

TERMS OF ENGAGEMENT

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CONSTRUCT
L E G A L

About these Terms

These are our standard terms and information on fees, expenses, and disbursements. Further terms specific to our professional relationship with you may be set out in a separate correspondence between us.

By instructing us you are deemed to have accepted these terms. These terms will apply to this engagement and whenever you ask us to act for you in the future. We can change these standard terms, and if we do, we will notify you.

Scope of Our Engagement

We will provide you with advice and legal services that properly fall within your instructions to us.

We provide legal advice on New Zealand law only. We do not provide investment, tax, financial, valuation or accounting advice.

Our engagement is with you. Any advice applies to you only and is not intended to be relied on or provided to any third party. You must not disclose or distribute our advice to any person (other than your other advisers or as may be required by law), and no such person may rely on our advice, without our prior written consent.

Termination

Where you give us any instruction and we rely on that instruction (e.g. by giving an undertaking to a third party), you may not revoke that instruction. Otherwise, you may terminate our engagement at any time by giving notice to us in writing.

We may terminate our engagement in the circumstances permitted by the Rules of Conduct and Client Care for Lawyers of the New Zealand Law Society ("**NZLS Rules**").

If our engagement is terminated, you will pay all fees (including un-rendered accounts and interest on outstanding invoices) and disbursements up until that time.

Conflicts

At times we may be asked to act for clients whose commercial and/or legal interests conflict. We have procedures to deal with issues that arise in conflict situations. We will let you know if a legal conflict arises and we will follow the requirements and procedures set out in the NZLS Rules. Where there is no legal conflict, we may accept instructions from other clients or potential clients working in the same or competing

markets and whose commercial interests conflict with yours.

AML/CFT

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), the Foreign Account Tax Compliance Act (US) (FATCA) and the OECD's Common Reporting Standards (CRS).

For the purposes of AML/CFT, we are required to obtain and verify certain information from you, including formal evidence of your identity and address. This may include people associated with you (such as employees, directors and shareholders, trustees and beneficiaries). If we are unable to obtain the required information from you, it is likely we will not be able to act for you.

You give us your consent to undertake such identity verification checks on you that are necessary to be compliant with AML/CFT, which may include a Centrix identification verification check and a Politically Exposed Person watchlist check.

Under AML/CFT we must report suspicious activity or other criminal activity to the relevant external authorities. We may not be allowed to tell you if we make such a report. We will not be liable to you for the consequences of any such report made in compliance with our legal obligations.

Fees

We use hourly rates as a general basis for deciding the appropriate fees for our work. We may also take into account other factors such as the value of the transaction, complexity, novelty and urgency of the work.

Hourly rates are reviewed and may change from time to time with effect from the date of notice to you.

If we provide an estimate of fees, actual fees may differ from the estimate.

If we agree a fixed fee and the scope of work increases beyond the basis on which you originally instructed us, it will be carried out at the normal hourly rates of the personnel involved unless another arrangement is agreed.

In addition to our legal fees you authorise us to incur on your behalf and as your agent any disbursements reasonably necessary to provide legal services, such as couriers, service agent fees, council's fees, travel expenses, barrister's fees, search, filing and registration fees.

GST (where applicable) will be charged on our hourly rates and fees at the applicable rate.

We generally issue monthly invoices. Accounts are payable within 14 days of receipt.

If an account is not paid by the due date for payment, we may charge you interest on any at the rate of 15% p.a. We may also cease working on your matter until payment is received, or we may cease working for you altogether. We may retain custody of your papers or files until all accounts are paid in full.

We may ask you for funds in advance to be held in trust. You authorise us to deduct from these funds any amounts for which we have provided an invoice.

If we agree to address an invoice to a third party, you remain liable for the amount invoiced if the third party does not make payment.

You will be responsible, on an indemnity basis, for all costs incurred by us in recovering any unpaid accounts.

Where monies are held in our trust account and invested on deposit for you, we may charge an administration fee of 5% of the gross interest earned.

Any amounts for which we have provided an invoice may be deducted from any funds held in our trust account on your behalf (unless, when you paid the funds into our trust account, you told us they were for a specific purpose).

Personal Information and Confidentiality

You authorise us to collect, store, use and disclose any information (including your personal information, and that of any associated persons to you captured under the AML/CFT regime) for the purposes of:

- carrying out your instructions;
- complying with laws and regulations binding on us, including AML/CFT and our obligations under FATCA and CRS;
- assisting our bank, the IRD and other government agencies to meet their legal obligations;
- enforcing debt and legal obligations; and
- any related purpose in connection with the above.

We will not disclose to any other person any confidential information which we obtain as your lawyers except to the extent allowed or required by law or the NZLS Rules.

Copyright

Copyright of all documents created by us remain our property. You may use and copy all documentation created by us for you in connection with the work we undertake for you, but for no other purpose.

Emails

For convenience we will primarily contact you by email. Email is not secure and can be subject to interference or interception or may be corrupted by containing viruses or other defects. We will not be responsible for any damage or loss caused in connection with, or as consequence of, the interference, interception or corruption of an electronic communication.

Files

We will keep your file and documents for ten years after the matter is completed. We may hold the file and documents electronically rather than physically. If you do not retrieve your documents within that period, we have your authority to destroy them.

External Information or Public Records

We often obtain and rely on external information (e.g. from your accountant) or public records (e.g. from a government agency or registry) to carry out your instructions. This information may not always be accurate or complete. We do not accept responsibility to investigate or verify external information or public records and will not be liable for any damage or loss caused by errors or omissions in them.

Limitation of Liability:

If the Consumer Guarantees Act 1993 applies, our services come with non-excludable guarantees, including that they will be provided with reasonable care and skill.

Except to the extent of those non-excludable guarantees and subject to the terms of our engagement letter, our aggregate liability to you (whether in contract, equity, tort or otherwise) arising out of your engagement of us on a matter (or any series of related matters) is limited to the amount of five times our applicable fee (excluding our service charge, disbursements and GST). This liability limit has been factored into our fees and is a fundamental term of our engagement with you.

You may not bring any action against us, regardless of form, more than one year after the cause of action has arisen.

Force Majeure

We shall not be liable to you for any delay or non-performance of our obligations arising from any cause beyond our reasonable control. In the event of our being so delayed or prevented from performing our obligations, we shall give you notice in writing as soon as reasonably possible. Further, we shall resume performance of our obligations as soon as reasonably possible after the removal of the cause of the delay or prevention.

General

Our engagement shall be governed by the laws of New Zealand, and both of us agree to submit to the exclusive jurisdiction of the New Zealand courts.

Insurance and Lawyers' Fidelity Fund

We hold professional indemnity insurance that meets or exceeds that minimum standards specified by the Law Society.

The Law Society maintains the Lawyers' Fidelity Fund to provide protection against client losses arising from theft by lawyers. The maximum amount 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

Client Care and Service Information

We are bound to comply with the Rules of Conduct and Client Care for Lawyers of the New Zealand Law Society ("**Law Society**"). We have set out below the Law Society client care and service information.

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; and
- let you know how to make a complaint and deal with any complaint promptly and fairly.

These 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.

Concerns and Complaints

If you consider that your matter has not been handled appropriately, please contact David Compton who can be reached by:

- email at dave@constructlegal.co.nz
- telephone +64 21 305 533

The Law Society also maintains a complaints service and you can make a complaint to that service by calling 0800 261 801.