



Supreme Court of New Zealand

1 May 2007

MEDIA RELEASE – FOR IMMEDIATE PUBLICATION

**Trustees Executors Limited v Peter James Murray & Ors
(SC 15/2006)**

**Peter James Murray & Ors v Morel & Co Limited
(SC 17/2006)**

[2007] NZSC 27

PRESS SUMMARY

This summary is provided to assist in the understanding of the Court's judgment. It does not comprise part of the reasons for that judgment. The full judgment with reasons is the only authoritative document. The full text of the judgment and reasons can be found at www.courtsofnz.govt.nz.

In this case the Supreme Court has considered whether investors in a failed forestry partnership have a tenable claim against the issuers of the units in the partnership and its statutory supervisor for alleged failings in the way the partnership was established.

The Court has decided, contrary to the view of the Court of Appeal, that the allotment of the units in the partnership was valid. A cheque supplied by the relevant investors qualified as payment within the prescribed time even though the cheque was not ultimately relied on because payment was effected by other means.

The Court has also held, contrary to the view of the Court of Appeal, that there is no proper basis for the investors to claim that the time for bringing their proceedings was postponed or extended by reason of fraudulent concealment of the causes of action by the defendants.

Thirdly, the Court has held, in agreement with the Court of Appeal, that the concept of time running from the reasonable discoverability of a cause of action does not apply to the circumstances of this case so as to extend the time within which proceedings of the present kind can be brought.

Appeals by the statutory supervisor and the investors against the decision of the Court of Appeal have been dealt with on this basis. The effect of the Court's decision is that all but one of the ten causes of action asserted by the investors have been found to be untenable, either because the allotments challenged were valid or because the claims were brought outside the permitted time limit.

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