



Mairangi Bay Law Limited t/a Baker Law

"Affordable, Professional Legal Services and Conveyancing"

TERMS OF ENGAGEMENT

1. COMMITMENT

We will undertake the work you have entrusted to us promptly and efficiently, and with reasonable care and skill on the basis of these Terms of Engagement. These terms form the Contract of Engagement between you and Mairangi Bay Law Limited t/a Baker Law ("Baker Law").

2. CLIENT CARE AND SERVICES

Whatever legal services your lawyer is providing, he or she 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.

For more information, please visit www.lawsociety.org.nz or call **0800 261 801**.

3. SERVICES

The service we are to provide for you are outlined in our Letter of Engagement. 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.

4. FEES

We will charge our fee based on Baker Law Fee Structure and Reasonable Fee Factors. Work which falls outside the scope specified in our Letter of Engagement 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. Time spent is recorded in 6 minute units, with time rounded up to the next unit of 6 minutes.

Baker Law Fee Structure:

Young Yoon (Director)	\$400 per hour + GST
Abolfazl Moghadam (Solicitor)	\$350 per hour + GST
Legal Executives	Range between \$150 & \$300 per hour + GST
Consultants	Range between \$300 & \$350 per hour + GST

Reasonable fee factors

The factors to be taken into account in determining the reasonableness of a fee in respect of any service provided by a lawyer to a client include the following:

- (a) the time and labour expended:
- (b) the skill, specialised knowledge, and responsibility required to perform the services properly:
- (c) the importance of the matter to the client and the results achieved:
- (d) the urgency and circumstances in which the matter is undertaken and any time limitations imposed, including those imposed by the client:
- (e) the degree of risk assumed by the lawyer in undertaking the services, including the amount or value of any property involved:
- (f) the complexity of the matter and the difficulty or novelty of the questions involved:
- (g) the experience, reputation, and ability of the lawyer:
- (h) the possibility that the acceptance of the particular retainer will preclude engagement of the lawyer by other clients:
- (i) whether the fee is fixed or conditional (whether in litigation or otherwise):
- (j) any quote or estimate of fees given by the lawyer:
- (k) any fee agreement (including a conditional fee agreement) entered into between the lawyer and client:
- (l) the reasonable costs of running a practice:
- (m) the fee customarily charged in the market and locality for similar legal services.

Disbursements and Expenses:

In providing services we 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. We may require an advance payment for the disbursements or expenses which we will be incurring on your behalf. The expression **Disbursements** means money paid on your behalf by Baker Law, e.g. search and registration fees, services costs, courier charges, file retrieval from offsite storage facilities etc. For large disbursements, you will be asked to fund these in advance, e.g. court filing fees. The expression **Expenses** means internally generated charges e.g. photocopying, file management, travel, mobile/phone/international calls etc. Should you require information from a file 12 months after settlement a retrieval fee of **\$60 plus GST** will be levied and payable in advance.

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

Invoices:

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

Payment:

Invoices are payable within 7 days of the date of the invoice, unless it is a conveyancing matter which mostly is payable on settlement date or alternative arrangements have been made with us. Interest is payable on any account not paid promptly and will be calculated at 2% per calendar month compounded.

Failure to pay fees on time, at Baker Law, may lead to suspension of the Services (including Baker Law's right to refuse to settle a property, loan, commercial or other transaction), or termination of the engagement. Baker Law will not accept any responsibility for any consequences of such suspension. All reasonable fees up to suspension or termination shall remain payable, notwithstanding the suspension or termination.

If the account still remains unpaid and requires debt collection action all costs relating to that action including actual solicitor and client costs will be passed on to you.

Security:

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

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

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.

The basis on which fees will be charged is set out in our Letter of Engagement.

5. PERSONS RESPONSIBLE FOR THE WORK

The names and status of the person or persons who will have the general carriage of or overall responsibility for the services we provide for you are set out in our **Letter of Engagement**.

6. COMPLAINTS

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 Young Jun Yoon (Director).

Young Jun Yoon's contact details are as follows: Private Bag 65 902, Mairangi Bay, 0754, Auckland; or email YJYOON@bakerlaw.co.nz ; or by phone on 09 476 8000.

The Law Society also maintains a complaints service and you are able to make a complaint to that service by submitting a complaint to the Complaints Service Office operated by the New Zealand Law Society ("Law Society") or call them on 0800 261 801.

7. PROFESSIONAL INDEMNITY INSURANCE

Baker Law holds indemnity insurance that meets or exceeds the minimum standards from time to time specified by the New Zealand Law Society. We will provide you with the particulars of the minimum standards upon request.

8. LAWYERS FIDELITY FUND

The Law Society maintains the Lawyers' Fidelity Fund for the purpose 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. Except in certain circumstances specified in the Lawyers and 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.

9. LIABILITY

- Our liability to you is limited to the value of fees exclusive of GST for the work completed.
- The provisions of the Consumer Guarantees Act 1993 are excluded if you are a business.

10. CONFIDENTIALITY

We will hold in confidence all information concerning you or your affairs that we acquire during the course of acting for you. We will not disclose any of this information to any other person except:

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

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

We will, not disclose to you confidential information which we have in relation to any other client.

11. 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.

12. TERMINATION

You may terminate our retainer at any time. We may terminate our retainer in any of the circumstances set out in the Law Society's Rules of Conduct and Client Care for Lawyers. 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. Regarding litigation, once we are instructed and we have filed an application into court, we are obliged to appear in court on your behalf. You will be charged for that time. If you no longer wish for us to do so you will need to fill out a "Notice of Change of Representation" for us to file on your behalf informing the court that you are representing yourself and that future correspondence is to be sent directly to you. It is important to note that time will be spent communicating with the court, other lawyers and various experts. You will be invoiced for all time spent relating to your matter.

13. 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 Law Society's Rules of Conduct and Client Care for Lawyers.

14. 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.

15. TRUST ACCOUNT

We maintain a Trust Account for all funds which we receive from clients (except monies received for payment of our invoices). Funds in the Trust Account may be placed on term deposit and earn interest at ASB Bank call deposit rate, which changes from time to time. Baker Law deducts commission at 6% of the gross interest earned on a monthly basis.

16. MONEY HANDLING PROCEDURE

Monies that you have paid or that have been paid on your behalf to Baker Law that are not required to satisfy the payment of outstanding invoices will be held on trust in the Baker Law Trust Account. **Mairangi Bay Law Limited** Trust Account is held at the ASB Bank Limited under account number **12-3488-0063315-02**. Payments may be made by way of cheque, electronic transfer or telegraphic transfer. Funds will be held until an authorised person instructs Baker Law to distribute or disburse the funds or until they are applied in payment of fees in accordance with Regulation 9 of the Lawyers and Conveyancers Act (Trust Account) Regulations 2008 ("Regulation 9").

17. TIME

We try to schedule our work several days ahead so that it can be carried out promptly and efficiently. Please try to keep appointments and meet our deadlines, etc, as failure to do so may mean your work becomes urgent, requiring additional attention, possibly resulting in higher charges. Unless we specifically agree, we do not undertake to do work by a particular date or time, but we will do our best to meet your requirements in this regard. We will endeavour to action your work promptly but there are times we are delayed by other people, including other professionals, Government agencies, and the Court.

18. 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 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.

19. CREDIT CHECKING AND REPORTING

19.1 We may wish to obtain a credit report on you to assist us in making a decision as to whether we extend you credit. You agree that we may obtain a credit check and that we may use your personal information for that purpose.

19.2 You acknowledge that:

(a) The credit reporting agency will hold information received from us on their systems and use it to provide their credit reporting service.

(b) The credit reporting agency may give the information to other customers.

(c) If you default in your payment obligations to us, information about that default may be given to the credit reporting agency and the credit reporting agency may give information about your default to other customers.

For Individuals/Partnership

For Trust or Companies

Accepted: _____
Signature

Accepted: _____
Director/Trustee Signature

Name

Name

Date

Date

Accepted: _____
Signature

Accepted: _____
Director/Trustee Signature

Name

Name

Date

Date