



Welcome

Welcome to the 2009 **Autumn** edition of the Low Down. The National-led Government has completed its first 100 days in government and this has resulted in a raft of legislation as it seeks to fulfil its election promises. In this edition we cover some of those critical **Law Changes** in force, as well as impending law changes **In the Works**. We also **Celebrate the Success** of more of our clients and update you as to **Our People**.

LJ NEWS

The Bite of the Credit Crunch

We are currently running a seminar series called *The Bite of the Credit Crunch*. The purpose is to inform our clients as to how best to protect business cashflow during difficult financial times through:

- binding customers/clients to appropriate trading terms
- understanding and obtaining effective securities for payment
- managing accounts receivable
- enforcing payment terms and securities to achieve effective debt recovery

If you would be interested in attending one of the seminar sessions, please contact Judy Reed or your contact person at Lowndes Jordan as soon as possible.

Salt 'n' Vinegar

Lowndes Jordan ex-partner **Leela Menon**, now a film producer with Bella Films (of which Leela is co-owner) has produced a short film entitled "**Salt 'n' Vinegar**". Lowndes Jordan staff and other viewers attended a private screening of Leela's film in December last year and, of course, rated it highly. Lowndes Jordan wishes Leela, and Bella Films, every future success.



LAW CHANGES

s92A Copyright Act 1994 to be amended

The Government has announced that the much criticised "repeat infringer termination" provision in the Copyright Act 1994 will not now come into force and is to be amended. Rick Shera has played an integral role in the debate around s92A, first assisting InternetNZ with its submission on the Copyright (New Technologies) Amendment Bill in early 2007 and then consulting to the Telecommunications Carrier's Forum (whose membership includes New Zealand's leading ISPs) on a draft copyright code. For those interested in the s92A saga to date or where this leaves businesses, users and ISPs go to www.lojo.co.nz/news.html or contact **Rick Shera** [rjs@lojo.co.nz].

Securities Disclosure and Financial Advisers Amendment Bill 2009

This Bill, which was introduced on 18 February 2009, contains a number of proposed amendments to the Securities Act 1978 that aim to ease compliance costs on businesses that are looking to raise capital by the offer of securities. The proposals in the Bill include the introduction of simplified disclosure prospectus regime for listed issuers. This regime will allow listed issuers to provide a simplified disclosure prospectus to investors, instead of a prospectus or investment statement. The content required in a simplified disclosure prospectus will be set out in regulation which is yet to be promulgated. The Bill also endeavours to improve the workability of rules relating to "eligible persons" and "non-public" persons to whom issuers can offer securities without the need to produce a full prospectus and investment statement. Lowndes Jordan's submission to the Commerce Committee on the Bill can be found on our website at www.lojo.co.nz/news.html. For further advice, contact **Mike Busch** [mwb@lojo.co.nz] or **Chris Taylor** [cct@lojo.co.nz].

Sports Charities

In New Zealand a number of "charitable" entities are formed for the promotion or development of a sport or activity. Charities are useful structures where funding is sought for a non-profit activity, due to the tax benefits that are available both to the charitable entity itself, and to its donors. Entities that are registered as charities under the Charities Act 2005 will almost certainly qualify for exemption from income tax (on any non-business income) and gift duty, while donors are entitled to claim tax relief on donations (either by rebate or deduction). The recent case of *Travis Trust v Charities Commission* (unreported, 3 December 2008, High Court, Wellington) affirmed that, in order to be eligible for charitable status, entities must have purposes and activities that are truly charitable, and beneficiaries that are truly public. The mere promotion of a sport itself is not legally charitable, however, an entity might be charitable if its purposes and activities are focused on health, fitness, education and physical wellbeing *through* the sport in question. Further, an entity will not be charitable whose benefits are only available to the members of, for example, a private sports club. Care must therefore be taken to structure the charitable trust property. For further information, and advice on forming and administering charities, please contact **Ben Morrison** [brm@lojo.co.nz] or **Rick Shera** [rjs@lojo.co.nz].

Employment Law Changes in 2009

2009 has so far seen legislative changes in employment law, including:

- q From 1 March 2009, employers who employ 19 or fewer employees are able to employ new employees on a trial period of up to 90 days, provided that the employee agrees in writing to a "trial provision" clause being inserted into their employment agreements. From 1 April 2009, all employers are required to provide workers with paid rest breaks and unpaid meal breaks depending on how many hours that they work and employers and employees can agree to the timing of the breaks.
- q From 1 April 2009, all employers are required to provide facilities and unpaid breaks for employees who wish to breast-feed their infants during working hours, as far as is reasonable and practicable in the circumstances (depending on the operational environment and the employer's resources).

For more information or advice on these changes or employment law generally, contact **Siobhan O'Shea** [sjo@lojo.co.nz].



The Low Down

IN THE WORKS

As at **31 March 2009**, you can still make submissions on the following:

- q **Resource Management (Simplifying and Streamlining) Amendment Bill.** The purpose of this Bill is stated as to simplify and streamline the Resource Management Act 1991, with the proposed changes focusing on improving decision-making, reducing delays and costs by simplifying procedures and ensuring that penalties are sufficient to discourage inappropriate practices. Submissions due **Friday, 3 April 2009**.
- q **Law Commission – Privacy Review.** The Law Commission is up to its third stage in its review of privacy and has released an issues paper entitled *Invasion of Privacy: Penalties and Remedies* (which you can find at www.lawcom.govt.nz) which reviews the adequacy of New Zealand's civil, criminal and regulatory law to deal with invasions of privacy and in particular, it looks at the tort of privacy and surveillance. The Law Commission welcomes any comments or submissions from the public to privacy@lawcom.govt.nz by **Friday 29 May 2009**.

Please contact us if you require further information in respect of any of these developments, or if you would like assistance in drafting submissions.

OUR PEOPLE



BEN MORRISON, SENIOR SOLICITOR

Ben is a senior commercial solicitor, advising on a wide range of corporate and commercial transactions. Areas of special expertise include corporate structures and acquisitions; trusts and asset planning; charities; capital raising and securities; commercial property and intellectual property. Ben has special interests in the marine industry (including vessel acquisitions, marina developments and transport) and the creative industries (focussing on brand protection and intellectual property).

In addition to his legal experience, Ben has been a New Zealand representative yachtsman numerous times, competing in various locations around the world.

New Arrivals

Rachael Johnson

Rachael joined Lowndes Jordan's litigation team in early 2009. Before joining us, Rachael worked in the general commercial team at a national law firm, undertaking general commercial litigation and debt recoveries work. Her previous work experience also includes 2 years as a Police Prosecutor in Auckland and as a tax solicitor at another national law firm.

Nicola Lowe

Nicola is a Registered Legal Executive working in the areas of conveyancing, asset protection and estate planning and is an Affiliate member of the New Zealand Institute of Legal Executives (NZILE). Nicola joined Lowndes Jordan in January 2009 after recently having worked in a similar role in a Hamilton law firm for 3 years.

CELEBRATING CLIENT SUCCESS

Symansis (NZ) Limited



Lowndes Jordan congratulates **SYMANSIS (NZ) LIMITED** for winning the **NZBIO 2009 Emerging Company of the Year Award**, which recognises emerging companies in the New Zealand biotechnology industry.

Symansis makes high-quality reagents for use by cell biology researchers for applications including the development of treatments for diseases such as cancer, diabetes and stem cell research.

Lowndes Jordan is proud to be associated with Symansis (NZ) Ltd and wishes them all the best for their future industry success.

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