

INFORMATION REQUIRED BY NZLS RULES

2010 edition

Set out below are is information which the *Rules of Conduct and Client Care for Lawyers* (“NZLS Rules’) of the New Zealand Law Society (“Law Society”) require us to provide you with.

1. Our obligations to you

The NZLS Rules require that in all events, subject to the duties of Shanahans and its members to the courts and to the justice system, Shanahans and each of its lawyers must:

- (a) Act competently, in a timely way, and in accordance with instructions received and arrangements made.
- (b) Protect and promote your interests and act for you free from compromising influences or loyalties.
- (c) Discuss with you your objectives and how they should best be achieved.
- (d) Provide you with information about the work to be done, who will do it and the way the services will be provided.
- (e) Charge you a fee that is fair and reasonable and let you know how and when you will be billed.
- (f) Give you clear information and advice.
- (g) Protect your privacy and ensure appropriate confidentiality.
- (h) Treat you fairly, respectfully and without discrimination.
- (i) Keep you informed about the work being done and advise you when it is completed.
- (j) Let you know how to make a complaint and deal with any complaint promptly and fairly.

The obligations lawyers owe to you are described in the NZLS Rules. These obligations are subject to overriding duties, including duties to the Courts and the justice system. If you have any questions, please visit www.lawsociety.org.nz or call 0800 261 801

2. Fees

Our fees are charged on the basis of the NZLS rules which require that fees be fair and reasonable for the services provided. In determining what constitutes a fair and reasonable Fee a number of factors will be taken into account including not only the amount of time devoted by the partner and staff to the Services, but any urgency involved, the amount or value of the money or property involved, the degree of complexity and resulting skill required, the results achieved and any other criteria that are relevant.

We will provide fee estimates upon request. Any costs estimate will be our “best guess” as to what the fees and other cost are likely to be. If the work proves more complicated than originally anticipated then we will charge for all additional work.

Conveyancing matters will be billed at settlement or on completion of the work. For other matters we will send an invoice to you on completion of the matter or termination of our engagement. For significant ongoing work we may send interim invoices when we incur a significant expense.

We may deduct from any funds held on your behalf in our trust account any fees, expenses or disbursements for which we have provided an invoice.

3. Professional Indemnity Insurance

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

4. Lawyers Fidelity Fund

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

5. Complaints

We maintain a procedure for handling any complaints by clients, designed to ensure that a complaint is dealt with promptly and fairly. If you have a complaint about our services or charges, you may refer your complaint to the person in our firm who has overall responsibility for your work. If you do not wish to refer your complaint to that person, or you are not satisfied with that person’s response to your complaint, you may refer your complaint to Mary Anne Shanahan the principal of this office.

The New Zealand Law Society also maintains a complaints service and you are able to make a complaint to that service details of which are set out at www.adls.org.nz.

STANDARD TERMS AND CONDITIONS

2010 EDITION

These Terms apply in respect of all work carried out by Shanahans for you, except to the extent that we otherwise agree with you in writing. We are entitled to change these Terms from time to time and an up to date copy of these terms is available on our website www.shanahansolicitors.co.nz

1. Services

The Services which we are to provide for you are outlined in our Letter of Engagement. Shanahans will act in the client's best interests to carry out the clients instructions. Shanahans reserves the right to cease to act where the client cannot or will not provide instructions required in addition to those specified in our Letter of Engagement.

Shanahans will take reasonable steps to keep the client informed of the steps taken to carry out the client's instructions.

2. Fees and invoices

By instructing Shanahans the client accepts liability to pay Shanahans' account together with all disbursements incurred in respect of instructions. GST is payable by you on our fees and charges. Invoices are payable within 7 days of the date of invoice unless alternative arrangements have been made with us. We may require interest to be paid on any amount which is more than 7 days overdue. Interest will be calculated at the rates of 2% above the Bank of New Zealand's 90 day bank bill buy rate as at the close of business on the date payment became due.

We may ask you to pre-pay amounts to our trust account, or to provide security for our fees and expenses. You authorise us to debit against amounts pre-paid by you and to deduct from any funds held on your behalf in our trust account any fees, expenses or disbursements for which we have provided an invoice.

3. Disbursements

In providing the Services Shanahans may incur disbursements or have to make payments to third parties on your behalf. These will be included in our invoice to you. We may require an advance payment for the disbursements or expenses which we will be incurring on your behalf.

4. Trust Account

We maintain a trust account for all funds which we receive from clients (except monies received for payment of our invoices). If we are holding significant funds on your behalf we will normally lodge those funds on interest bearing deposit with a bank. An administration fee will be charged for this.

5. Joint and Several Liability

If there is more than one person comprising the client, each person is jointly and severally liable for payment in due time of all Shanahans accounts and other charges.

6. Lien

Where work has been done by Shanahans but we have not been paid by the client then as a general rule Shanahans has the right to retain original documents and correspondence on the client's file until such time as all outstanding fees, disbursements and other expenses have been paid. This is known as a lien. This will be particularly important in circumstances where the client decides for whatever reason to instruct another firm. That other firm may be obliged to give an undertaking to Shanahans to pay all outstanding fees and disbursements before the client's file is released.

7. Confidentiality

Shanahans will hold all information concerning the client's business and affairs in strict confidence and will not divulge such information except where required or permitted to do by law, or where the client expressly or impliedly authorises the firm to make such disclosure.

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) 10 years after our engagement ends, or earlier if we have converted those files and documents to an electronic format.

9. Termination

You may terminate our retainer at any time. We may terminate our retainer in any of the circumstances set out in the Rules. 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.

10. Conflicts of Interest

We have procedures in place to identify and respond to 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.

11. Limitations on extent of our obligations or liability

We do not give advice as to the quality of any acquisition/investment that you may be considering or undertaking which may form all or part of your instructions to us. Any further limitations on the extent of our obligations to you or exclusion of liability are set out in our letter of engagement.