



NZLS EST 1869

NZLS CLE Ltd
CONTINUING LEGAL EDUCATION
NEW ZEALAND LAW SOCIETY



INTENSIVE FARM SUCCESSION PLANNING

August 2015

IN THIS INTENSIVE

This day is well overdue...

The rural sector is the backbone of the New Zealand economy. It is vital for farming families to receive the best possible advice to preserve and enhance this industry through the involvement of successive generations of farmers.

FARM SUCCESSION PLANNING FROM THE CHAIR



Welcome to the 2015 NZLS CLE Farm Succession Planning Intensive. This day is well overdue and much needed for legal practitioners in the rural sector. The calibre of the presenters is very impressive and I express my personal gratitude to them for participating.

We must not forget how important this topic is to all New Zealanders. The rural sector is the backbone of the New Zealand economy. It is vital for farming families to receive the best possible advice to preserve and enhance this industry through the involvement of successive generations of farmers.

I am in no doubt, given the standard of presenters, that you will all be much better prepared to provide the services needed to achieve this outcome.

Ian Blackman

PROGRAMME

8.30-8.55

REGISTRATION

8.55-9.00

INTRODUCTION TO THE DAY: Chair - Ian Blackman

9.00-9.30

**SESSION 1: FARM BUSINESS SUCCESSION -
BAN THE BATTEN!**

This session will explore farm business succession, discuss the various attributes of various legal structures, the potential role of rural professionals and what constitutes success.

Presenter

Dr James Lockhart

9.30-10.30

SESSION 2: ESTATE PLANNING – PLANNING FOR DEATH

There is little point in ensuring assets are protected during a rural client's lifetime regarding relationship property and inter-generational wealth transfer if, on death, it all falls apart. This paper will look at the importance of:

- Careful preparation of wills including the complications with testamentary trusts and life interests
- The advantages of inter vivos discretionary trusts on death
- The importance of an updated and relevant memorandum of wishes.

Presenter *Ingrid Taylor*

10.30-10.55 **MORNING TEA**

10.55-11.50

SESSION 3: PUTTING IN PLACE TRUST STRUCTURES FOR FARMING FAMILIES

This session will cover:

- The use of trusts for inter-generational succession planning
- Drafting considerations for trust structuring
- Drafting memoranda of guidance and the use of family constitutions
- Administration of trusts in the 21st century and trustees' duties.

Presenter *Israel Vaealiki*

11.50-12.45

SESSION 4: SUCCESSION FROM A COMMERCIAL PERSPECTIVE

Understand the steps that will lead to the best commercial outcome for your succession planning, including how long the steps will take and when it is best to start them.

Presenter *Phil Taylor*

12.45-1.30 **LUNCH**

1.30-2.25

SESSION 5: TAX AND LEGAL STRUCTURES

Sometimes being in the right place at the right time is not enough – you need to be in the right place before the right time. This session will cover the effect of different income tax structures and identify “fish hooks” that could trip you up.

Presenter *Pita Alexander*

2.25-3.20

SESSION 6: ESTATE AND SUCCESSION PLANNING AND LEGAL STRUCTURES

Setting clear estate and succession planning objectives is important for any rural family. This session will assist to set these objectives and provide assistance on structural options, together with transitioning to new structures that build flexibility in the future.

Presenter *Chris Spargo*

3.20-3.40 **AFTERNOON TEA**

3.40-4.35

SESSION 7: RELATIONSHIP PROPERTY

This session will identify issues you need to be aware of when putting together a succession plan in regard to farm properties from the relationship property viewpoint and in particular:

- The need to know the current law – a summary of the legal position as at now
- Managing the potential problems in relation to the inevitable tensions of keeping a farm in a family as against the rights of a spouse of a succeeding child
- The most robust structures to avoid “halving” under the Property (Relationships) Act 1976.

Presenter *Lady Deborah Chambers QC*

4.35-5.30

SESSION 8: BANKING APPROACH TO SUCCESSION PLANNING

- Is succession planning a journey rather than a destination?
- What are the challenges we can't find answers to in a text book that we will overcome to improve the journey?
- What can we achieve with discussion before we talk structures and entities?
- What business disciplines are required for a good succession journey.?

Presenter *Tony Hammington*

5.30-5.40

SUMMARY OF THE DAY – CHAIR: IAN BLACKMAN

5.40-6.30

CLOSE AND NETWORKING DRINKS

LEARNING OBJECTIVES

After this intensive you will be:

- Aware of the need for succession planning.
- Able to identify the advantages and disadvantages of different options.
- Able to advise your clients with confidence.

WHO SHOULD ATTEND

All general practitioners, property lawyers and trust advisors in farm law. This will also be of interest to accountants, bankers and farm advisors.

CHAIR



Ian Blackman, BlackmanSpargo, Rotorua

Ian is the senior partner of BlackmanSpargo, a boutique law firm based in Rotorua working exclusively in the rural sector. His diverse career includes employment with Treasury, the Department of Inland Revenue and the Department of Labour. In the early 1980s Ian was the Lending Manager of the Rural Bank in Rotorua and in 1985 he moved into private practice.

A significant aspect of Ian's work now involves legal structures, estate planning and succession planning for farming families throughout New Zealand. Ian has recently written a book, *Keeping Farming in the Family - a guide to farm succession*.

PRESENTERS



Pita Alexander, Alexanders, Christchurch

Pita has been a specialised farm accountant for 39 years and his firm is one of the largest specialised farm accounting practices in New Zealand. He speaks regularly at conferences, seminars, field days and farm discussion groups in New Zealand and Australia. Pita's overall aim is to ensure his farming clients are soundly and sustainably profitable.



Lady Deborah Chambers QC, Bankside Chambers, Auckland

Deborah was admitted to the bar in 1983, commenced practice as a barrister sole in 1989 and took silk in 2007. She specialises in relationship property law, trusts, estates and fiduciary duties. Deborah is the co-author of the best-selling handbook on domestic property and estate law *For Richer For Poorer* and also a co-author of the *New Zealand Master Trusts Guide*.

PRESENTERS



Tony Hammington, Rabobank NZ, Invercargill

Tony has been Rabobank NZ's Succession Facilitator since 2008. The role aims to help families improve clarity of their goals, plan to collectively realise business potential and improve confidence about each generation's financial security. He has over 30 years experience working for rural banks and insurance companies. Tony has experience across many commodities and products, and a wide perspective of family businesses.



Ingrid Taylor, Taylor Shaw, Christchurch

Ingrid leads the Taylor Shaw team as her father and grandfather did before her. She has significant experience in property and business acquisitions, asset protection structures, and succession planning for private individuals and businesses. Ingrid is a member of the Trusts and Wills sub-committee of the NZLS, a member of the Institute of Directors and currently sits on the Board of Manchester Unity Friendly Society.



Dr James Lockhart, Massey University, Palmerston North

James is a senior lecturer at the Massey Business School. His masters degree is in farm management and PhD in international business (data sourced through multiple case studies in agribusiness). Convinced that agriculture and agribusiness in NZ are not constrained by a production problem, he has sought solutions through teaching, research and executive education. James also farms with his family north of Feilding.



Chris Spargo, BlackmanSpargo, Rotorua

Chris specialises in rural and commercial legal work. The majority of his work involves legal structures, family trusts, tax advice, property transactions, subdivisions and company legal work. Chris attended the Kellogg Rural Leadership Programme in 2011, a programme designed to develop emerging agribusiness leaders. He chaired the 2014 NZLS CLE Rural Law Intensive.



Phil Taylor, Tompkins Wake, Hamilton

Phil is actively involved in the introduction of growth capital to companies, strategy and structuring of businesses and collaborative projects, buying and selling of companies and advising on day-to-day contract negotiations. He has an in depth knowledge of the agbusiness sector supply chain and experience in international transactions. Phil has advised family businesses, including dairy equity partnerships, on succession planning and the ultimate sell down of their interests.



Israel Vaealiki, TGT Legal, Auckland

Israel is a senior associate at TGT Legal, a leading boutique law firm specialising in trusts, estates and succession planning. He has a depth of experience in this area and works with many high net worth families and their advisers on trust and succession planning strategies and structures.

FARM SUCCESSION PLANNING REGISTRATION

REGISTER, PAY &
VIEW PROGRAMME ONLINE
www.lawyerseducation.co.nz

 CHRISTCHURCH	12 August	8.55am-5.40pm (5.40pm-6.30pm networking drinks)	Rydges Latimer
 HAMILTON	14 August	8.55am-5.40pm (5.40pm-6.30pm networking drinks)	The Verandah

Last Name	First Name	Title
Firm/Organisation		
Address		
PO Box:	DX:	
.....		
Street Address:		
.....		
Suburb:		
.....		
Town/City:		Postcode:
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Dietary Requirements:		

FEE (Incl GST)

The course fee include all materials, morning and afternoon teas and lunch. Materials will be handed out on the day.

Early Bird By 15 July 2015

or AFTER 15 July 2015

NZLS/Associate member

\$675

\$725

Non-member

\$735

\$785

PAYMENT

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PRIVACY ACT 1993

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