# Terms of Engagement

## 1. Introduction

Our terms of engagement (**terms**) are the standard terms that apply to all legal work and related services (**services**) carried out by us for you. These terms are the basis of the legal services agreement between us.

In these terms, "**we**", "**us**" and "**our**" means Govett Quilliam. "**You**" and "**client**" means the person/entity that has engaged us and that is named in our letter of engagement

Our ***Information for clients*** sheet (**attached**) sets out further client care and service information which we are required to provide to you under the Rules of Conduct and Client Care for Lawyers issued by the New Zealand Law Society (**Rules of Conduct**).

These terms, and any dispute concerning these terms, or our services, are governed by New Zealand law and subject to the exclusive jurisdiction of the New Zealand courts.

## 2. Application of our terms

Our terms apply to all current and future services carried out by us for you, unless otherwise agreed between us in writing.

We may change these terms from time to time and will publish the latest version on our website. If you continue to engage us, then you accept the latest terms.

## 3. Our duty is to you

Our duties are owed to you only and we will only act on your behalf in relation to your instructions and any applicable professional or legal obligations.

Any advice given by us is solely for your benefit. It is limited to the matters stated in it. Unless we agree in writing:

- our advice to you may not be disclosed, referred to or published and no one else is permitted to rely on our advice;
- we owe no liability to any other person or entity, for example, your family members, employees, or directors or shareholders of related companies; and
- you may not assign or transfer your rights or obligations under these terms.

## 4. Scope of our engagement

We will provide the services set out in our letter of engagement or as subsequently agreed and set out in any replacement or supplementary letter of engagement.

We will inform you of any material and unexpected delays, significant changes or complications in the work being undertaken. You may request a progress report at any time.

Unless we confirm in writing otherwise, we are not qualified to give:

- investment or financial advice: you will need to seek that advice from a qualified financial advisor;
- tax advice or accounting advice: you will need to seek that advice from your accountant or tax advisor; or
- advice about foreign laws: we can help you to contact a lawyer in the other country.

Unless you specifically request us to and we agree in writing, we will not:

- remind you about dates (e.g. the Personal Property Securities Register, lease or consent expiry dates);
- notify you of any subsequent changes of law or update any advice provided once our services on a matter are completed.

## 5. How you can assist us

You can help us by:

- giving clear instructions and full information;
- asking about anything you're unsure of;
- notifying us of important time limits;
- providing identity documents if necessary;
- responding promptly to our inquiries; and
- updating us if your contact details change or circumstances affecting our Services change.

If you're concerned or haven't heard from us as expected, please ask.

## 6. Confidentiality, Privacy and Use of Technology

### Keeping your information confidential

We keep all information about you and your matter that we acquire in the course of our professional relationship confidential. We will only use or disclose it:

- to provide our services to you;
- where you agree or ask us to; or
- where we are required or allowed to by law, including the Lawyers and Conveyancers Act (Lawyers: Conduct and Client Care) Rules 2008.

These obligations continue after our work for you ends.

### How we handle personal information

We collect, use, store and disclose personal information about you, and about people connected with you, in line with the Privacy Act 2020 and our Privacy Policy.

We use personal information to:

- provide our services;
- meet our legal and regulatory obligations, such as anti-money laundering and tax reporting requirements; and
- run our practice, including billing, credit management, conflict checks and keeping records.

We may disclose personal information to people who help us provide our services. This includes barristers, experts, agents and other advisers we instruct for you, and our technology and service providers. We may also disclose it to our professional indemnity insurers and advisers where reasonably necessary, and to banks, insurers or regulators where the law requires.

We may send you updates or event invitations that we think may interest you. You can opt out at any time.

You have the right to ask for access to, and correction of, your personal information. To do this, please contact our Privacy Officer peter.rothwell@gqlaw.nz.

By accepting these terms, you agree to our collection, use, storage and disclosure of your information as set out above.

### Information you give us about other people

If you give us personal information about another person, such as an employee, family member or counterparty, please make sure that:

- you are entitled to share it with us; and
- where reasonably practicable, that person knows we will hold it and can see our Privacy Policy.

We will protect that information in the same way as our own. If it is involved in a notifiable privacy breach, we will tell you promptly and work with you on the response.

### Use of technology and artificial intelligence (AI)

*What we use*

We use secure technology tools approved by the firm to deliver our services. These include document, knowledge and practice management systems, cloud platforms, and AI tools. AI tools help with tasks such as legal research, document review, drafting, summarising and analysis.

We only use firm-approved AI tools in connection with client matters if the providers have contractually agreed to:

- not use your information to train their models;
- not make your information available to other users;
- maintain appropriate security and confidentiality protections; and
- delete information when we instruct them to.

Our policy is not to enter confidential, privileged or personal information into public or consumer AI tools.

AI supports our work but does not replace our professional judgement. AI can produce incomplete or inaccurate results. For that reason, a suitably qualified lawyer reviews and checks all AI-assisted work, including legal citations, before it is relied on, given to you, or filed with a court or tribunal. We remain fully responsible for the quality and accuracy of our advice. Using AI does not affect legal professional privilege, our duty of confidence, or any other professional duty we owe you.

By accepting these terms, you agree to our use of such tools as set out above.

*Storage outside New Zealand*

Some of our approved providers may store or process information outside New Zealand. Where that happens, we take reasonable steps to make sure the information is protected by safeguards comparable to those in the Privacy Act 2020.

*Our responsibility and liability*

If we become aware of unauthorised access to, or disclosure of, your information, we will tell you promptly. This includes incidents involving one of our providers. We will also meet our obligations under the Privacy Act 2020, including notifying the Privacy Commissioner and affected individuals where required.

We choose and manage our providers carefully, but we cannot guarantee that third-party systems will always be secure or available. To the extent the law allows, we are not liable for loss caused solely by the failure, unavailability or error of a third-party provider. This does not apply where the loss results from our negligence, our breach of professional or legal obligations, or our wilful misconduct.

## 7. Anti-Money Laundering and Countering Financing of Terrorism

**Verifying your identity and conducting credit checks**

We are a reporting entity under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 and we are obliged to comply with all laws applicable to us in all jurisdictions, including (but not limited to):

- anti-money laundering (AML) and countering financing of terrorism (CFT) laws; and
- laws relating to tax and client reporting and withholdings.

We may be required to undertake customer due diligence on you, persons acting on your behalf and other relevant persons such as beneficial owners and controlling persons. Until such due diligence is completed, we may be prohibited from beginning to act, or continuing to act for you.

Please ensure that you and/or any of the persons described previously are aware of and consent to this.

**Providing information to third parties**

To ensure our compliance and yours, we may be required to provide information about you, persons acting on your behalf or other relevant persons to third parties (such as government agencies). There may be circumstances where we are not able to tell you or such persons if we do provide information.

We are not liable to you, or anyone else, for anything done or not done by us (including any provision of information by us to any third party or any withholdings made) in order to comply with our legal obligations.

**Providing accurate information**

It is important to ensure that all information provided to us is accurate. If the information required is not provided, or considered by us to be potentially inaccurate, misleading, or in contravention of any law, we may terminate or refuse to enter into an engagement.

## 8. Conflicts of interest

We have policies and procedures in place to identify and respond to conflicts of interest.

**Commercial conflict**

Our acting for you does not restrict us from acting for other clients on separate matters whose commercial interests may conflict with your own, provided those instructions:

- are not substantially related to any active matter on which we are acting for you so as to give rise to a legal conflict of interest; and
- do not involve or would not be assisted by confidential information we have obtained from you, unless we take steps to maintain the confidentiality of your information.

**Legal Conflict**

If a legal conflict of interest arises, we will consult with you about the best way to resolve the matter. In the event of a conflict between your interests and those of another client for whom we are also acting, we will comply with the Rules of Conduct in relation to that conflict. It may be that we are unable to continue to provide services to you, the other client, or both.

If we are unable to act for you on a particular matter because of a conflict of interest, that will

not prevent us from acting for you on other matters.

## 9. Our pricing and other charges

### How we calculate our pricing

We calculate our pricing on the basis that it will be fair and reasonable having regard to your and our respective interests and:

- the circumstances of the matter and the nature of our work for you;
- the time and resources involved;
- the results achieved; and
- the factors permitted by the Rules of Conduct, including complexity, urgency, importance, specialised knowledge, responsibility and risks involved.

### Other costs

Unless specified otherwise by us in writing, GST, our administration fee[1] and third-party costs[2] will be itemised and charged separately.

### Estimates

Where possible, we will provide you with an estimate for the total price of our services, including GST, third-party costs and our administration fee. Any estimate given is not a fixed quotation, unless specified otherwise by us in writing.

Any work you ask us to do outside the scope of our estimate or quotation will be charged for separately. This includes where the scope of our services is extended beyond that originally contemplated because of unanticipated additional issues or complications arising.

### Third-party costs

If third-party costs or other external expenses are incurred by us on your behalf but not referred to in our letter of engagement, we will charge you separately for these and you agree to pay them.

We may at times ask you to pay funds into our trust account before we incur these costs.

## 10. Our invoices and payment

### When our invoices are issued

We issue invoices as and when is appropriate during the course of providing services to you. This could include:

- monthly;
- on completion of the services, on a settlement date or when our engagement ends; and/or
- when we incur third-party costs or other external expenses on your behalf.

### Due date

You agree to pay our invoices by the 20th day of the month following the date of the invoice, unless we have agreed in writing to alternative arrangements.

For property transactions and other transactions with specific settlement dates, our invoice:

- for a purchase, refinance or other settlement is payable on settlement; or
- for a sale, will be deducted from the sale proceeds.

For more information on payment options, including fee funding arrangements, please visit our website thelawyers.nz.

If you have any questions about an invoice, please contact us straight away.

### Payment in advance

We may ask you to pay for our services and/or third-party costs in advance. If we do, we will hold your payment in our trust account and you agree that we may deduct the price of our legal services when we issue you an invoice.

[1] **Administration fee** covers our internal compliance and monitoring costs (relating to anti-money laundering (AML), countering financing of terrorism (CFT) and the Foreign Account Tax Compliance Act (FATCA)), file administration and storage, printing, standard postage and photocopying costs.

[2] **Third-party costs** include but are not limited to: Dimension GRC AML Customer Due Diligence costs, Toitū Te Whenua | Land Information New Zealand registration and search fees, Auckland District Law Society standard form fees, government agency fees, Court charges, Companies Office charges, our travel and accommodation costs and courier costs.

**Overdue invoices**

If payment of our invoice by you is overdue, we:

- may elect to not perform any further work for you, and retain custody of your property (including documents or files) until all unpaid invoices are paid in full;
- will charge interest on overdue invoices at the rate of 1% a month;
- may take action to recover overdue invoices and we will charge you the cost of that recovery as well as the overdue amount and interest.

Any failure or delay on our part to charge interest on an unpaid invoice or to exercise any of our other rights, will not operate as a waiver to our rights.

For more information on payment options, including fee funding arrangements, please visit our website thelawyers.nz.

**Payment by third parties**

At your request or with your approval, we may send our invoice to a third party to pay on your behalf. However, you remain liable and responsible for payment by the due date if the third party does not pay us.

## 11. Our trust account

We maintain a trust account for all funds[3] we hold on behalf of clients (except funds we receive for payment of invoices).

**Payments out of the trust account**

Payments out of the trust account will be made either to you or to others with your authority. Written authorisation from you will be required when payment is to be made to a third party.
Before making a payment to another account we may require verification of the account details by provision of (for example) a copy of a deposit slip or bank statement showing the account number, a signed authority from you including the bank account details, or a signed letter from the relevant financial institution providing bank account details.

If we hold funds in our trust account on your behalf, we have your authority to draw on these funds to pay an invoice provided to you for the price of our legal services and costs.

**Statement of transactions**

A full record of our trust account is kept at all times. A statement of trust account transactions detailing funds received, and payments made on your behalf will be provided to you at any time upon your request.

**Placing funds on interest bearing deposit account**

If it is necessary for us to hold significant funds for you for more than a short period of time, we will place them on interest bearing deposit with a registered bank, subject to it being reasonable or practicable to do so, and to you having completed to the bank's satisfaction any request for information relating to the deposit or certification required by the bank. Interest earned, less withholding tax and commission, will be credited to you.

We charge an interest commission at a rate of 5% of the interest generated on funds held on interest-bearing deposit.

## 12. Electronic services and communications

We may provide services and communicate with you and others at times by electronic means. While we take every reasonable precaution to ensure that those services and communications are accurate, confidential and secure, electronic communications may be intercepted, interfered with or corrupted. We do not accept responsibility for the interference or corruption of an electronic communication and will not be liable to you for any connected damage or loss suffered.

We may occasionally email you information we feel is relevant and useful to you. If you do not want to receive that information, please let us know.

[3] **Funds** means money from any source, including any judgment, sale proceeds, or settlement amount.

## 13. Documents, records and information

### Documents

We may store your files, documents and personal information in any format we choose, including at our offices or electronically using data storage facilities or online storage located within or outside New Zealand.

### Destruction of files and documents

You authorise us to destroy all files and documents concerning the services we have provided to you (other than estates) seven years after your matter has been completed. We will destroy paper files or documents earlier if we have an electronic copy of them. We will also dispose of documents which are drafts, internal working documents, duplicates, or which are trivial (such as emails which do not contain substantive information), or documents which belong to us.

We will not destroy any documents we have agreed in writing to hold in safe custody for you (such as wills).

If we destroy files or documents at your request, you waive any liability we may have in relation to the matter, files or documents and we will have no liability to you or a third party.

### Returning documents to you

You may request copies or originals (at our option) of all documents to which you are entitled under the Privacy Act 2020 or any other law. We may charge you our reasonable costs for providing these.

Subject to clause 17, if you request to uplift your files or other documents at any time, we may make and keep copies of that material before you collect it.

We may, at our option, return documents (either in hard copy or electronic format) to you, rather than retain them. If we choose to do this, we will do so at our expense.

We are not obliged to retain documents or copies where you have requested that we provide them to you or to another person and we have done so, although we are entitled to retain copies for our own records if we wish to do so.

### Third-party documents

You are not entitled to any confidential information we have or obtain in relation to any other client. Where we hold documents that belong to a third party or which relate to joint instructions, you will need to provide us with that party's written authority to uplift or obtain a copy of that document.

## 14. Intellectual property and copyright

We own copyright in all documents or work we create in the course of performing the services but grant you a non-exclusive licence to use and copy the final version of the documents we create for you as you see fit for your own personal or commercial use. However, you may not permit any third party to copy, adapt or use those documents without our written permission.

Unless we agree otherwise:

- we retain ownership of the copyright in all documents (including deeds) and other intellectual property created by us;
- you must not provide our advice to others (such as using our opinions in any public document or statement).

You indemnify us against any third-party claims arising from a release of our advice to third parties.

## 15. Health and Safety

The Health and Safety at Work Act 2015 (**HSWA**) obliges us to take all reasonably practicable steps to ensure the health and safety of our team engaged in performing any services for you. You will ensure that the HSWA is fully complied with when our team members visit your sites and that no harm is caused to them.

## 16. The limits of our liability to you

To the extent permitted by law, our total aggregate liability to you (and all other persons) in connection with your engagement of us and the provision of services to you (on any matter(s)) is limited to $900,000.00 multiplied by the number of partners in our firm. This limit meets the New Zealand Law Society minimum standard. The limit applies whatever you are claiming for (whether in contract, tort, including negligence, or otherwise), and however the liability arises.

If you engage us to provide services for the purposes of a business, you agree the Consumer Guarantees Act 1993 does not apply. Otherwise, nothing in these terms limits any rights you may have under that Act.

For the avoidance of doubt, you accept we are not liable for any loss or liability because:

- we relied on information provided by you or a third party (including public records and expert witnesses);
- you did not provide us with all information required for your instructions or the scope of our engagement;
- you did not receive or read a communication we sent you.

If we become involved in any claim (including actual or threatened litigation of whatever form) in relation to our services, we will immediately notify you. You agree, to the extent permitted by law, to indemnify us, our partners and employees in all respects including our reasonable costs and expenses involved in defending any actual or threatened litigation. Where legal counsel is retained for these purposes, those costs, will be met by you. We will use reasonable endeavours to agree the amount of any such costs recognising the need to respond to litigation promptly and reasonably. You agree to meet our costs for all reasonable time incurred by our partners and employees and any other reasonable costs and expenses in relation to any inquiry or proceedings initiated by any person.

## 17. Ending our engagement

**Termination by you**

You may terminate our engagement at any time by giving us written notice of your request to do so.

**Termination by us**

We may terminate our engagement or suspend an engagement at any time if we are required to under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 or any other legislation, or in any of the circumstances set out in the Rules of Conduct. These include:

- the existence of a conflict of interest;
- non-payment of our costs or third party costs owed by you;
- failure by you to provide instructions in a timely way; and
- conduct by you that amounts to: bullying; discrimination; physical, verbal or online harassment; abusive or threatening behaviour; and/or violence towards us.

If we decide to stop working for you, we will give you reasonable notice and endeavour to help you find another lawyer.

**Payment for our services and costs**

You must pay us for all fees and costs incurred in relation to the services up to the date of termination.

**Returning your documents after termination**

Provided that you have paid all our invoices on all matters, we will (on request) provide to you:

- any documents held by us that were in existence prior to our engagement commencing;
- any documents created to be sent, received or held by us as your agent (for example, letters from other lawyers);
- any documents created for your benefit (for example, letters and documents, such as contracts or agreements we have prepared for you).

Before we provide those documents to you, we may take a complete copy of them.

Subject to the Privacy Act 2020, you agree you are not entitled to any documents we have created for our benefit (for example, drafts of final letters or documents, research notes, inter-office memoranda, time costing entries and notes).

## 18. General

These terms form a legally binding contract between us for the provision of legal services. The enforceability of these terms is not affected by termination of our engagement or any changes to the partnership of Govett Quilliam.

# Information for clients

## 1. Introduction

As part of our commitment to upholding the Lawyers and Conveyancers Act (Lawyers: Conduct and Client Care) Rules 2008 (**Rules of Conduct**), the following information concerning our duties and obligations under those rules and with respect to important aspects of client care and service is provided below.

## 2. Client care and service

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; 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. 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.

## 3. How we charge for our services

In our terms of engagement, we set out the way we charge for our services, how and when we invoice, and when payments are due by you.

Please click on the following link for information on how to pay:

https://govettquilliam.thelawyers.nz/make-a-payment.

## 4. People responsible for your work

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

## 5. How we handle complaints

We will respond to any complaints promptly and fairly.

If you have a question about any aspect of our service or one of our invoices, please feel free to contact the person you have been dealing with or the partner with overall responsibility for providing services to you (as outlined in our initial letter of engagement with you). Alternatively, you can email complaints@gqlaw.nz.

The New Zealand Law Society also has a complaints service. Below are the contact details for information and advice about making a complaint:

Telephone: 0800 261 801
Email: complaints@lawsociety.org.nz
Website: www.lawsociety.org.nz

## 6. Professional indemnity insurance

We hold professional indemnity insurance that meets the New Zealand Law Society's minimum standards. If you would like further information about our insurance, please ask.

## 7. Lawyers' Fidelity Fund

The New Zealand Law Society operates a Lawyers' Fidelity Fund to compensate clients who suffer theft of money or property entrusted to lawyers. The Fund covers losses of up to $100,000.00 per individual claimant. It does not cover loss where you have instructed us to invest money on your behalf (subject to limited exceptions set out in the Lawyers and Conveyancers Act 2006).