



## Supreme Court of New Zealand

16 April 2010

### **MEDIA RELEASE – FOR IMMEDIATE PUBLICATION**

***Totara Investments Limited v Crismac Limited and Ulster Limited***  
**(SC 75/2009 [2010] NZSC 36)**

### **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](http://www.courtsofnz.govt.nz).**

The respondents, Crismac Ltd and Ulster Ltd, successfully challenged in the Court of Appeal the right of their mortgagee, Totara Investments Ltd, to use a power of attorney clause in the mortgage to take further security over all their assets. The mortgage had been given over two defined assets only, a share purchase agreement and an insurance policy.

The Supreme Court has unanimously upheld the judgment of the Court of Appeal, holding that, when read in the light of a limited recourse provision in the loan documentation, the scope of the power of attorney clause was

restricted to securing Totara's title as mortgagee to the defined assets and the obtaining of payment from those assets.

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