

**TERMS OF ENGAGEMENT  
TREADWELL GORDON LIMITED**

**1. The purpose of this document**

1.1 This document:

- (a) sets out the standard terms on which we do work for our clients;
- (b) explains what you can expect from us and what you agree to when we work for you;
- (c) includes information we are required to tell you under the New Zealand Law Society's Rules of Conduct and Client Care for Lawyers; and
- (d) applies to any current work and to any future work we do for you (unless we agree in writing to change these terms).

**2. Variation of terms**

2.1 We may change these terms from time to time and will give existing clients not less than 30 days' written notice of any such change.

2.2 Notice of variation will be sent by email to the most recent email address you have provided to us and will be deemed received at the time of sending.

2.3 Any variation will become effective on the expiry of the notice period and will apply to all instruction received and work performed for you after that effective date. Your continued instruction of our firm after the effective date will be deemed acceptance of the varied terms.

2.4 For new clients, the terms published on our website as at the date of their engagement will apply.

**3. Our letter of engagement**

3.1 For each new job we do for you, we will give you a 'letter of engagement'. The letter will outline:

- (a) what we will do for you on that job; and
- (b) the person / director with overall responsibility for that job. That person / director will be the one we believe is most suited to that job and to our relationship with you. Other members of our staff may also be involved, under that person's / director's supervision, where appropriate (such as where this enables us to do the job in a more efficient and timely manner). If we do not advise you in writing, then the person with overall responsibility will be the person you have instructed to do that job.

**4. Our duties to you**

4.1 When we do work for you, we will:

- (a) protect your privacy and confidentiality;
- (b) act competently, promptly and according to your instructions;
- (c) protect and promote your interests
- (d) give you clear information and advice;
- (e) keep you informed about progress;
- (f) treat you fairly and respectfully; and
- (g) charge you a fee that is fair and reasonable,

subject to any overriding duties we have (e.g. to the courts and the justice system) and any legal obligations we have (e.g., to provide information to some government agencies).

4.2 Our duties are owed to you, the client named in our letter of engagement. Nobody else (such as family members, shareholders, directors or related entities) can rely on our advice without our written consent.

**5. Your privacy and confidentiality**

5.1 We consider client confidentiality to be of utmost importance. We will treat all sensitive, confidential and personal information we hold about you in strict confidence. We will not use it or share it unless:

- (a) you agree or ask us to;
- (b) it is necessary in order to carry out your instructions;
- (c) the law requires us to (e.g. Inland Revenue, the Financial Markets Authority, and other government agencies have powers to compel us to provide information we have about you); or

- (d) the Rules of Conduct and Client Care for Lawyers permit us to.
- 5.2 Information we hold about you will as far as practicable be only made available to our directors and staff who are doing work for you.
- 5.3 If we hold funds in our trust account on your behalf (including any judgment, sale proceeds, settlement amount, or other money), you authorise us to:
  - (a) provide any information we hold relating to your United States Foreign Accounts Tax Compliance Act (FATCA) or Common Reporting Standard (CRS) status, or other FATCA or CRS matters, to Inland Revenue and to our banks if they request information to be able to meet their FATCA or CRS obligations; and
  - (b) if you do not provide any such information we request, report your non-response, identity, and reportable balance to our banks and Inland Revenue (who will in turn pass this information to the relevant foreign tax authority).

Please ask us if you would like more information about FATCA or CRS.

## 6. **How we avoid conflicts of interest**

- 6.1 When we do work for you, we will always protect and promote your interests.
- 6.2 Before we accept a job from you, we will do our best to find out if any conflict of interest exists.
- 6.3 If we find a conflict at any time, we will immediately let you know and tell you how we plan to deal with the conflict. That may mean we stop working for you, the other client or both.

## 7. **Scope of our work**

- 7.1 We are not qualified to give:
  - (a) investment advice. You should get that advice from a qualified financial advisor;
  - (b) tax advice, save as to advice which relates to compliance process and is routine in conveyancing matters. It will NOT extend to tax obligations that arise from those transactions. You should get that advice from your accountant or tax advisor;
  - (c) insurance advice. You should get that advice from an insurance broker; or
  - (d) advice about foreign laws. We can help you to contact a lawyer in the other country.
- 7.2 Unless we agree to do so in writing, we will not:
  - (a) remind you about dates (e.g. PPSR, lease or consent expiry dates); or
  - (b) update advice after it is given.

## 8. **Intellectual property**

- 8.1 Unless we agree otherwise:
  - (a) we retain ownership of all opinions, documents and other intellectual property created by us; and
  - (b) you must not provide our advice to others (such as using our opinions in any public document or statement).

## 9. **Use of Artificial Intelligence and Technology Tools**

- 9.1 In providing legal services to you, we may use artificial intelligence (AI) software, generative AI, machine learning and other advanced technology tools ("AI Tools"). These tools are deployed to enhance the efficiency, consistency and quality of our services.
- 9.2 Any use of AI Tools will comply with our obligations under the Lawyers and Conveyancers Act (Lawyers: Conduct and Client Care) Rules 2008, the Privacy Act 2020 and all other applicable New Zealand laws. We take all reasonable steps to ensure that your information is handled securely and in accordance with our professional and legal obligations, including our obligations of confidentiality and legal professional privilege.
- 9.3 We may use third-party providers, within or outside of New Zealand, to support the delivery of AI or other technology-based services in connection with our work (including, but not limited to, transmission, collection, storage or processing of information). Where we do so, we will take reasonable care to ensure that the provider is reputable and that your information is handled securely and in accordance with our professional and legal obligations. However, we cannot guarantee the absolute security of data handled by third-party providers and make no representation or warranty with respect to the security or operation of their systems.

9.4 To the extent permitted by law, we are not liable for any errors or omissions arising from the use of AI Tools or other technology-based services, provided that such tools are used in good faith and under appropriate professional supervision. Our liability remains subject to the general limitations set out in these Terms of Engagement.

9.5 By engaging us, you consent to our use of AI Tools and other technology-based services. If you have concerns about the use of AI Tools in relation to your matter, or if you wish to opt out, please notify the director responsible for your work and we will discuss appropriate arrangements with you.

## 10. **Emails**

10.1 We may communicate with you by email about the work we do for you.

10.2 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, are secure or will be received.

10.3 We are not liable for any loss or damage arising from or in connection with the corruption, interception, delay, failure or non-delivery of any electronic communication, including any virus or other defect, or any email being blocked or filtered by a security system.

10.4 We may occasionally email you information we feel is relevant and useful to you. If you do not want to receive that information, let us know.

## 11. **Storing records**

11.1 We will keep a record of all material documents we receive or create working for you on each instruction on the following basis:

- (a) we may, at any time, keep a document electronically and destroy paper originals (this includes any original documents you give to us unless you tell us you do not want them to be destroyed, in which case, we may return the originals to you once we have made an electronic copy). We will not destroy any original documents we have agreed to hold in safe custody for you (e.g. your Will);
- (b) we may, at any time, dispose of documents that are duplicates, do not contain substantive information, or belong to us; and
- (c) if you ask us to provide documents to you or another person, we are not obliged to retain copies of those documents, but we may do so for our own records.

11.2 We will provide you, or any person authorised by you, with copies of documents you are entitled to under the Privacy Act 2020 or any other law if you ask us to. We may charge you our reasonable costs to do so.

11.3 You authorise us (without further reference to you) to destroy, or delete in the case of electronic documents, all files and documents relating to an instruction seven (7) years after that instruction has been completed. We may retain files and documents for longer at our option.

## 12. **How you can help us**

You can help us by:

- (a) giving us clear instructions;
- (b) asking if there is anything you are not sure of;
- (c) telling us if you have any important time limits;
- (d) dealing promptly with any questions we have;
- (e) telling us if your contact details change; and
- (f) keeping in touch. Please ask if you are concerned about anything or do not hear from us when expected.

## 13. **Who we can accept instructions from**

13.1 Unless you let us know otherwise:

- (a) 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;
- (b) if you are a **trust**, we can accept instructions from any of your trustees or officers;
- (c) if you are a **partnership**, we can accept instructions from any of your partners or officers;
- (d) if you are a **couple**, we can accept instructions from either of you; and
- (e) 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.

13.2 If we accept instructions to act on behalf of a company, which instructions are received from you as a director or shareholder of that company, then in consideration of our undertaking of that work for the company, you

agree to and do hereby personally guarantee the company's due and punctual payment of all fees, disbursements and expenses incurred by it in account of our providing such advice. Your liability pursuant to this guarantee shall be as a principal obligator as to the whole of all such monies and is not contingent upon the company's liability to us.

13.3 If we accept instructions to act on behalf of the trustees of a trust and you are a beneficiary of such trust, or if you instruct us as one of the partners in a partnership, then in consideration of our undertaking that work for the trustee's or partnership as the case may be, you agree to and do hereby personally guarantee the trustees or partnerships due and punctual payment of all fees, disbursements and expenses incurred by it in account of our providing such advice. Your liability pursuant to this guarantee shall be as a principal obligator as to the whole of all such monies and is not contingent upon the liability of your co-trustee's or partners to us.

13.4 If we accept instructions to act on behalf of a body corporate or incorporated society, which instructions are received from you as being authorised by the officers to instruct us, then in consideration of our undertaking of that work for the body corporate or incorporated society, you agree to and do hereby personally guarantee the body corporate or incorporated society's due and punctual payment of all fees, disbursements and expenses incurred by it in account of our providing such advice. Your liability pursuant to this guarantee shall be as a principal obligator as to the whole of all such monies and is not contingent upon the body corporate's or incorporated society's liability to us.

#### 14. **Verifying your identity, source of funds and credit checks**

14.1 We are required by law to verify your identity, obtain proof of your residential address and, in some circumstances, the source of funds for a transaction. We are also required under the Anti-Money Laundering and Countering Financing of-Terrorism Act 2009 to report suspicious transactions and activity.

14.2 We may carry out reasonable credit checks on you.

14.3 You authorise any person (including credit reporters) to disclose information (including credit information) to us in response to such enquiries.

14.4 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 we think appropriate to:

- (a) confirm information provided to us about you is true;
- (b) undertake initial and ongoing customer due diligence and monitoring in accordance with the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT Act);
- (c) enforce debt and legal obligations (including recovery of money owed to us); and
- (d) comply with other legal obligations we may have.

14.5 You accept that we may use customer due diligence services (including electronic based services from a third party) to verify your identity and conduct other customer due diligence or monitoring required under the AML/CFT Act, and that we may use credit reporting services to credit check you, and that when we use such services:

- (a) the other third party or credit reporter (each a Service Provider) will exchange information about you for that purpose and the Service Provider may hold information on its system and use it to provide their customer due diligence service or credit reporting service (as the case may be) to their other customers;
- (b) we may use the Service Provider's services in the future for any authorised purpose (including in relation to ongoing customer due diligence or the provision of credit). This may include using the Service Provider's monitoring services to receive updates if information held about you changes; and
- (c) if you default in your payment obligations to us, information about that default may be given to credit reporters and given by credit reporters to their other customers.

#### 15. **Our fees and expenses**

##### *Fees*

15.1 We will always charge you fair and reasonable fees.

15.2 Unless we agree with you otherwise, our fees will be calculated based on the time we spend on a job charged at our hourly rates, and adjusted where appropriate for other factors permitted by the Rules of Conduct and Client Care for Lawyers (such as the complexity, urgency, importance, specialised knowledge, responsibility and risk involved and the results achieved). We will provide you with our hourly rates on request.

- 15.3 We will give you an estimate of fees if you ask for one. Fixed or special fee arrangements may be available for certain work (e.g. capped fees). Any estimate or special fee arrangement for a job will be outlined in our letter of engagement. We will notify you promptly if it becomes apparent that our fees are likely to exceed the estimate or quote provided.
- 15.4 Any estimate we provide (including any fixed or special fee arrangement) is based on, and remains subject to, the following assumptions:
- (a) Your instructions are complete, accurate and remain materially unchanged;
  - (b) The matter proceeds and is completed as anticipated, within any indicated timeframe or otherwise within a reasonable period;
  - (c) You will provide all information and documentation required by us promptly and efficiently;
  - (d) No unforeseen issues or circumstances will arise requiring additional work;
  - (e) All parties and other advisers involved in the matter will co-operate and act reasonably; and
  - (f) Any required third party or regulatory consents or approvals are obtained without delay and do not involve protracted negotiations.
- 15.5 Third Party Payments: Even if you expect our fees and expenses to be reimbursed by a third party, and even if invoices are issued to a third party at your request or with your consent, you remain ultimately responsible for payment if that third party fails to pay us.
- 15.6 If you have any questions about our fees please ask.
- GST*
- 15.7 Unless we state otherwise, our fees, estimates and hourly rates do not include GST or office expenses and disbursements, which are payable by you.
- 15.8 Our services usually incur GST. If this is the case, GST is payable by you on our fees and charges.
- Disbursements*
- 15.9 We may have to cover some expenses or make other payments on your behalf (such as search fees, courier charges, registration fees, travel costs, court fees, rates, mortgage repayments and agents' fees). You authorise us to incur these expenses, which will be shown on our account to you .
- Changes*
- 15.10 Fees, hourly rates, office expenses and disbursements may change from time to time without notice.
- Legal aid*
- 15.11 In some cases, you may be eligible for legal aid. If you want to apply for legal aid, we will let you know whether we would be prepared to work on that job on a legally aided basis. If not, we will refer you to another firm.
- 16. Money handling procedures**
- 16.1 We maintain a trust account for all funds we hold on behalf of clients (except funds we receive for payment of accounts).
- 16.2 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 any information we request 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 our failure or delay in placing your funds in an interest-bearing deposit.
- 16.3 We generally charge a 5.5% administration fee on the gross interest earned on funds held in an interest-bearing deposit. 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).
- 16.4 Where 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.
- 16.5 We will not transact money through our trust account without having first obtained the required documents to prove your identity and address.

16.6 Occasionally there may be balances left in credit in our trust account, which usually arise from protracted financial administration. These balances are ones where it might be uneconomic in fee-paying time for the balances to be reconciled to determine how they arise. In such cases we will pay the sums to you, or as you direct, without a detailed reconciliation. If we are unable to contact you at the last address or contact-point provided to us, we will use our most reasonable endeavours to locate you. If we are unable to locate you, we will pay the remaining funds to the Unclaimed Monies administered by the Inland Revenue Department or the Public Trust Office as the case may be.

17. **Paying your account**

17.1 We issue accounts monthly and on completion of a job or the ending of our engagement. We may also send you an account when we incur a significant expense.

17.2 Our accounts must be paid no later than 14 days after the date of our account.

17.3 If you have any questions about an account, please contact us straight away.

17.4 Sometimes we may require you to pay fees, office expenses and disbursements in advance. If we do, we will hold your payment in our trust account and only deduct our fees, office expenses and disbursements when we issue you an account.

17.5 If we hold funds in our trust account on your behalf (including any judgment, sale proceeds, settlement amount or other money) you authorise us to deduct any fees, office expenses or disbursements we have issued you an account for.

17.6 We may charge interest on unpaid accounts at the rate of 12% per annum calculated and compounded on a daily basis on all unpaid accounts, which interest shall continue to accrue as a contractual sum due following entry of judgment and down to the date of payment in full. We may take action to recover unpaid accounts and charge you the cost of that recovery.

17.7 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.

17.8 If your account is overdue we may:

- (a) stop work we are doing for you until our account is paid in full; and
- (b) require an additional payment of fees in advance or other security before starting work again.

17.9 At your request or with your approval, we may send our accounts to a third party to pay on your behalf. You are still responsible for payment by the due date if the third party does not pay us.

17.10 If you have not paid your account(s) in full when required to do so, we may refer such account(s) to credit control and/or debt collection/enforcement company/agency (each a "Credit Control Agent") and instruct them to act on our behalf in collecting such overdue payments from you. If we instruct a Credit Control Agent to collect any overdue monies from you, in addition to an obligation to pay to us all such monies due together with interest thereon pursuant to clause 17.6, you will also be obliged to, and shall, indemnify us from all costs, expenses, charges and fees howsoever described or arising as a result from of our engagement of the Credit Control Agent and any steps taken by the Credit Control Agent on our behalf in collection of all monies due to us, including (without limitation) the Credit Control Agent's fees, costs and expenses, court filing fees and disbursements, service and service agents costs, and solicitor costs on a solicitor and own client/indemnity basis, to the extent and effect that we shall be fully indemnified for all costs losses and expenses of, incidental to, or arising in any way from your non-payment of our accounts/monies in any way due to us. If we elect to undertake such debt collection/enforcement work ourselves, you acknowledge and agree that we will be entitled in doing so to charge you, at our ordinary commercial rates, for undertaking all steps necessary to recover, or to attempt to recover, such monies from you, and we shall likewise be entitled to recover on an indemnity basis all fees costs and expenses arising as a result of our taking such steps/your failure to pay the monies due to us when required to do so (including, without limitation, all court filing fees and disbursements, service and service agents costs). We may recover these monies as a debt due from you.

17.11 If any proceedings arise out of our provision of services to you, are necessary to recover any monies owing by you, or are otherwise necessary (in our opinion) to enforce or attempt to enforce our rights under these Terms of Engagement, those proceedings shall be commenced and determined in the Whanganui Registry of either the District Court or the High Court. This clause comprises an irrevocable agreement as to nomination of the venue and forum for the determination of any such disputes. Any proceedings filed other than in the Whanganui Registry of the appropriate Court shall be transferred to that registry, as of right, upon application by any party thereto.

17.12 If we are required to effect service of any documents upon you for any reason, including where personal service would otherwise be a requirement at law, you agree that we may effect service by couriering any such documents to the address you provided to us at the time of our engagement (or if we have earlier provided work to you, such address provided on that earlier occasion) via tracked delivery service. Such documents shall be conclusively deemed, for all purposes at law to have been personally served on you, upon the date of delivery to such address as evidenced by the courier delivery confirmation record. No defence predicated upon lack of notice or personal service may be advanced contrary to the provisions of this clause, and all such rights entitlements and defences are irrevocably waived by you. We may at our election, and in the alternative, effect service by sending such documents to you via email to the email address we have ordinarily used to communicate with you in the course of our instructions, in which instance service shall be deemed to have occurred upon successful delivery of such email to your email address, which delivery you acknowledge and agree shall comprise, for all purposes at law, personal service upon you and the fact of such service will be conclusively evidenced upon production of a delivery receipt.

## 18. **Guarantee**

18.1 If you are a company, partnership, trust, body corporate or incorporated entity we may require personal guarantees in addition to those given in clauses 13.2, 13.3 and/or 13.4.

## 19. **Limiting our liability to you**

19.1 In this clause we limit our liability to you. The maximum aggregate amount that we will have to pay you is the amount set by the New Zealand Law Society as the minimum standard for the indemnity limit on our professional indemnity insurance. This limit applies to the extent permitted by law, whatever you are claiming for and however liability arises or might arise if not for this clause (whether in contract, tort (including negligence), equity or otherwise). We will not have to pay you more than the maximum amount for anything caused by or resulting from anything we do or do not do, or delay in doing, whether or not it is contemplated or authorised by any agreement with you.

19.2 If you are more than one person (such as a couple or partnership), this maximum is the maximum combined amount that we will have to pay you together.

19.3 If you engage us to do work for the purposes of a business, you agree the Consumer Guarantees Act 1993 does not apply. Otherwise, nothing in this clause 19 limits any rights you may have under the Consumer Guarantees Act 1993.

19.4 We shall not be liable for any loss or liability caused or contributed to by inaccurate or incomplete information supplied by you or third parties (including public records and expert witnesses) or because you did not receive or read a communication we sent you.

## 20. **Ending our engagement**

20.1 You may end our engagement at any time by giving us reasonable notice. You remain responsible for payment of our fees for all work performed, together with any disbursements or other charges incurred, up to and including the date the engagement ends.

20.2 If we have good cause, we may decide to stop working for you, such as if you:

- (a) do not provide us with instructions promptly;
- (b) are unable to, or do not, pay our fees as agreed or fail to secure guarantee(s) when required to do so;
- (c) give us instructions that require us to breach any professional obligations, or mislead or deceive us in a material respect; or
- (d) against our advice, act in a way we believe is highly imprudent or inconsistent with our fundamental obligations as lawyers. This does not apply to litigation instructions.

20.3 If we decide to stop working for you, we will give you reasonable notice and help you find another lawyer.

20.4 Before you take your records, you need to pay our fees for the work we have done for you. We may keep a copy of any records you take.

## 21. **Enforceability of these terms**

21.1 The enforceability of these terms is not affected by:

- (a) the ending of our engagement; or
- (b) any changes to our partners or the incorporation of our firm.

22. **New Zealand law applies**

22.1 Our relationship is governed by New Zealand law and the New Zealand courts have exclusive jurisdiction.

23. **Professional Indemnity Insurance and Lawyers' Fidelity Fund**

23.1 We hold professional indemnity insurance that exceeds the New Zealand Law Society's minimum standards. If you would like further information about our insurance, please ask.

23.2 The New Zealand Law Society operates a Lawyers' Fidelity Fund to compensate clients who suffer theft of money or property entrusted to lawyers. The Fund covers losses of up to \$100,000 per individual claimant. It does not cover loss where you have instructed us to invest money on your behalf (subject to limited exceptions set out in the Lawyers and Conveyancers Act 2006).

24. **How we handle complaints**

24.1 We are committed to providing services of the highest professional standards.

24.2 We will deal with any complaints promptly and fairly.

24.3 Please contact us straight away if you have a question about an account or if you are unhappy with any other aspect of our work. You may contact:

(a) the director responsible for your work; or

(b) our Finance Manager (Hilary Walker) by phone, post or email: (06) 349 0568 / accounts@treadgord.co.nz.

24.4 The New Zealand Law Society also has a complaints service. Please telephone 0800 261 801 for information and advice about making a complaint.

25. **Client care and service information**

25.1 We are committed to complying with the New Zealand Law Society's Rules of Conduct and Client Care for Lawyers. The following statement describes some of our professional responsibilities to you:

Whatever legal services your lawyer is providing, he or she must:

- a. act competently, in a timely way, and in accordance with instructions received and arrangements made;
- b. protect and promote your interests and act for you free from compromising influences or loyalties;
- c. discuss with you your objectives and how they should best be achieved;
- d. provide you with information about the work to be done, who will do it and the way the services will be provided;
- e. charge you a fee that is fair and reasonable and let you know how and when you will be billed;
- f. give you clear information and advice;
- g. protect your privacy and ensure appropriate confidentiality;
- h. treat you fairly, respectfully, and without discrimination;
- i. keep you informed about the work being done and advise you when it is completed;
- j. 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 overriding duties, including duties to the courts and to the justice system.

If you have any questions, please visit [www.lawsociety.org.nz](http://www.lawsociety.org.nz) or call 0800 261 801.

We value our relationships with our clients. If you have any questions about these terms, please ask.

*Effective from 1 May 2026*