

Standard Terms of Engagement & Client Care

These Terms of Engagement apply in respect of all work carried out by us for you, except to the extent that we otherwise agree with you in writing. In these terms “we” or “us” or “our” refers to Belvedere Law and “you” means our client.

1. Services

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

2. Confidentiality

We will hold in confidence all information concerning you or your affairs that we acquire during the course of acting of you. The only exceptions are where you authorise us to disclose such information or where we are required by law. Confidential information concerning you will as far as practicable be made available only to those within or contracted to our practice who are providing services for you. Naturally, the reverse applies and we will not disclose to you confidential information which we have in relation to any other client.

3. Conflicts of Interest

We have procedures in place to identify and respond to conflict of interests. If a conflict of interest arises we will advise you of this and follow the requirements and procedures set out in the NZLS Rules. If you believe a conflict of interest has arisen or may arise, please inform us immediately.

4. Duty of Care

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.

5. Financial

5.1 Fees

The fees we will charge or the manner in which they will be arrived at, are set out in our engagement letter. Our fees are 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. If the engagement letter specifies a fixed fee, we will charge this for the agreed scope of our services. Work which falls outside the 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. Where our fees are calculated on an hourly basis, the hourly rates are set out in my engagement letter. Time spent is recorded in 6 minutes units, with time rounded up to the next unit of 6 minutes.

5.2 Disbursements, expenses and service charges

In providing services we may incur disbursements (such as travel and accommodation costs) or have to make payments to third parties on your behalf (such as experts, filing costs, court charges, agents' fees and similar). We will also charge for general office services incurred on your behalf which include printing and photocopying, telephone communications, deliveries or similar. These are charged at a standard minimum of \$30.00 plus GST, but may vary depending on the office work involved in attending to your matter

.5.3 GST

Our invoices will include any New Zealand Goods and Services Tax applicable to our supply of services to you. The GST will be payable by you.

5.4 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.

5.5 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 20 days overdue. Interest will be calculated at the rate of 2% above the National Bank's 90-day bank bill buy rate as at the close of business on the date payment became due.

5.6 Security

We may ask for you to pre-pay amounts to us, or to provide security for expenses and our fees. We will have your authority to draw on the amounts paid towards our fees and expenses, as they become due.

5.7 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 directed to a third party, nevertheless you remain responsible for payment to us if the third party fails to pay us.

6. Client Checks

We are required to comply with all laws binding on us, including:

- the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT Act); and
- the United States Foreign Account Tax Compliance Act, the intergovernmental agreement between the United States and New Zealand relating to it, and relevant provisions of the Tax Administration Act 1994 (together, FATCA).

This means we will perform client due diligence and account monitoring, keep records, and report any unusual or suspicious transactions where required by the AML/CFT Act, FATCA, or any other law.

We may also be required to assist any bank or other entity with whom we transact as your agent, or with whom we deposit money on trust for you, to comply with that entity's legal obligations in any jurisdiction.

When we need documents from you in order to comply with these obligations and begin work on your behalf, please provide the information and documents requested promptly. We may be required to provide them to a bank or other entity and disclose them to any law enforcement or regulatory agency or court as required by law.

7. Residential Land Sale Proceeds

If you sell residential land and we receive the sale proceeds on your behalf, we may be legally required to withhold residential land withholding tax (RLWT) from the proceeds. This will apply if, under the Income Tax Act 2007:

- you are an "offshore RLWT person";
- the land is "residential land" in New Zealand; and
- you sell the land within the five year "bright-line" period.

In this event, we must remit the RLWT to the Inland Revenue Department (IRD). We will account to you for the net sale proceeds only, after withholding RLWT and any other amounts we are permitted to deduct (including our fees).

You must provide us with all the information we need to determine whether you are liable for RLWT and (if so) for how much. This includes both information required by the Tax Administration Act 1994 and any other information we reasonably request. If you do not give us all this information, we may assume that RLWT applies and withhold it.

We have no liability to you for or in relation to any amount we withhold and remit to IRD as RLWT.

8. Termination

These Terms apply to any current engagement and also to any future engagement, whether or not we send you another copy of them. We may change these Terms of engagement at any time, in which case we will send you amended terms. Our relationship with you is governed by New Zealand Law and any dispute concerning these terms, or our work for you, is to be resolved in the New Zealand Courts under New Zealand law.

8. Retention of files and documents

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.

10. General

These Terms apply to any current engagement and also to any future engagement, whether or not we send you another copy of them. We may change these Terms of engagement at any time, in which case we will send you amended terms. Our relationship with you is governed by New Zealand Law and any dispute concerning these terms, or our work for you, is to be resolved in the New Zealand Courts under New Zealand law.

CLIENT CARE AND SERVICE INFORMATION

We are committed to complying with the NZLS Rules of Conduct and Client Care for Lawyers. The following information describes some of the key elements of those Rules.

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;
- 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.

Complaints

If at any time you have any concern or complaint about us or our services, please talk to the lawyer you usually deal with or with the principle in the firm. The Law Society also maintains a complaints service and you can make a complaint to that service by calling 0800 261 801.

Indemnity, Limit of Liability and Fidelity Cover

We hold professional indemnity insurance which exceeds the minimum level required by the New Zealand Law Society. 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.