

INFORMATION FOR CLIENT AND LETTER OF ENGAGEMENT

Thank you for your instructions for us to act for you in this matter. We are pleased to accept your instructions on the basis set out below. This letter contains our terms and conditions and the information we are required to provide to you under the Rules of Conduct and Client Care for Lawyers by the New Zealand Law Society (“Law Society”).

1. Services to be provided

- 1.1. We understand that you require us to assist you (by providing legal service and advice) with the following:
- 1.2. If our understanding is incorrect, please urgently contact us and clarify with us the services you require us to assist you with. For convenience purposes, we will define the above work as the “Instructions”.

2. Fees

- 2.1. How do we charge you?
We normally charge our fees on a time and attendance basis. This means our fees will largely reflect the actual time we spend on the matter, charged at the respective hourly rates set out below. Please note that you will be charged for phone calls when you telephone us to discuss matters relating to your Instructions.
- 2.2. Please note we charge our fees on a time and attendances basis plus GST and disbursements. Where we may have indicated to you our fees to complete this matter, such indication is merely an estimate of the time that we may spend on this matter. [However, in this case we have provided you with a fixed fee quote of \$.00 all inclusive. However, in the event of any unforeseen circumstances or complications resulting in further works to be done due to any party’s default under the transaction, you will be charged with the hourly rate for the attendances of that solicitor on top of the fixed fee quote. Please refer to below on the hourly rates of our solicitor(s) and support staff.

<u>Name</u>	<u>Position</u>	<u>Hourly Rate</u>
Eva Ho	Director	\$400.00 plus GST
Simon Song	Director	\$350.00 plus GST
Keith Yung	Director	\$285.00 plus GST
Tiffany Cai	Solicitor	\$200.00 plus GST
James Peacock	Solicitor	\$180.00 plus GST
James Lin	Solicitor	\$170.00 plus GST
Apple Au	Legal Executive	\$170.00 plus GST
Melody Zhang	Legal Executive	\$120.00 plus GST
Yukie Tan	Law Clerk	\$80.00 plus GST
Jessie Yang	Legal Assistant	\$80.00 plus GST
Rong Lian	Legal Assistant	\$80.00 plus GST

The Supervisor for this matter is Eva Ho.

- 2.3. The Law Society stated that in fixing a fee, we are entitled to take into account the matters such as:
- (a) The time and labour expended.
 - (b) The skill, specialised knowledge and responsibility required.
 - (c) The value or amount of the property or money involved.
 - (d) The complexity of the matter and the difficulty or novelty of the matter.
 - (e) The urgency and the importance of the matter to you.
 - (f) The reasonable costs of running a practice.
- 2.4. 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.
- 2.5. Where our fees are calculated on an hourly basis, the hourly rates will be set out in this letter. The difference in those rates reflects the experience and specialisation of our professional staff. Time spent is recorded in 6 minutes units, with time rounded up to the next unit of 6 minutes.
- 2.6. 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 such expenses are incurred. We may require an advance payment for such disbursements or expenses which we will be incurring on your behalf. Disbursements include out of pocket expenses such as registration and filing costs, court charges, courier costs and other external costs are charged separately from our office service fees. These are charged at the amount same as in the invoices issued by the relevant third parties.
- 2.7. GST (if any): Except in very limited cases Goods and Services Tax are payable by you on our fees and charges.

- 2.8. 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.
- 2.9. Office Service Fee (Administrative expenses): These include items such as photocopying, toll calls, faxes, archiving, compliance of Anti-Money Laundering and Countering Financing of Terrorism Act 2009. We also charge \$5 on each Land Information New Zealand search and \$20 on each Land Information New Zealand instrument as our office administrative fee on Land Information New Zealand search.

Invoice Fee (\$)	Office Service Fee
0.00 – 3,000.00	\$40.00 + GST
3,001.00 – 10,000.00	Up to \$150.00 + GST
10,001.00 or more	2% of all net fees on invoices + GST

- 2.10. Payment: You authorise and direct us to apply any monies we are holding for and on behalf of you (whether as the Retainer/Security, or not) first in payment of any fees, expenses or disbursements for which we have provided an invoice, second in payment to any authorized third party who has rendered services on your behalf, and third in payment to any such other party as you may direct, whereupon the balance (if any) shall be remitted to you or to any such other account(s) and in such manner as you may, in writing, nominate and stipulate. Invoices are payable within 7 days of the date of the invoice, unless alternative arrangements have been made with us. We accept cheque, direct credit and credit card payment. If payment was made within 7 days of the date of the invoice no penalty interest will be charged otherwise we will require interest to be paid on any amount which is overdue and unpaid. Interest will be calculated at the rate of 5% above our firm's bank overdraft rate as at the close of business day on the date the payment becomes due. If any invoice is overdue by 90 days, we reserve our right to refer the debt to any collector for debt collection and you will be responsible for payment of any debt collection charges.
- 2.11. **Retainer/Security:** We may ask you to pre-pay amounts, i.e. a retainer, to us, or to provide security for our fees and expenses. You authorise us:
- (a) To debit against amounts pre-paid by you any invoices issued or any disbursements incurred; and
 - (b) To deduct from any funds held on your behalf in our trust account any invoices issued or any disbursements incurred.
- 2.12. 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, you will remain responsible for payment to us if the third party fails to pay us. For example if you are a landlord and your tenant defaults under your lease and you instruct us to

undertake enforcement action, our work may then be invoiced to your tenant however if your tenant refuses to pay us you agree to be liable to pay our fees. We also have commission arrangements with other third party intermediaries such as immigration consultants. If this is applicable to you then certain part of our fees may be paid to the intermediary as commission for their referral. Please let us know if you may require any further information of such arrangements

- 2.13. If, during the course of our acting we increase our hourly rate(s), we will notify you 1 month before any such change and any time charged to you after that period will be billed at the new rate(s).
- 2.14. For a variety of reasons, some instructions may not be completed. Should this occur, we will charge you for the work undertaken and costs incurred up to the time of termination.
- 2.15. In some circumstances, we may be required to incur additional time or expense following the completion or termination of a matter. If this occurs, we will charge you in the normal way.

3. Professional Indemnity Insurance

- 3.1. We hold professional indemnity insurance that meets and exceeds the minimum standards specified by the Law Society. Further details of such insurance policy can be obtained from us.

4. Lawyers Fidelity Fund

- 4.1. 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. 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

- 5.1. 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 Directors, Eva Ho at eva@focuslaw.co.nz or Simon Song at simon@focuslaw.co.nz or by telephone (09) 3666 860 or by post to PO Box 3993 Shortland Street, Auckland. The Law Society also maintains a complaints service and you are able to make a complaint to that service. To do so you should contact the Law Society by phone 0800 261 901 or by fax

04 463 2984 or by email complaints@lawsociety.org.nz or by post PO Box 5041, Lambton Quay, Wellington 6145.

6. Client Care and Service

6.1. The Law Society client care and service information is set out below.

“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.”

If you have any questions, please visit www.lawyers.org.nz (the New Zealand Law Society Website) or call them at (04) 472 7837

7. Limitations on extent of our Obligations or Liability

7.1. We limit any liability you may be able to claim from us to 5 times the total of the fees you have paid in relation to your Instructions. If you are not willing to accept such limitation please let us know immediately.

8. Confidentiality

8.1 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; or
- (c) If you have signed a self-certification and consent form, we will need to disclose your information to our bank and/ or Inland Revenue upon their request.

8.2 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.

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

9. Termination

9.1 You may terminate our retainer at any time.

9.2 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.

9.3 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.

9.4 On the Termination of a retainer you agree that we are entitled to retain copies of your file and related information in accordance with the guidelines set down by the law and the Rules of Conduct and Client Care for Lawyers. You also authorise us to charge you a reasonable disbursements incurred for the photocopying and uplifting of any files or materials from us.

9.5 You authorise us to destroy your files seven years after completion of your matter except for documents that we are required to retain for 10 years under the E-Dealing Standard and Guideline

10. Retention of files and documents

10.1 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.

11. Conflicts of Interest

11.1 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.

12. Duty of Care

12.1 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.

13. Trust Account

13.1 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 our bank. However, as Focus Law is an active NFFE (non-financial foreign entity), starting from 28 March 2017, a signed 'self-certification and consent' form from you is required before we can lodge the funds to bear interest. In that case we may charge an administration fee of 10% of the gross interest derived.

14. General

14.1 These Terms apply to any current engagement and also to any future engagement, whether or not we send you another copy of these Terms.

14.2 We are entitled to change these Terms from time to time, in which case we will send you amended Terms.

15. Anti-Money Laundering and Countering Financing of Terrorism

15.1 You are required under the Anti-Money Laundering and Counter Financing of Terrorism Amendment Act 2017 to provide the following to us to enable us to conduct the Client Due Diligence test. These include:

15.1.1 Proof of ID

At least one form of identification needs to contain a photo. Choose from one of the following sets (sets two and three require one primary and one secondary document). Please tick the box of the document being provided.

	Primary Identification Document	Secondary Identification Document
Set One	<input type="checkbox"/> Passport (NZ or overseas) <input type="checkbox"/> New Zealand Certificate of Identity <input type="checkbox"/> New Zealand refugee travel document <input type="checkbox"/> Emergency travel document <input type="checkbox"/> National Identity Card <input type="checkbox"/> New Zealand Firearms Licence	Not required

Set Two	<input type="checkbox"/> Birth certificate (NZ or overseas) <input type="checkbox"/> Citizenship certificate (NZ or overseas)	One of the following is required: <input type="checkbox"/> New Zealand driver licence <input type="checkbox"/> Overseas driver licence (with photo) with an English translation (if required) and accompanied by an International Driving Permit <input type="checkbox"/> 18+card <input type="checkbox"/> New Zealand Armed Forces ID <input type="checkbox"/> New Zealand Police ID <input type="checkbox"/> SuperGold card (with photo) <input type="checkbox"/> Student ID (from NZ institutions only) with Photo
Set Three	<input type="checkbox"/> New Zealand driver licence	We will perform an electronic NZTA check. If the NZTA check does not bring up a match, then one of the following is required: <input type="checkbox"/> New Zealand Bank card – Debit or Credit (with matching signature and embossed name) <input type="checkbox"/> New Zealand SuperGold card <input type="checkbox"/> New Zealand Bank statement <input type="checkbox"/> Government agency statement <input type="checkbox"/> Student ID (from NZ institutions only) with Photo

15.1.2 Proof of New Zealand Address

	One Item from either List A or List B	Important Notes
List A	<input type="checkbox"/> Bank statements or correspondence <input type="checkbox"/> Government agency statement <input type="checkbox"/> Registered KiwiSaver or superannuation scheme correspondence <input type="checkbox"/> IRD correspondence	<ul style="list-style-type: none"> • These documents should be no more than 12 months old. • We cannot accept digital versions. • Must show your current residential address.
List B	<input type="checkbox"/> Local authority rates or water bill <input type="checkbox"/> Utility bill (gas, power, fixed phone line, internet, SKY TV) <input type="checkbox"/> Current insurance policy <input type="checkbox"/> Signed tenancy or lease agreement <input type="checkbox"/> Correspondence from a New Zealand educational institution (e.g. primary schools, secondary schools, tertiary institutions, that report under the Ministry of Education in NZ)	<ul style="list-style-type: none"> • These documents should be no more than 3 months old. • Digital copies of utility statements and insurance policy are acceptable provided the statement shows you are taking responsibility for a fixed (non-moveable) service or fixed asset at that same address the statement would otherwise have been posted to. • A tenancy or lease agreement must be signed by both the tenant(s) and landlord. • Must show your current residential address.

Yours faithfully
FOCUS LAW