment to the international initiative to counter the impact that criminal activity has on people and economies within the global community.

Recent changes to the AML/CFT Act mean that from 1 July 2018 lawyers must comply with its requirements. Lawyers must do a number of things to help combat money laundering and terrorist financing, and to help Police bring the criminals who do it to justice. The AML/CFT law does this because the services law firms and other professionals offer may be attractive to those involved in criminal activity.

The law says that law firms and other professionals must assess the risk they may face from the actions of money launderers and people who finance terrorism and must identify potentially suspicious activity.

To make that assessment, lawyers must obtain and verify information from prospective and existing clients about a range of things. This is part of what the AML/CFT law calls “customer due diligence”.

CUSTOMER DUE DILIGENCE REQUIREMENTS

Customer due diligence requires a law firm to undertake certain background checks before providing services to clients or customers. Lawyers must take reasonable steps to make sure the information they receive from clients is correct, and so they need to ask for documents that show this.

We will need to obtain and verify certain information from you to meet these legal requirements. This information includes:

- your full name; and
- your date of birth; and
- your address.

To confirm these details, documents such as your driver’s licence or your birth certificate, and documents that show your address - such as a current bank statement - will be required.

If you are seeing us about company or trust business, we will need information about the company or trust including the people associated with it (such as directors and shareholders, trustees and beneficiaries).

We may also need to ask you for further information. We will need to ask you about the nature and purpose of the proposed work you are asking us to do for you. Information confirming the source of funds for a transaction may also be necessary to meet the legal requirements.

IF YOU CANNOT PROVIDE THE REQUIRED INFORMATION

If we are not able to obtain the required information from you, it is likely we will not be able to act for you. Because the law applies to everyone, we need to ask for the information even if you have been a client of ours for a long time.

Before we start working for you, we will let you know what information we need, and what documents you need to show us and let us photocopy.

Please contact the lawyer who will be undertaking your work, if you have any queries or concerns.