

# Terms of Engagement

These Standard Terms of Engagement ("Terms") apply in respect of all work carried out by us for you, except to the extent that MMP otherwise agree with you in writing.

## 1. **Services:**

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1.1 The services which MMP are to provide for you are outlined in our Letter of Engagement.

## 2. **Financial:**

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### 2.1 Fees:

- (a) The fees which MMP will charge or the manner in which they will be arrived at, are set out in our Letter of Engagement.
- (b) If the Letter of Engagement specifies a fixed fee, MMP will charge this for the agreed scope of our services. Work which falls outside that scope will be charged on an hourly rate basis. MMP 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.
- (c) Where our fees are calculated on an hourly basis, the hourly rates are set out in our engagement letter. Time spent is recorded in 6 minute units, with time rounded up to the next unit of 6 minutes.

### 2.2 Disbursements and Expenses:

In providing services MMP may incur disbursements or have to make payments to third parties on your behalf. These will be included in our invoice to you when the expense is incurred. MMP may require an advance payment for the disbursements or expenses which MMP will be incurring on your behalf. Office expenses will be charged by a combination of photocopying fees and administration fees.

### 2.3 GST:

GST (if any) is payable by you on our fees and charges.

### 2.4 Invoices:

MMP will send interim invoices to you, usually monthly and on completion of the matter, or termination of our engagement. MMP may also send you an invoice when a significant expense is incurred.

### 2.5 Payment:

Invoices are payable 14 days of the date of the invoice (the "due date"). If you do not pay by the due date, MMP reserve the right to charge interest at 16% per annum, applying from the due date until the account is paid in full. MMP may deduct fees from any funds held on your behalf without notice to you.

### 2.6 Security:

MMP may ask you to pre-pay amounts to us, or to provide security for our fees and expenses. You authorise us:

- (a) To debit against amounts pre-paid by you; and
- (b) To deduct from any funds held on your behalf in our Trust Account any fees, expenses or disbursements for which MMP have provided an invoice.

MMP may ask you to provide security for our fees and expenses in some cases.

### 2.7 Third Parties:

Although you may expect to be reimbursed by a third party for our fees and expenses, and although our invoice may, at your request or with your approval, be directed to the third party, nevertheless you remain responsible for payment to us if the third party fails to pay us.

## 3. **Confidentiality:**

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3.1 MMP will hold in confidence all information concerning you or your affairs that MMP acquire

during the course of acting for you. MMP will not disclose any of this information to any other person except:

- (a) To the extent necessary or desirable to enable us to carry out your instructions; or
- (b) To the extent required by law or by the Law Society's *Rules of Conduct and Client Care for Lawyers*.

3.2 Confidential information concerning you will as far as practicable be made available only to those within our firm who are providing legal services for you.

3.3 MMP will of course, not disclose to you confidential information which MMP have in relation to any other client.

#### **4. Termination:**

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- 4.1 You may terminate our retainer at any time.
- 4.2 MMP may terminate our retainer in any of the circumstances set out in the Law Society's *Rules of Conduct and Client Care for Lawyers*.
- 4.3 If our retainer is terminated you must pay us all fees due up to the date of termination and all expenses incurred up to that date.

#### **5. Disposal of files and documents:**

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- 5.1 At the completion of our work on a file MMP will send the file to you at the address that you have provided to us. You authorise us to retain a copy if MMP chose to do so.
- 5.2 MMP will continue to hold your Deeds on your behalf until you request to uplift such Deeds.
- 5.3 MMP may claim a lien and retain your files and documents if our fees have not been paid by you.

#### **6. Conflicts of interest:**

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If a conflict of interest arises MMP will advise you of this and follow the requirements and procedures set out in the Law Society's *Rules of Conduct and Client Care for Lawyers*.

#### **7. Duty to Client:**

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Our duty of care is to you and not to any other person. Before any other person may rely on our advice, MMP must expressly agree to this.

#### **8. Trust Account:**

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MMP maintain a Trust Account for all funds received from clients (except monies received for payment of our invoices). If MMP are holding significant funds on your behalf those funds will normally be lodged on interest-bearing deposit with a bank. Such lodgement is dependent on accurate FATCA information being provided to MMP. In that case MMP will charge an administration fee of 8.0% p.a. of the interest derived.

#### **9. Verifying your identity and source of funds**

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9.1 We are required by law to verify your identity and, in some circumstances, the source of funds for a transaction.

9.2 We may wish to carry out reasonable credit checks on you from time to time.

9.3 You authorise us to collect information about you (including customer due diligence information and credit reports), to obtain, exchange, hold, and use such information, and to make any other enquiries we think appropriate to:

- (a) Confirm information provided to us about you is true;
- (b) Undertake initial and ongoing customer due diligence and monitoring in accordance with the Anti-Money Laundering and Countering Financing of Terrorism Act (AML/CFL Act);
- (c) Enforce debt and legal obligations (including recovery of money owed to us); and
- (d) Comply with other legal obligations we may have.

9.4 You authorise any person (including credit reporters) to disclose information (including credit information) to us in response to such enquiries.

9.5 You accept that we may use customer due diligence services (including electronic based services from a third party) to verify your identity and conduct other customer due diligence or monitoring required under the AML/CFT Act, and that we may use credit reporting services to credit check you, and that when we use such services:

- (a) The other third party or credit reporter (each a Service Provider) will exchange information about you for that purpose and the Service Provider may hold information on its system

and use it to provide their customer due diligence service or credit reporting service (as the case may be) to their other customers;

- (b) We may use the Service Provider's services in the future for any authorised purpose (including in relation to ongoing customer due diligence or the provision of credit). This may include using the Service Provider's monitoring services to receive updates if information held about you changes; and
- (c) If you default in your payment obligations to us, information about that default may be given to credit reporters and given by credit reporters to their other customers.

## **10. Copyright:**

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MMP retain copyright in all documents prepared by us in the course of your matters. You may use the documents prepared by us for the specific purpose for which they are provided. You should not use the document for any other purpose.

## **11. General:**

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- 11.1 These Terms apply to any current engagement and also to any future engagement, whether or not MMP send you another copy of them.
- 11.2 MMP are entitled to change these Terms from time to time, in which case MMP will send you amended Terms.
- 11.3 Our relationship with you is governed by the New Zealand Law and New Zealand Courts have exclusive jurisdiction.
- 11.4 In the event that any term of this agreement is determined to be void or unenforceable, the remaining terms are not affected.

## **12. Tax including GST:**

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MMP do not provide any taxation or GST advice unless by prior arrangement with you. MMP strongly advise that you consult with a suitably qualified and experienced accountant in relation to the sale or purchase of:

- Any commercial property;
- Any rural property;
- Any property that will not be your principal residence; and
- Any property purchased for investment purposes.