



**THE OVERSEAS INVESTMENT REGULATIONS 1985,
AMENDMENT NO. 3**

CATHERINE A. TIZARD, Governor-General

ORDER IN COUNCIL

At Wellington this 30th day of September 1991

Present:

THE RIGHT HON. J. B. BOLGER PRESIDING IN COUNCIL

PURSUANT to the Overseas Investment Act 1973, Her Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following regulations.

REGULATIONS

1. Title and commencement—(1) These regulations may be cited as the Overseas Investment Regulations 1985, Amendment No. 3, and shall be read together with and deemed part of the Overseas Investment Regulations 1985* (hereinafter referred to as the principal regulations).

(2) These regulations shall come into force on the 1st day of November 1991.

2. Interpretation—(1) Regulation 2 (1) of the principal regulations (as amended by regulation 2 (1) of the Overseas Investment Regulations 1985, Amendment No. 2) is hereby amended by revoking the definition of the term “broadcasting.”

*S.R. 1985/256
Amendment No. 1: (Revoked by S.R. 1989/226)
Amendment No. 2: S.R. 1989/226

(2) Regulation 2(1) of the Overseas Investment Regulations 1985, Amendment No. 2 is hereby consequentially revoked.

3. Second Schedule amended—The Second Schedule to the principal regulations (as inserted by regulation 9(1) of the Overseas Investment Regulations 1985, Amendment No. 2) is hereby amended by revoking clause 1.

ELIZABETH WILKINS,
Acting for Clerk of the Executive Council.

EXPLANATORY NOTE

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 1 November 1991, amend the Overseas Investment Regulations 1985.

Regulation 3 of those regulations provides that, except with the consent of the Minister of Finance it shall not be lawful for any body corporate incorporated in New Zealand or any unincorporated body of persons (other than a partnership in which none of the partners is a body corporate) carrying on business in New Zealand—

- (a) To issue shares to an overseas person; or
 - (b) To allot any shares subscribed for by any overseas person to that overseas person.
- There are a number of exemptions. Under one of those exemptions an issue or allotment of shares to an overseas person is exempt where—

- (a) The total value of the shares in the body corporate or unincorporated body after the issue or allotment does not exceed \$10,000,000; and
- (b) The consideration for the issue or allotment does not exceed \$10,000,000; and
- (c) The body corporate or unincorporated body does not own, or have an estate or interest in, rural land (as that term is defined); and
- (d) The body corporate or unincorporated body does not carry on, or propose to carry on, a specified business.

The term “specified business” is defined as—

- (a) The business of broadcasting;
- (b) Commercial fishing in New Zealand’s exclusive economic zone;
- (c) Any business carried on, or involving the use of, rural land.

By virtue of these amending regulations the business of broadcasting” ceases to be a “specified business” in relation to that exemption. This means that, if the other conditions of that exemption are satisfied, that exemption will apply in respect of an issue or allotment of shares by a body that carries on the business of broadcasting.

Issued under the authority of the Acts and Regulations Publication Act 1989.
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These regulations are administered in the Ministry of Commerce.