



**THE SECURITIES ACT (COMPROMISES AND ARRANGEMENTS)
EXEMPTION NOTICE 1987**

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PURSUANT to the Securities Act 1978, the Securities Commission gives the following notice.

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NOTICE

1. Title and commencement—(1) This notice may be cited as the Securities Act (Compromises and Arrangements) Exemption Notice 1987.

(2) This notice shall come into force on the day after the date of its notification in the *Gazette*.

2. Interpretation—(1) In this notice, unless the context otherwise requires,—

“The Act” means the Securities Act 1978;

“Compromise or arrangement” means a compromise or arrangement sanctioned pursuant to an order made under section 205 of the Companies Act 1955, including any order made under section 207 of that Act (whether as part of an order made under section 205 or subsequently);

“The Regulations” means the Securities Regulations 1983.

(2) Any term or expression which is not defined in this notice but which is defined in the Act or the Regulations shall have the meaning given to it by the Act or the Regulations.

3. Companies exempted from certain provisions of the Securities Act 1978 and the Securities Regulations 1983 in respect of certain offers of equity securities made pursuant to a compromise or arrangement involving an amalgamation of companies—Every company, and every person acting on behalf of a company, is exempted from compliance with the provisions of sections 33 (1), 37, 37A, and 38 to 44 of the Act and the provisions of the Regulations in respect of any offer of equity securities which is, or is to be, made pursuant to any compromise or arrangement that involves the amalgamation of any 2 or more companies if, at the time when the offer is made,—

- (a) The securities are listed, or have been accepted for listing subject to completion of allotment procedures, on the New Zealand Stock Exchange; and

- (b) Where the securities are offered as the whole or any part of the consideration for the acquisition of all or any of the securities of which any other company is the issuer, the ordinary shares of that other company are listed on the New Zealand Stock Exchange.

4. Issuers exempted from certain provisions of the Securities Act 1978 in respect of offers of securities made pursuant to any compromise or arrangement—(1) Subject to subclause (2) of this clause, every person (other than a person to whom clause 3 of this notice applies) is exempted from compliance with the provisions of sections 37A (1) (a) to (d) and 38 (b) of the Act in respect of any offer of securities which is, or is to be, made pursuant to a compromise or arrangement.

(2) The exemption granted by subclause (1) of this clause is subject to the condition that, at the date of allotment, the registered prospectus relating to the security is not known by the issuer, or any director of the issuer, to be false or misleading in a material particular by reason of failing to refer, or give proper emphasis, to adverse circumstances (whether or not the registered prospectus became so misleading as a result of a change in circumstances occurring after the date of the registered prospectus).

5. Revocation—The Securities Act (Compromises and Arrangements) Exemption Notice 1983* is hereby revoked.

Dated at Wellington this 25th day of September 1987.

The Common Seal of the Securities Commission was hereunto affixed in the presence of:

[L.S.]

P. D. MCKENZIE,
Member.

*S.R. 1983/158

EXPLANATORY NOTE

This note is not part of the notice, but is intended to indicate its general effect.

This notice replaces the Securities Act (Compromises and Arrangements) Exemption Notice 1983.

This notice exempts companies from certain provisions of the Securities Act 1978 and the Securities Regulations 1983 in respect of certain offers of equity securities which are made pursuant to a compromise or arrangement involving the amalgamation of any 2 or more companies. It also exempts, subject to certain conditions, all issuers from certain provisions of the Securities Act 1978 in respect of offers of securities which are made pursuant to any compromise or arrangement.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 25 September 1987.

This notice is administered in the Securities Commission.