

## Standard Terms of Engagement for Young Hunter

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. The purpose of this document
  - 1.1 This document:
    - sets out the standard terms on which we do work for our clients;
    - explains what you can expect from us and what you agree to when we work for you;
    - includes information we are required to tell you under the New Zealand Law Society's Rules of Conduct and Client Care for Lawyers; and
    - applies to any current work and to any future work we do for you (unless we agree writing to change these terms).
  - 1.2 We may change these terms from time to time. If we make changes, we will send you the updated terms. They will not apply to you until we have done so, and you have indicated your agreement, or that you wish for us to continue to act.
2. Our obligations
  - 2.1 When we do work for you, we will:
    - protect your privacy and confidentiality;
    - act competently promptly and according to your instructions;
    - protect and promote your interests,;
    - give you clear information and advice;
    - keep you informed about progress;
    - treat you fairly and respectfully; and
    - charge you a fee that is fair and reasonable.
  - 2.2 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.
3. Your responsibilities
  - 3.1 Your assistance on the following points will enable us to give you the best service:
    - give us clear and precise instructions, preferably in writing;
    - provide information that is true, accurate, and not misleading;
    - take all reasonable steps to meet timelines, deadlines, and any Court timetables;
    - tell us if you have any important time limits;
    - tell us if you change your contact details, including phone number, physical address or email address;
    - pay our invoices (including any interim invoices) when due;
    - pay any retainer, or additional retainer, that we request in advance of doing any work;
    - safeguard any documents which are likely to be required for discovery;
    - where not previously asked, providing us with identity documents for you and for other persons as required for AML, address verification documents, and if necessary, information about your source of funds and wealth for AML in a timely manner; and
    - keeping in touch. Please ask if you are concerned about anything or do not hear from us when expected.
4. We can accept instructions from
  - 4.1 Unless you let us know otherwise:
    - if you are a company, we can accept instructions from any of your directors or employees or any other person you have authorised to instruct us;
    - if you are a trust, we can accept instructions from any of your trustees or officers;
    - if you are a partnership, we can accept instructions from any of your partners or officers;
    - if you are a couple, we can accept instructions from either of you: and/or
    - if you are a body corporate or incorporated society, we can accept instructions from any person holding themselves out as being authorised by the officers to instruct us.
5. Email communication
  - 5.1 We may communicate with you by email about the work we do for you.
  - 5.2 We have virus protection software and security protocols in place. However, we cannot guarantee that electronic communications will always be free from viruses or other defects (including imitations of emails sent by us ("phishing") or interception of emails), are secure or will be received.
  - 5.3 You agree that we are not liable for any damage or loss you may incur as a result of a virus, defect, or other matter referred to in paragraph 5.2.
6. Financial
  - 6.1 Fees
    - The fees which we will charge, or the manner in which they will be arrived at, are set out in our engagement letter.
    - Where our fees are calculated based on an hourly rate, the hourly rates are set out in our engagement letter. The differences in those rates reflect the experience and specialisation of our professional staff.
    - Our hourly rates may change from time to time. You can ask us for details of our hourly rates at any time.
    - 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.
    - If requested, we will give you an estimate of the likely amount of our fees.
    - If we do give an estimate, this is our "best guess" as to what the fee is likely to be, based on the information and issues

we are aware of at the time of the estimate. If, however, the work does not proceed as expected, or if the scope of your instructions changes or unexpected complications arises, then we charge for all additional work done.

- We will inform you as soon as practicable if it becomes apparent that our fee estimate is likely to be exceeded.
- Sometimes instructions are not completed. If this occurs, we will charge you for the work undertaken and costs incurred up to the time of termination. Sometimes we may be required to incur additional time or expense following the completion of a matter. We will charge you for this in the normal way.

#### 6.2 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.
- We may deduct from funds held on your behalf any fees, disbursements or expenses for which we have provided an invoice.

#### 6.3 Litigation matters

- If you instruct us to act in litigation, you may choose to engage the services of a barrister or other expert witness. If we do so, we may either collect their fee from you or ask you to enter into a separate agreement directly with that barrister or expert witness.
- If you are successful in obtaining an order for costs payable by other parties in the litigation, it will most likely be for an amount less than the costs payable under this Agreement, and or any separate agreement with a barrister. If so, that will not affect your obligation to pay us the fee. You will also remain obligated to pay our fee in the ordinary manner specified in these terms, whether or not you have received any ordered payment from other parties in the litigation towards our costs.
- It is also possible that the Court may make an order that you pay (part of) another party's costs. If so, those costs will be in addition to those payable to us under this Agreement.

#### 6.4 GST (if any)

Our fees are exclusive of GST. If GST is payable, it is additional to our fees and charges and must be payable by you. The current rate is 15%.

#### 6.5 Invoices

We will send interim invoices to you, usually monthly and on completion of the matter, or on termination of our engagement.

We may also send you an invoice when we incur a significant expense on your behalf.

#### 6.6 Payment

- Invoices are payable within 14 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 30 days overdue.
- Interest will be charged on outstanding amounts at 15% per annum calculated daily, compounding monthly.
- Any failure or delay by us to charge interest on an unpaid account or to exercise any of our other rights will not operate as a waiver of those rights.
- If payment in full is not received within three months from date of invoice, then we have the right to appoint a collection agency.
- Any collection costs will be added to the amount owing, which may include solicitor-client costs.

#### 6.7 Credit card payments

If you choose to pay your invoice by credit card, we reserve the right to pass on any merchant fee or other charges that we incur.

#### 6.8 Third parties

Although you may expect to be reimbursed by a third party for our fees and expenses, and although our invoices may be at your request or with your approval be directed to a third party, nevertheless you remain primarily responsible for payment to us.

#### 6.9 Deductions

- You authorise us to deduct from any funds held on your behalf all sums you owe us including any fees, expenses or disbursements for which we have provided an invoice and for which services have been rendered, plus any interest and our costs.
- If monies are owing by you to us, we may:
  - i) deduct the amount due from funds held on your behalf (for example from the sale of your house); and/or
  - ii) cease to do any further work, on reasonable notice to you, and retain custody of your papers or files until all monies are paid in full.

### 7. Anti-Money Laundering and Counter Financing of Terrorism

7.1 We are required by law to verify identity and address for you and for other persons as required for AML. We may also need to ask for copies of documents, such as trust deeds, and we may also need to ask for the source of wealth and/or source of funds.

7.2 We may refuse to act for you unless and until you provide this information.

### 8. Confidentiality

8.1 We may wish to carry out reasonable credit checks on you from time to time, and by accepting these terms you authorise us to do so.

8.2 You authorise us to collect information about you (including customer due diligence information and credit reports), to obtain, exchange, hold and use such information, and to make any other enquiries with think appropriate to:

- confirm information provided to us about you is true;
- undertake initial and on-going customer due diligence and monitoring in accordance with the AML/CFT Act;
- enforce debt and legal obligations (including recovery of money owed by you to us); and
- comply with any other legal obligations we may have.

8.3 We will hold in confidence all information concerning you that we acquire while acting for you. We will not disclose any of this information to any other person except to the extent

- explicitly authorised by you;
- necessary or desirable to enable us to carry out your instructions;
- required by our bank to enable it to comply with its legal obligations in respect of our trust account; or
- required by law or by the Law Society's Rules of Conduct and Client Care for Lawyers.

8.4 You authorise us to disclose information (including personal information), where we consider it necessary for the effective operation of our practice, to any contracted suppliers of services when disclosure is a reasonably necessary element of such services.

8.5 We may use or disclose personal information that you have provided to us, or which we have obtained about you, to our third parties providers, including technology providers who assist us in providing services or who perform functions on our behalf, such as providers that provide generative AI technologies to assist us in legal research, document review, document drafting and other legal tasks.

8.6 Our technology providers (including generative AI providers) may use your personal information to provide services to us, to administer, maintain, analyse, improve and/or develop their services, to undertake their business processes, to comply with their legal obligations and to conduct research. Unless we state otherwise, our technology providers will not use your personal information to improve AI training models, train, retrain or improve foundation models, improve third party products or services, conduct user profiling, advertising or similar commercial purposes, or to market products and services to you

8.7 Our technology providers may rely on and make your personal information available to their third-party providers (which may be located in countries other than New Zealand) in the course of delivering their services to us, including for hosting, cloud storage, email communication and web analytics purposes, such as the Azure OpenAI Service operated by Microsoft. Our technology providers may share your IP address and other information about your device to Microsoft for security reasons. Our technology providers may also share your personal information with their affiliates, any other entity that they merge with or sell their business or assets to, and other third parties (such as government agencies) if legally required to do so.

8.8 If you are an individual, you have the right under the Privacy Act 2020 to see and correct any personal information we, or any agency, hold about you. You must notify us of any change in circumstances that may affect the accuracy of the information you provided to us. Some of your personal information may be held by third parties we have contracted with to supply storage or other services. Please refer to our Privacy Policy on our website ([www.younghunter.co.nz/privacy-policy](http://www.younghunter.co.nz/privacy-policy)) for further information including information about third parties that we may engage with to collect or use to store your personal information. By engaging us you acknowledge and agree that your personal information may be collected indirectly from third parties, including but not limited to those listed in the Policy, in order to carry out this engagement and obtain information for the reasons listed at 8.2 above.

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

## 9. Use of Artificial Intelligence

While providing our legal services to you (such as conveyancing services), we may use generative AI tools and technology to assist in legal research, document review, document drafting and other legal tasks. This technology enables us to provide more efficient and cost-effective legal services. We recognise the inherent limitations of generative AI tools. While generative AI can enhance our work, it is not a substitute for our independent expertise and judgment. We will exercise professional independent judgment in using AI-generated content and ensure its accuracy and appropriateness in each specific case.

## 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 explain how to resolve it. This may result in us no longer being able to act for you, in which case we will assist you in finding alternative representation.

## 11. Scope of our work

11.1 We are not qualified to give:

- investment advice. You should get that advice from a qualified financial advisor;
- tax advice (unless we agree in writing with you to provide such advice). You should get that advice from your accountant or tax advisor;
- insurance advice (unless we agree in writing with you to provide such advice). You should get that advice from your insurance broker; or
- advice about foreign laws. We can help you to contact a lawyer in the other country.

11.2 Unless we agree to do so in writing, we will not:

- remind you about dates (e.g. PPSR, lease or consent expiry dates); or
- update advice after it is given.

11.3 When your instructions on a matter are completed, our obligation to represent you will end. We will only advise you further on issues arising from the matter if you specifically engage us to do so.

## 12. Limitation of Liability

12.1 If we breach this agreement, we are liable to you for reasonably foreseeable claims, damages, liabilities, losses or expenses caused directly by the breach. We shall not be liable to you under this agreement for your indirect, consequential or special loss, or loss of profit, however arising, whether under contract, in tort, or otherwise.

12.2 Our aggregate liability to you (whether in contract, equity, tort or otherwise) arising out of this instruction or any related matter or issue (or any series of related matters or issues, and including in relation to any steps taken before your confirmation of agreement to these terms) is limited in all circumstances and for all purposes to a maximum of the lower of NZ\$500,000 or five times the legal fees billed and paid in relation to this instruction (irrespective of whether any higher amount may be available under any relevant insurance).

12.3 This limitation of liability also applies for the benefit of any work undertaken by our employees or contractors.

12.4 This is agreed to be a reasonable restriction on our liability.

- 12.5 We will not be liable, whether in contract, tort (including negligence) or otherwise, for:
- any loss of profit or revenue, exemplary damages or any indirect or consequential loss or special loss, or loss of profit or damage however arising, whether under contract, tort or otherwise;
  - any loss or damage arising from (including as a result of any delay caused by) any corruption or loss of data stored electronically, failure of any hardware, software or communications network or equipment, contamination of data (including any virus or other malicious computer code) or the malicious or intentional acts of any third party, including any unauthorised access or denial-of-service attack; or
  - any loss or damage to the extent it is attributable to your conduct or a failure by you to take reasonable care of your own interests.
- 12.6 You may not bring any claim, regardless of form, against us, including any claim for contribution or indemnity, regardless of its basis in law or its form, more than 12 months after the date of the act or omission upon which the claim is based.
- 12.7 The "late knowledge" provisions in the Limitation Act 2010 do not apply.

### 13. Trust Account

- 13.1 We maintain a trust account for all funds which we receive from clients (except monies for payment of our invoices).
- 13.2 If we hold funds on your behalf we will deposit them in an interest-bearing deposit with a bank, where reasonable and practicable. You acknowledge that we cannot place your funds in an interest-bearing deposit if you have not provided us with information relating to your FATCA and CRS status. We are not responsible for obtaining the best interest rate available or for any loss of interest you suffer as a result of delay in placing your funds in an interest-bearing deposit.
- 13.3 Withholding tax will be deducted on the interest earned and paid to IRD. If we have your IRD number you can elect to have withholding tax deducted at your applicable rate. If we do not have your IRD number we are required to deduct it at the default rate (which may be higher than your actual rate).
- 13.4 When we place funds on interest bearing deposit, we will charge an administration fee of 5% of the interest derived.
- 13.5 When you transfer funds to our trust account in a foreign currency, we will convert those funds into New Zealand dollars at the prevailing exchange rate offered by our bank. We are not responsible for seeking or obtaining a better exchange rate.
- 13.6 To protect your money, if you instruct us to use funds we hold in trust for you to make a payment or to transfer the money to another account; we may take steps to verify those instructions directly with you, including to verify the account number. If we are unable to verify that the instructions have come directly from you, we may, at our sole discretion, not make the payment or transfer funds until we are able to do so. You agree that we are not liable for any damages or losses you may incur as a result of the delay in making a payment or transfer of funds where we have been unable to verify your instructions.
- 13.7 If we hold a small value of funds on your behalf (less than NZ \$20.00) and we are unable to contact you, you authorise us to pay the funds to a charity of our choice.

### 14. Termination

- 14.1 Where you give us any instruction and we rely on that instruction (for example, by giving an undertaking to a third-party), you may not revoke that instruction. Otherwise, you may end our engagement at any time on any matter or matters.
- 14.2 If you terminate our retainer, you must pay us all fees, disbursements and expenses due or incurred up to that date.
- 14.3 If you do not pay us, we are entitled to keep original documents, correspondence, and other papers on your files until such time as we have been paid.
- 14.4 You must pay all such outstanding fees, disbursements and expenses before we release your files and documents to you, or should you decide to instruct a new law firm, to that law firm.
- 14.5 Alternatively, we may request that the new law firm provide an undertaking to us to pay all outstanding fees, disbursements and expenses before we release your files to the new law firm.
- 14.6 We may terminate our retainer only for good cause and after giving you reasonable notice specifying the grounds for termination. Good cause may include (among other things):
- instructions that require us to breach any professional obligation;
  - you misleading us or deceiving us in any material respect;
  - failing to provide instructions to us in a timely way;
  - the adoption by you of the advice of a course of action that we may believe to be highly imprudent and that may be inconsistent with our fundamental obligations;
  - you failing to, or being unable to, pay our fees as agreed; or
  - conduct by you towards anyone in our firm that amounts to any one or more of the following: bullying; discrimination; harassment; racial harassment, sexual harassment; threatening behaviour; and/or violence of any kind.

### 15. Retention of files and documents

- 15.1 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) ten (10) years after our engagement ends, or earlier if we have converted those files and documents to an electronic format.
- 15.2 If you request us to provide files and documents to you, either during the course of or after the conclusion of a retainer, we may charge you for costs incurred by us in providing those files and documents.

### 16. Duration of Terms

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.

### 17. Applicable Law

Our relationship with you is governed by New Zealand law and New Zealand courts have exclusive jurisdiction.