



Chapman Tripp standard terms of engagement

OCTOBER 2009

These Terms of Engagement apply except where we otherwise agree with you in writing.

Confidentiality

We will hold in strict confidence all information that we acquire through our work for you, and which concerns your business or your instructions to us. The only exceptions are where you authorise us to disclose such information or where we must do so by law.

Naturally, the reverse applies and we are not able to disclose to you information that we obtain through acting for other clients.

Where we obtain confidential information from you, we will, as far as practicable, distribute that information only to those within the firm who actually need that information to carry out your instructions.

Conflicts of interest

We have policies in place to identify and respond to conflicts of interest. If a conflict of interest or potential conflict of interest arises, we will consult with you about the best way to resolve the matter.

We recognise that New Zealand has relatively small commercial and legal markets. As far as possible, clients should be able to retain their lawyers of choice. We may, therefore, act for other clients whose commercial or legal interests differ from yours. However, we will not act without your consent for any other client where that client's instructions:

- are substantially related to any active matter on which we are working for you; or
- involve confidential information which we hold on your behalf that would disadvantage you if disclosed to the other client and there is a real risk that the personnel within our firm who would act for that other client would obtain that information.

Where we hold confidential information on your behalf but no longer act for you on that matter, we will ensure that effective information barriers are in place so that there is no material risk that you will be disadvantaged by our holding that information. As necessary, information barriers will include ensuring that access to hard-copy files and electronic documents is limited to the appropriate personnel.

Our duty of care

Our duty of care is to our client named in our confirmation of instruction. We do not owe any duty of care or liability to any other person. If any person wishes to rely on our advice, they can do so only if we expressly agree. If, during the course of our appointment, we provide services to entities related to or associated with you, then these services will be provided on the same terms as these standard terms.



Our fees

Our fees will be charged on the basis that they will be fair and reasonable, having regard to the circumstances of the matter and the nature of our work for you. While the time and resources involved will be important factors, we will also consider the results achieved and the urgency, level of skill, complexity, responsibility and specialist knowledge involved.

Often the greatest contributor to lower fees is the level of communication between you and us, both before the work begins and during it. Please discuss with us the outcomes that you seek, the context in which you are working and the level of legal involvement that you require.

We will arrange for each part of your work to be dealt with by the person with the most appropriate level of skill and experience.

We will send interim invoices to you, usually monthly. Our invoices include an office service charge to cover the cost of routine copying, printing, binding, telephone, fax and courier expenses. The office service charge is \$30 for fees up to \$1,000, \$60 for fees between \$1,001 and \$2,000, and 3% of fees for all other invoices.

Our invoices will include any New Zealand Goods and Services Tax (GST) applicable to our supply of services to you.

Our invoices are payable by the 20th of the month following the month of the invoice. Where we do not receive payment by that date, we may charge you interest at the rate of 5% per annum above our principal banker's usual lending rate, compounding monthly.

All invoiced amounts are payable in New Zealand dollars, unless we agree otherwise.

Where we have an arrangement with you that we will address the invoice to another person, you will pay that invoice if that other person does not pay the invoice.

We may deduct any fee, expense or disbursement for which we have provided you with an invoice, from any funds held in our trust account on your behalf except where we receive the funds from you for a special purpose (other than as security for our fees) and they remain in our trust account for that special purpose.

Where monies are held in our trust account on deposit for you, we may charge an administration fee of up to 5% of the gross interest earned.

Electronic services and communication

Where we provide any electronic service to you, or communicate with you by electronic means, we will take every reasonable precaution to ensure that those services and communications are accurate, reliable, adequate, complete, confidential and secure.

However, we cannot always be certain that those services and communications are error free. Also, because they will in most cases be Internet-based, certain risks exist that are outside our control. Consequently, despite the other provisions of these terms, we cannot and do not represent or warrant that those services and communications will always be accurate, reliable, adequate, complete, confidential and secure. We also exclude all warranties to the extent permitted by law.



Document destruction

Subject to any legal requirement, we will retain the file that we create for your work on any one matter for a minimum of seven years after we finish working for you on that matter. We may hold that file electronically rather than physically. After that time we may destroy that file without contacting you.

If you wish to retain all or part of the paper file (where we have held one), please advise us in writing before the matter is completed.

Termination

Where you give us any instruction and we rely on that instruction (for example, by giving an undertaking to a third party), you may not revoke that instruction. Otherwise, you may end our engagement at any time on any matter or matters. You do not need to give us any notice. We may, on reasonable notice to you, end our engagement at any time.

Provided that you have paid all of our invoices on all matters, we will (on request) provide to you all the documents that we have obtained or created through working for you on the matter or matters in question. Before we provide those documents to you, we may take a complete copy of them.

If our engagement is terminated, these terms continue to apply in respect of your instructions.

General

These terms of engagement apply to any current instruction, and to any future instruction, whether or not we send you another copy of them. There is no need for you to sign these terms of engagement in order to accept them; you will accept these terms of engagement by continuing to instruct us to work for you.

These terms of engagement are not affected by any change to our partnership.

We can change these terms of engagement, in which case we will send amended terms of engagement to you.

Any dispute concerning these terms of engagement, or our work for you, is to be resolved in the New Zealand courts under New Zealand law.

In these terms of engagement, "we", "us" and "the firm" means Chapman Tripp, and "you" means our client. Where you are a company or other corporate or unincorporated entity, we act only for you. We do not act for your shareholders, directors or members, unless we expressly agree otherwise.



Client service information

We are committed to complying with the *Rules of Conduct and Client Care for Lawyers* of the New Zealand Law Society (Law Society). To assist you, the following information describes some key elements of those rules, and explains some recourse you have as a consumer of legal services.

Client care and service

Whatever legal services we are providing, we 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; and
- 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 either discuss them with us or contact the Law Society at www.lawsociety.org.nz, or on 0800 261 801.

People responsible for your work

We will advise you of the people who will have overall responsibility for your work on each matter.

Complaints

We have complaints procedures that are designed to ensure that any complaint is dealt with promptly and fairly.

If you have a complaint about our services or charges, please talk to the Chapman Tripp person you usually deal with or the partner responsible for your work.



If you do not wish to talk to that person about your complaint, or you are not happy with that person's response to your complaint, please contact our managing partners, who can be reached by:

- email at managing.partner@chapmantripp.com; or
- telephone +64 9 357 9000, +64 4 499 5999, or +64 3 353 4130.

The Law Society also maintains a complaints service and you can make a complaint to that service by calling 0800 261 801.

Professional indemnity insurance

We hold professional indemnity insurance that meets or exceeds the minimum standards specified by the Law Society. We can provide you with particulars of the minimum standards upon request.

Lawyers' fidelity fund

The Law Society maintains the Lawyers' Fidelity Fund to provide protection against client losses arising from theft by lawyers. The most the Fidelity Fund can compensate you is \$100,000. The Fidelity Fund will not usually cover loss relating to money a lawyer is instructed to invest on behalf of a client.

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