

SPRING REMINDERS

With the arrival of spring it is a suitable time to think about a few legal issues which can arise in everyone's lives.

For some the end of a relationship especially where the parties own property and/or have a family it is almost certain that both will need to seek legal assistance with the division of property, care of children and all of the dozens of related issues. After making an appointment to see a lawyer you should gather together all information relevant to a property division and the children to negotiate a mutually satisfactory agreement.

It is not the time to score points off each other or poison the children against the other parent. The children always suffer when their parents separate and it is essential that their needs are protected. Always aim to negotiate a settlement of relationship property and matters relating to the children as it is almost impossible to predict with total accuracy the outcome of Court proceedings. Very often the parties end up with an order which suits neither of them. In-laws should also be kept at a distance as they tend to create problems rather than solving them.

Making a new will on separation is important to reflect the change in circumstances and some considered thought needs to be put into a new will. The better prepared you are, the better your outcome should be.

Recently there has been some publicity about Banks having recommended to farmers and other borrowers to take out long-term fixed interest loans. This happened some years ago when interest rates were quite volatile and many borrowers felt that certainty was preferable to the regular changes in interest rates. Unfortunately for many borrowers interest rates fell sharply and it meant that many people were tied in to fixed rate loans for years to come. There has been a tendency to point the finger at the Banks for recommending these loans to their customers as some have found that their interest payments have almost rendered them insolvent.

It should always be remembered that Bankers are there to make profits for the Bank and do not always have the customer's long term interests in mind when they are approached

for advice. Taking advice from an accountant on financing matters is preferable as the accountant is working in his clients best interests.

On the subject of trusts I noted recently that a compliant trustee under a trust was made personally liable for a debt which arose through no fault of that trustee. So if you are asked to act as a trustee always consider the proposal and seek advice as the Courts are becoming more and more active in sheeting home personal fault to trustees. It is better to decline the role of trustee than become embroiled in arguments and maybe liability for debt further down the track.

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