



EDITORIAL

YOUR LIFE DOES NOT GET BETTER BY CHANCE, IT GETS BETTER BY CHANGE.” - Jim Rohn

Living in a constant environment of change is perhaps the only real influence that drives how we enact our lives. The decisions we make, the actions we take, the things we say and do; what ever the outcome we are significantly impacted by our ability to cycle through change, whether good or bad. It is the one constant that we must contend with everyday.

Much of the content of this newsletter is about change. We are transitioning through significant change – it may even reach out to you in some shape or form. We are excited about the changes that we will encounter over the coming 3-4 months. Its’ endstate will see the firm back into the Christchurch CBD, an outcome we have been resolute about since February 2011. Our journey is only just beginning – stick with us for the ride.

Shayne Te Aika
General Manager

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‘Back to the Future II’ Our New Office at 299 Durham Street North, Christchurch - October 2015



The partnership is pleased to announce that it has finalised the return of the firm to the Christchurch CBD in the 4th quarter of 2015, having secured office space on level 2 (third storey in the graphics), 299 Durham Street North, situated on the corner of Durham and Armagh Streets.

The development will be completed in July 2015 whilst the Mortlock McCormack Law office fit out is expected to be finished and ready to be occupied in mid October 2015.

Previously displaced from Cathedral Square in February 2011, the firm has never waived from its’ resolve to return home to the Christchurch CBD.



We are excited to signal our new intent and yes it is definitely a ‘change’. We firmly believe we have made the right decision to support our circumstances of a ‘return with urgency’, and toward re-positioning the firm for longer term initiatives.

MML PEOPLE

STAFF UPDATES

**Simon Mortlock**

One of the biggest 'changes' in 2015 to date, has been the transition of Simon Mortlock, from Partner to Consultant. The firm celebrated this transition with a gathering in the Botanical Gardens in late March with Simon, his close family and friends. Simon's love of 'the law' is unrivalled within Mortlock McCormack Law and he is always available to share his knowledge with our staff, especially the junior solicitors. Simon continues as a Consultant at three days a week in the office.

Michael O'Flaherty

Michael joined us in January 2015 as a commercial and property Solicitor having worked previously in Wellington. Michael is an avid sports fan, plays football on the weekends and brings a great sense of humour to the office.

**Netta Egoz**

A commercial and property Solicitor, Netta comes to us having spent the first two years of her career providing guidance to the Christchurch Community primarily on insurance and general legal matters. Netta gives back to the Community in a number of ways, particularly in volunteer work across a number of organisations. Netta joined the firm in late June 2015.

Sarah Fitzgerald

Many of our clients will know Sarah as a former PA to Sue McCormack. Sarah comes back to the firm in late June, having completed her law degree at Canterbury (whilst still supporting us in part time roles). Sarah has accepted a full time role at Mortlock McCormack Law, as a solicitor. It's a great achievement for Sarah to have transitioned into a legal professional. We look forward to supporting Sarah toward her admission to the bar in December 2015 and beyond.

To Our Extended Family, Clients, Fellow Business Entities, and Friends

This may be a familiar tune (from a previous newsletter), with a few 'changes'. Regardless, we know you will be right behind us in our efforts to return to the CBD. We want to keep you fully apprised of timelines and across matters that may impact upon you.

We also understand that you may have specific questions. Please feel free to email our General Manager: (shayne@mmlaw.co.nz) with any questions about our new premise. Shayne will come back to you with a response and, should you agree, we will include your query on future updates to all of our clients to ensure we capture the widest audience.

Here are some potential questions (and answers) that already spring to mind:

- **When will you be moving?**

We are working toward mid October 2015 to be up and running from the CBD. We are mindful that the consenting process and fit out may impact on this intent. We will provide updates over the coming weeks on our website, by email and in general contact with you. You can also call us if you are unsure.

- **How will I gain access to your offices?**

Clients and visitors will be able to access our offices via the main lift within the building. You can enter the building either from Armagh or Durham Streets and proceed to the lift well, or stairs to be transported to level 2. Before we actually move, we will provide updated information about any address details, inclusive of providing maps electronically and on our website about how to get to, and access our new premises. We expect to place clear signage throughout the building to guide you.

- **Where will I park?**

It is no secret that finding parks within the CBD is difficult. There will be a small number of client car parks on site (off Armagh Street). We will provide more detail in due course about accessing these spaces for your appointment. Pay and

display parking is available in the area on Montreal Street, Cramner Square, Armagh Street, and in the 'old' city area. We are investigating options to reimburse clients for parking through a corresponding concession in our invoicing but have yet to determine how to best effect this.

- **Will I have to come to your offices to meet with you?**

There are always potential alternatives to meeting us at our premises. Mobility of our staff will allow us to meet with you at your business or home if it is more convenient. This can be discussed directly with the staff who manage your file. We can also arrange to meet you within the new CBD area, either in open space to enjoy the sunshine, or at one of the many cafés or restaurants if there is an opportunity to combine your business needs with a social visit.

- **Will your office telephone numbers change?**

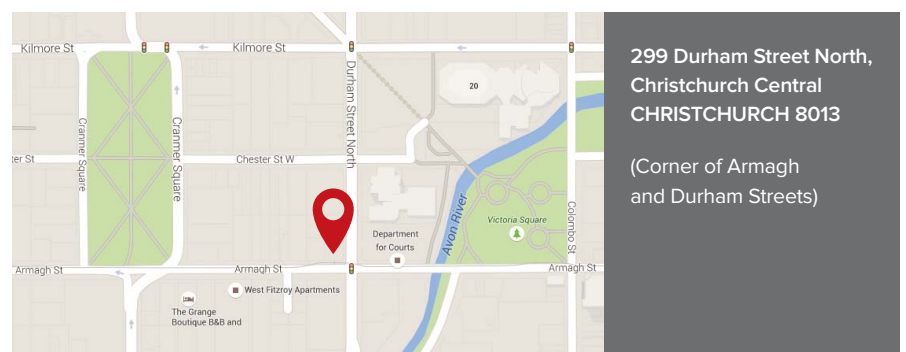
We expect that we will transfer our telephone numbers to the CBD. If there is a need to change numbers, we will keep you informed.

- **Will mailing address details change?**

We will keep our current Post Office Box (PO Box 13474) and our DX Mail identity (**WX33515**). As soon as we confirm our re-location date, we will also notify you of the physical change.

- **Will we raise our fees?**

We don't expect to implement any fee adjustments directly (or indirectly) related to a return to the CBD. Occasionally hourly rates will change for specific staff who transition to new levels within the firm.



299 Durham Street North,
Christchurch Central
CHRISTCHURCH 8013

(Corner of Armagh
and Durham Streets)

Supporting the Community – Solicitor Shanti Niven



Shanti Niven

Whether making tea and coffee in a drop in centre, chairing trust meetings, engaging with communities or advising people on legal issues, volunteering is something I enjoy being part of. The two organisations I am currently most involved with are Trade Aid and Community Law Canterbury.

Many people are familiar with Trade Aid which was founded here in Christchurch more than 40 years ago. There are now more than 30 Trade Aid shops situated around New Zealand. Each shop is governed by a trust and I have recently been appointed as Chair of the Christchurch Trust. The trust is responsible for governing the Trade Aid shop in Merivale. As chair of the Trust I am part of a team who are responsible for ensuring the smooth management and operation of the shop, which in turn enables Trade Aid to continue its support of fair trade

producers around the world. Last year was a particularly exciting time to be involved with the organisation as a fair trade chocolate factory was opened here in Christchurch.

Community Law Centres offer free legal advice around the country. I began my involvement as a client in Wellington. I needed advice on how to deal with a difficult employer. After receiving sound practical advice from a lawyer at the Centre I decided to become a volunteer. Initially I was involved as a student, shadowing and assisting the

wide range of solicitors who came into the Centre to advise clients. Now a qualified lawyer, I volunteer as a solicitor. The services Canterbury Community Law Centre provides are particularly important in the post quake environment as access to good legal advice is often unaffordable.

Volunteering is something I have both fallen into and chosen to pursue. Being involved with and contributing to my community and wider society is something I value and will continue to do.

Companies Amendment Act 2014

New resident director requirements introduced by the Companies Amendment Act 2014 took effect from 1 May 2015.



Michael O'Flaherty

All companies incorporated prior to that date will have until 28 October 2015 to ensure they comply with these requirements. One new requirement is for every company incorporated in New Zealand to have at least one director who lives either in New Zealand or Australia (if living in Australia, that individual must also be a director of a company incorporated in Australia).

From 1 July 2015, all companies incorporated prior to 1 May 2015

will need to provide the Registrar with additional information when filing their annual return including: date and place of birth of every director (which will not be made publicly available); and details of the ultimate holding company (if a subsidiary company).

With these new requirements come increased enforcement powers of the Registrar, including the ability to issue notes of inactivity or warnings against companies on the register, de-register companies for non-compliance and prohibit individuals from managing companies in certain circumstances.

Please contact michael@mmlaw.co.nz for more information on compliance with the new company requirements.

Mortlock McCormack Law Partner appointed to the Trust Reference Group to review New Zealand Trust Law

Minister Amy Adams draws on New Zealand's top experts to contribute their knowledge and experience to assist the Government to reform trust law.



Andrew Logan

Seven expert trust lawyers throughout New Zealand have been appointed to the Trust Reference Group, including Mortlock McCormack Law Partner, Andrew Logan. The Reference Group will provide advice to the Minister on proposed trust law reforms which were recommended by the Law Commission in their report Review of the Law of Trusts: A new Trusts Act for New Zealand in March 2014. Ms Adams says, 'With an estimated 300,00 to 500,000 trusts operating in New Zealand, it's important that trust

law is fit for purpose and does not create unnecessary costs.' The Minister goes on to say that the Groups' review will help 'ensure our reforms provide better guidance for trustees and beneficiaries and reflect modern ways of doing business.'

More than just a lawyer, Andrew Logan is the outgoing Chair of the Property Law Section of the New Zealand Law Society and is able to draw on significant experience in relation to Trust Law. Congratulations Andrew.

Foreign Account Tax Compliance – Are you a US citizen or US tax resident?

If you fall within the parameters of these categories, the Foreign Account Tax Compliance Act (FATCA) is US law that will directly impact upon you.

New Zealand law firms will be required by law under the Double Tax Agreements Order 2014 to release financial information relating to funds held in their trust account(s) on behalf of US clients whether as individuals, companies or trusts. The US law is intended to reduce tax evasion by US taxpayers worldwide. New Zealand is one of a number of signatories to the US law.

New Zealand law firms will be required to meet related reporting obligations (given inter-governmental agreements between the United States and New Zealand) for any clients who are designated as holding either US citizenship or US tax residency status.

For clarity: A **US citizen** includes persons born in the US, having a US citizen parent or persons who are US-naturalised. A **US tax resident** includes a green card holder and someone who satisfies the **substantial presence** test.

The **substantial presence** test is satisfied when a person is present in the US for 31 days in the current year, and for at least 183 days in the period of the current year and the two years prior to the current year. When assessing the 183 days, this includes all days present in the US in the current year, 1/3 of the days present in the US in the year prior to the current year, and 1/6 of the days present in the US in the year two years prior to the current year. Currently the IRD is finalising the compliance rules for law firms. These are expected to be announced in mid 2015.

What we are doing.

Mortlock McCormack Law is currently assessing the legal impact of FATCA; the potential reporting obligations, and of course the actual impact it may have for affected clients. In addition we are reviewing our client data base to identify clients who may meet this criteria and where upon we can discuss directly each situation.

What you should do.

If you are concerned that you meet the criteria above for US citizenship or tax residency, then you should contact Partner Andrew Logan in the first instance, or any other firm member whom you are comfortable in discussing your situation. They can assist in clarifying your status and helping you to understand any on-going impact of the FATCA requirements thereafter. Do not wait for the firm to contact you - potentially we may not hold relevant details that will easily identify clients with this status, given the wide reach of the US law.

This is preliminary advice to provide potentially affected clients with early situational awareness of the implementation of the FATCA agreement between the United States and New Zealand. We will continue to update specific clients as the pending requirements are clarified.

Andrew Logan, Partner

Is Your Will Current – Perhaps it's time to 'change' it?

In our last edition, we recommended reviewing your will at least every five years, or sooner if your personal circumstances have changed.

We feel it is well worth mentioning again and encourage you to check and review your individual situation to ensure that your current intentions remain valid in terms of how your assets are to be distributed. If it is time to review, revise and renew, take the opportunity to meet with us to ensure your intent is achieved?

HUMOUR

After her conviction of murder in the second degree, the District Attorney, during her sentencing hearing said, "Mrs. Packard.... after you put the arsenic in the stew and served it to your husband, didn't you feel even a little remorse for what you were doing?"

"I did," she said calmly. "And when was that?" quipped the D.A. "When he asked for seconds!" came the reply.

"Do you recall approximately the time that you examined the body of Mr. Brown?"

"It was in the evening. The autopsy started about 8:30 p.m."

"And Mr. Brown was dead at the time, is that correct?"

"No. He was sitting on the table wondering why I was doing an autopsy!"

A minister and a lawyer arrived at the pearly gates, Saint Peter greeted both of them and gave them their room assignments.

"Pastor, here are the keys to one of our nicest efficiency units. And for you, sir, the keys to our finest penthouse suite."

"This is unfair!" cried the minister.

"Listen," Saint Peter said, "ministers are a dime a dozen up here, but this is the first lawyer we've ever seen."

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