

## **VICKI AMMUNDSEN TRUST LAW LIMITED CLIENT AGREEMENT**

This agreement is between Vicki Ammundsen Trust Law Limited (“VATL”) and you, our client. The terms of this agreement will apply to all current matters and all future matters that we handle on your behalf; unless or until we alter these terms and advise you of the changes.

The terms of this agreement also apply to any company of which you are a director or shareholder; a trust of which you are a trustee; and / or a partnership in which you are a partner, if the company, trust or partnership, as the case may be, has or does instruct VATL to carry out work.

### **To you as a client of VATL we agree to:**

- act competently, timely, and in accordance with instructions received and arrangements made
- protect and promote your interests and act for you free from compromising influences or loyalties
- maintain confidentiality to the extent required at law or by the Law Society
- 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
- 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

Further obligations lawyers owe to clients are described in the Rules of Conduct and Client Care for Lawyers, made under the Lawyers and Conveyancers Act 2006. Those obligations are subject to other overriding duties, including duties to the courts and to the justice system. Further information about these obligations can be obtained from [www.lawsociety.org.nz](http://www.lawsociety.org.nz) or by calling the Law Society on 0800 261 801.

### **Director Responsible for the Work**

The Director (Vicki Ammundsen) will have the overall responsibility for the services we provide to you and will be available to discuss any matter on your file.

If another staff member is handling the matter, that person will communicate with you at the beginning of each matter and other staff will assist you as required.

### **Standard Terms of Engagement**

Our Standard Terms of Engagement are attached in the schedule to this agreement.

### **Fees**

Fees will generally be charged on a time and attendance basis. We record the time we spend on a matter for this purpose and these time records can be provided to you upon request. Travel time will be charged at half the actual cost unless a prior arrangement has been agreed. You should feel free at any time to discuss fees with us. We appreciate that fee issues can be sensitive and we are always happy to discuss fees or any fee concerns you might have.

Time is recorded in six minute units.

The names and status of the members of our firm who will be providing the legal services and their hourly rates are:

Director	\$600.00 per hour plus GST	\$55.00 per 6 minute unit plus GST
Special Counsel	\$500.00 per hour plus GST	\$47.50 per 6 minute unit plus GST
Consultant	\$375.00 per hour plus GST	\$37.50 per 6 minute unit plus GST
Solicitor	\$300.00 per hour plus GST	\$30.00 per 6 minute unit plus GST
Senior Registered Legal Executive	\$275.00 per hour plus GST	\$27.50 per 6 minute unit plus GST
Registered Legal Executive	\$150.00 per hour plus GST	\$15.00 per 6 minute unit plus GST
Legal Secretary	\$150.00 per hour plus GST	\$15.00 per 6 minute unit plus GST
Trust Administrator	\$150.00 per hour plus GST	\$15.00 per 6 minute unit plus GST
Administration Support	\$100.00 per hour plus GST	\$10.00 per 6 minute unit plus GST
Law Clerk	\$100.00 per hour plus GST	\$10.00 per 6 minute unit plus GST

If any invoice is zero-rated for GST we reserve the right to recover any GST subsequently assessed on account of that invoice together with any penalties or interest incurred due to the late payment of the GST.

We will provide an estimate for the fees and costs expected for a matter if requested by you. Some matters will be charged on a fixed fee basis.

In providing services we may incur disbursements or have to make payments to third parties on your behalf. These will be invoiced to you. We may require an advance payment for the disbursements or expenses that we will incur on your behalf.

We will send interim invoices to you, usually monthly, for on-going work.

On completion of a matter, or termination of our services we will send a final invoice.

We may also require fees on account of our fees or expenses we will incur on your behalf.

Under trust account regulations 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. Our practice is to discuss this with you beforehand, whenever it is practicable to do so. However, in agreeing to our terms and conditions you are authorising us to deduct our fees from funds held, following the issue of an invoice without further confirmation or authority from you.

We will generally send you a regular monthly invoice, unless it is more appropriate to invoice you after a particular event or as is otherwise agreed. We will also send you an invoice on completion of the work. We may ask you to pre-pay amounts to us, or to provide security for our fees and expenses.

Unless we agree otherwise, our invoices are payable within 7 days of the date the invoice is posted or emailed to you. If our invoice is not paid promptly, we have the right to:

- (a) deduct any amount outstanding from any money we are holding on your behalf
- (b) not do any further work for you
- (c) retain your papers and files, and other property belonging to you that is in our possession
- (d) charge simple interest on any amount outstanding one month after the date of the invoice, at the rate of 2% per month on the full amount due, calculated daily and accruing on the outstanding balance until the full amount outstanding has been paid. Such interest is payable on demand.

You must pay us when our invoice is due, whether or not you expect somebody else to reimburse you or pay us for our fees and/or charges (and whether or not you receive that reimbursement).

If paying our fees may be an issue for you please advise before instructing us so that we can discuss payment options with you.

## **Communication**

Open and honest communication is an essential element of our relationship with you. Timeliness is also important. In this regard we endeavour to respond to all telephone and e-mail enquiries as promptly as practicable.

We prefer that you do not communicate with us by text message as it is not possible for these to be properly monitored. However, where you choose to communicate by text, we will respond in as timely a fashion as is possible. If you ask us to communicate with you by text we will do so.

Our primary means of communication with you will be by telephone or e-mail unless you instruct otherwise.

## **Retention of files and documents**

We will retain all files while a matter is current. We will convert the file to an electronic format upon completion of the matter. After the earlier of 7 years or following the conversion to electronic format, you authorise us (without further reference to you) to destroy all files and documents for such a matter (other than any documents that we hold in safe custody for you, such as wills or deeds).

## **Bank Account Numbers**

If we are required to deposit money into a bank account on your instruction, for example, paying the proceeds of sale on the settlement of a property transaction, we require either a coded deposit slip, screen shot of your bank account number, bank statement or a bank deposit slip with a teller stamp on it. The bank account details can be scanned to us or sent in hard copy via post or hand delivered to our offices.

## **Interest Bearing Deposit**

We maintain a trust account for all funds that we receive from clients. If we are holding significant funds on your behalf, we will normally lodge those funds on interest bearing deposit (IBD) with ASB bank. In that case we will charge an administration fee of 5% of the net interest received. In determining what constitutes significant funds such that the funds should be lodged on IBD we will consider the prevailing interest rates, the time costs to you for putting funds on IBD and retrieving funds from IBD and any other matters that we consider relevant.

AML/CFT rules apply to our IBD deposits. We will not transfer funds onto IBD unless or until we have received satisfactory identification of all relevant parties and a fully completed self-certification. Please contact us directly if you have any questions regarding this.

If we do not have your IRD number and we are instructed to put funds on IB, which we can only do if you complete our bank's self-certification requirements, with effect from 1 April 2020 our bank (ASB Bank Limited) is required to deduct resident withholding tax (RWT) at a non-declaration rate of 45%.

## **Insurance**

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

## **Law Society Fidelity Fund**

The Law Society maintains the Lawyers' Fidelity Fund for the purposes of providing clients of lawyers with protection against financial loss arising from theft by lawyers. The maximum amount payable by the Fidelity Fund by way of compensation to an individual claimant is limited. Generally, the Lawyers' 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.

**Barristers**

Where we instruct a barrister on your behalf you authorise us to pay the barrister's invoices from funds paid to us by you or any other party for that purpose.

**Financial advice**

We do not give financial advice to clients. If we are acting as a trustee personally or through a trustee company, we do not give financial advice to the trustees of that trust.

**Complaints**

If you have a complaint about us that complaint should be advised in the first instance to the director Vicki May Ammundsen. If we are not able to address the matter to your satisfaction you can have recourse to the complaints service operated by the Law Society [www.lawsociety.org.nz](http://www.lawsociety.org.nz) or by calling 0800 261 801

We are happy to talk to you at any time about any matter that concerns you in relation to your file.

## STANDARD 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 we otherwise agree with you in writing.

### 1. Services

1.1. The services we are to provide for you are outlined in our engagement letter.

### 2. Financial

#### 2.1. Fees:

- (a) The fees we will charge or the manner in which they will be arrived at, are set out in our engagement letter if a fee estimate has been requested.
- (b) If the engagement letter specifies a fixed fee, we will charge this for the agreed scope of our services. Work which falls outside that scope 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.
- (c) Where our fees are calculated on an hourly basis, the hourly rates are set out in our engagement letter. The differences in those rates reflect the experience and specialisation of our professional staff. 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 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.

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

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

2.5 **Payment:** Invoices are payable within 7 days of the date of the 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 rate of 2% above our firm's main trading bank's 90-day bank bill buy rate as at the close of business on the date payment became due.

2.6 **Security:** We 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 we have provided an invoice.

2.7 **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.

### 3. Confidentiality

3.1 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:

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

### 4. Termination

4.1. You may terminate our retainer at any time.

4.2. 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.

- 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. Retention of files and documents**

- 5.1. 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.

#### **6. Conflicts of Interest**

- 6.1. 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.

#### **7. Duty of Care**

- 7.1. 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.

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

- 8.1. 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. In that case we will charge an administration fee of 5% of the interest derived.

#### **9. Information**

- 9.1. We are required to provide information to you in advance of accepting any instruction regarding;
- (a) the basis on which the fees will be charged, when payment of fees is to be made, and whether the fee may be deducted from funds held in trust on behalf of the client (subject to any requirement of regulation 9 or 10 of the Lawyers and Conveyancers Act (Trust Account) Regulations 2008);
  - (b) the professional indemnity arrangements of the lawyer's practice. This obligation is met if it is disclosed that the practice holds indemnity insurance that meets or exceeds any minimum standards from time to time specified by the Law Society. If a lawyer or a practice is not indemnified, this must be disclosed in writing to the client;
  - (c) the coverage provided by the Lawyers' Fidelity Fund and if the client's funds are to be held or utilised for purposes not covered by the Lawyers' Fidelity Fund, the fact that this is the case;
  - (d) the procedures in the lawyer's practice for the handling of complaints by clients, and advice on the existence and availability of the Law Society's complaints service and how the Law Society may be contacted in order to make a complaint.

#### **10. General**

- 10.1. These Terms apply to any current engagement and also to any future engagement, whether or not we send you another copy of them.
- 10.2. We are entitled to change these Terms from time to time, in which case we will send you amended Terms.
- 10.3. Our relationship with you is governed by New Zealand law and New Zealand courts have non-exclusive jurisdiction. <sup>1</sup>

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<sup>1</sup> Rule 3.4 of The Lawyer and Conveyancers Act (Lawyers: Conduct and Client Care) Rules Act 2008