Terms of Engagement

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Terms and Conditions of Engagement

Our Obligations to You

1. **Instructions**
   We will carry out your instructions and advise you on all legal matters that properly fall within the scope of your instructions. We will use due care and skill in doing so.

   Our duty of care is to you and not to any other person. Any advice given by us is solely for your benefit and may not be relied on by any other person unless expressly agreed by us in writing.

   We will not provide advice on taxation issues. We are only qualified to advise on New Zealand law. If we assist you in respect of matters governed by foreign law, we do so on the basis that we do not accept any responsibility or liability in relation to your rights and obligations under that foreign law.

   Our advice is not to be used in connection with any product disclosure document,

financial statement or public document without our written consent.

Our advice is subject to any changes in the law after the date on which the advice is given.

2. **Client Care Obligations**
Our obligations to you are:

- to act competently, in a timely way, and in accordance with instructions received and arrangements made;
- to protect and promote your interests and act for you free from compromising influences or loyalties;
- to discuss with you your objectives and how they should best be achieved;
- to provide you with information about the work to be done, who will do it and the way the services will be provided;
- to charge you a fee that is fair and reasonable and let you know how and when you will be billed;
- to give you clear information and advice;
- to protect your privacy and ensure appropriate confidentiality;
- to treat you fairly, respectfully and without discrimination;
- to keep you informed about the work being done and advise you when it is completed; and
- to 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 (Rules). Those obligations are subject to other overriding duties, including duties to the courts and to the justice system.

We will advise you of the name and status of the person or persons who have the general carriage of or overall responsibility for your work.

If you have any questions, please either discuss them with us or obtain information

from the New Zealand Law Society by visiting www.lawsociety.org.nz or calling 0800 261 801.

3. **Records**
   We will maintain records of the work that we carry out on your behalf. Unless you direct us otherwise, you authorise us to dispose of such records upon the expiration of the periods recommended by the New Zealand Law Society for the retention of such records. These records may be stored in electronic form only. We will provide copies to you on request in accordance with our obligations under the Privacy Act 2020 or any other laws. We may charge you our reasonable costs for doing this.

   We retain all ownership rights in all intellectual property of any kind created by us for you. You may not reproduce our intellectual property or provide it to any third party without our prior written consent.

4. **Office Hours / Transactions**
   Our offices are generally open 8.30am to 5.00pm on Mondays to Fridays. We are closed for public holidays and for a close down period over the Christmas to New Year period. If we receive funds on your behalf after usual business hours or on a day on which our offices are closed, we will deal with those funds within a reasonable period of time after our offices have reopened. We will not undertake transactions on your behalf outside usual business hours or on a non-work day except where we have made a prior arrangement with you.

Your Obligation to Us

5. **Information**
   In order for us to carry out your instructions you have an obligation to ensure that we

receive all relevant information when we are initially instructed to act. You must ensure that we are promptly advised of any change to known information, any new information or a change in your circumstances that may affect our ability to carry out your instructions. You are responsible for the accuracy of the information that you provide to us.

Unless otherwise instructed by you, we can accept instructions from:

- if you are a company or other incorporated entity, any of your directors or employees or any other person authorised to instruct us;
- if you are a trust, any of your trustees or officers;
- if you are a couple, either of you; and
- if you are a partnership, any one or more of the partners.

6. **Fees**
   The basis on which we will charge our fees is set out in our letter of engagement. We will charge a fee which is fair and reasonable for the services provided having regard to your interests and our interests. In determining the fee, the following may be taken into account:

   - the time and labour expended;
   - the skill, specialised knowledge, and responsibility required to perform the services properly;
   - the importance of the matter to you and the results achieved;
   - the urgency and circumstances in which the matter is undertaken and any time limitations imposed, including those imposed by you;
   - the degree of risk assumed by us in undertaking the services including the amount or value of the property involved;
   - the complexity of the matter and the difficulty or novelty of the questions involved;
   - the experience, reputation and ability of the members of our firm working on your matter;
   - the possibility that the acceptance of the particular instructions will preclude

employment of us by other clients;

- whether the fee is fixed or conditional;
- any quote or estimate of fees given by us;
- any fee agreement entered into between you and us;
- the reasonable costs of running our firm; and
- the fee customarily charged in the market and locality for work similar to yours.

Where we have agreed to supply services based on hourly charge out rates, the applicable rates will be set out in our letter of engagement and we may adjust our fee where appropriate to reflect the factors above. Hourly rates quoted in our letter of engagement will only be applicable until such rates are reviewed. Generally, our rates will be reviewed on or around 1 April in each year.

Unless otherwise stated all fees are plus GST.

Expenses and disbursements (such as search and registration fees, flights and accommodation costs, fees for any agents, experts or witnesses we engage on your behalf) will be charged at cost. Mileage will be charged where appropriate based on the approved IRD rates for vehicle expenses. Where appropriate, these third party goods or services may be incurred by us as your agent for GST purposes. In these circumstances, both parties agree that, for GST purposes, the supply of these goods or services will be treated as two separate supplies – from the third party to us, and then from us to you.

Standard printing and photocopying costs are included in our offices services charge, however large volume and / or colour copying printing and photocopying may be charged on the basis of estimated cost recovery at our discretion.

Other charges which we impose or pass on are:

- a commission of 5% on interest accruing on funds deposited with our banks through our bulk deposit scheme;
- an office services charge which will be made to each invoice to recover estimated overheads associated with telecommunications, data, stationery and other office expenses; and

- an administration fee to cover our reasonable costs in performing client due diligence required by the Anti-Money Laundering and Countering Financing of Terrorism Act 2009, and any other relevant legislation.

We will provide you with an estimate upon request. An estimate is not a quote. If that estimate is likely to be exceeded by any substantial amount we will let you know.

7. **Payment of Fees**
    - Unless otherwise agreed to in writing, our fees, expenses and disbursements are to be paid within 14 days from the date of invoice (without deduction or set off).
    - We may send interim invoices to you monthly or at other regular intervals for ongoing assignments. We will also send you an invoice on completion of the matter or termination of our engagement. We may send you invoices more frequently when we incur a significant expense or undertake a significant amount of work over a shorter period of time.
    - In some instances we will agree with a client to defer invoicing until either a milestone is reached or the matter concluded. Examples where we may agree milestone invoicing include, but are not limited to:
        - Probate being granted on an estate
        - A significant asset is sold for an estate
        - Completion of a property settlement, development or subdivision
        - Settlement or interim/final determination of litigation
        - For annual trust administration attendances
    - You authorise us to deduct our fees, disbursements and office expenses from funds held in our trust account on your behalf on our issuing an invoice.
    - We may ask you to pay fees in advance, but in those instances your payment will be held in our trust account and only paid to us by deduction when an account has been forwarded to you.
    - Disbursements are to be paid by you immediately upon request but substantial disbursements will be asked for in advance.
    - 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, you remain responsible for payment to us in

accordance with these terms of engagement if the third party fails to pay us by the due date for payment of our invoice/s.

- If you elect to pay your invoice or make any other payment by credit card we may on charge the credit card commission cost to you.
- Interest may be charged on any amount outstanding 14 days after the date of the invoice at the rate of 1% per month, compounding monthly. Other action to recover unpaid fees may also be taken and the cost of such recovery may be added to the account due by you.
- If you are a company or other incorporated entity we may require personal guarantees relating to payment of our fees from your directors, shareholders or other officers.

8. **Conflicts of Interest**
   We have procedures in place to identify and respond to conflicts of interest or potential 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 Rules. This may mean we cannot act for you or continue to act further in a particular matter and we may terminate our engagement.

9. **Electronic Communications**
   Unless otherwise agreed, we may communicate with you and others by electronic means. Electronic communications may be subject to interception, interruption, error or virus ("corruption"). We do not accept responsibility, and will not be liable, for any damage or loss caused by the corruption of an electronic communication.

10. **Use of Legal Technology and AI Software**
    We may, from time to time, use legal technology and artificial intelligence software to assist in the delivery of our legal services.

    We confirm that our use of such software will be subject to internal oversight and review by our team and we will not input sensitive or personally identifiable information into any software unless we are satisfied that it meets industry recognised standards for data protection and security.

By instructing us, you acknowledge and consent to our use of such software.

11. **Anti-Money Laundering / Customer Due Diligence**
    To comply with anti-money laundering (AML) laws and regulations we may require you to provide identifying documents and information about yourself and individuals and/or entities associated with you (such as directors, shareholders and beneficial owners), and to keep those documents and information up to date. Where relevant we may seek information from third party data suppliers.

    We may be required by law or regulation to report to a governmental or regulatory authority any suspicious or unusual transactions. To ensure our compliance and yours with these obligations, we may be required to provide information about you, persons acting on your behalf or other relevant persons to government agencies. There may be circumstances where we are not able to tell you or such persons if we do provide information. You authorise us to disclose confidential information about you and your affairs to government agencies where we consider we are obliged to do so.

    If we are not able to obtain the required information from you, or if your activity is considered suspicious or unusual, we may refuse to enter into or terminate an engagement with you, be unable to carry out your instructions, and may make a report to the relevant governmental or regulatory authorities without notifying you.

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

12. **The Lawyers' Fidelity Fund**
    The Law Society maintains the Lawyers' Fidelity Fund (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 Fund by way of compensation to an individual claimant is limited to NZ$100,000.00. Except in certain circumstances specified in the Lawyers & Conveyancers Act 2006 the Fund does not cover a client for any loss relating to money that a lawyer is instructed to invest on behalf of the client.

13. **Professional Indemnity Insurance**
    We hold current Professional Indemnity Insurance which exceeds the minimum standards specified by the New Zealand Law Society.

14. **Limitation of Liability**
    To the maximum extent permitted by law, our total aggregate liability to you (or any other person) in connection with any matter (or series of related matters) on which you engage us is limited to the greater of:

    - The amount available to be paid out under any relevant insurance held by us, up to a maximum of NZ$10,000,000.00;
    - The amount equal to five times our applicable fee (excluding disbursements, office service charges and GST); or
    - NZ$2,000,000.00.

    This limitation applies to liability of all kinds, whether in contract, tort (including negligence), equity, statute or otherwise. Each of the above limits of liability shall be effective notwithstanding that one or more of the other limits are ineffective or unenforceable for any reason. You may not bring any claim against us more than two years after the date of the act or omission on which the claim is based.

    We do not accept liability at all for any loss arising from non-receipt of any communication including email communications. We do not accept liability at all if you transfer funds to an incorrect bank account, including as a result of cyber fraud.

    Other limitations on the extent of our obligations or liability to you or other exclusions from liability (if any) are set out in these Terms of Engagement and/or our letter of engagement.

15. **Right to Terminate our Relationship**
    You are entitled to terminate your instructions to us upon giving us reasonable notice. Our fees for services reasonably and properly provided to you prior to the termination shall be paid by you prior to uplifting your records and we may retain copies of your

documents and records.

We may terminate our engagement if there is good cause, such as you not providing us with instructions in a sufficiently timely way or in your inability or failure to pay our fees and disbursements. In the event of such termination we may retain your records until you have paid our fees and disbursements.

16. **Suspension of Service**
    We reserve the right to stop work for you if interim accounts are not paid on time or a request for information or action remains unsatisfied.

17. **If you have a Complaint**
    We will provide you with a competent, timely service following your instructions, but if you have any complaint at all about our service please raise it with the partner responsible for your matter, or, if you prefer, any other partner in our firm. If it cannot be resolved immediately to your satisfaction we shall appoint a partner who has not been involved in your matter to deal with it promptly and fairly. If you are not satisfied with the outcome, you have the right to take the matter up with the New Zealand Law Society which runs a complaints service, whose contact details are: The Lawyers Complaints Service, phone: 0800 261 801, email: complaints@lawsociety.org.nz, website www.lawsociety.org.nz.

18. **Privacy and Confidentiality**
    We will treat all information we hold about you as private and confidential and will not disclose any information we hold on your behalf or about you unless we are required to do so by law or where it is necessary to do so to provide our services to you or when requested by you or with your consent.

    We may collect and retain information about you as part of providing services to you. We may also use this information to keep you informed about legal developments and other legal services we offer. Please let us know if you do not want your personal information used for this purpose,

We will comply with all applicable laws (including the Privacy Act 2020) when we collect, use and disclose personal information about you.

19. **General**
    These terms apply to any current engagement and also to any further engagement whether or not we send you another copy of them. 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 exclusive jurisdiction.

CLM Terms and Conditions – November 2025