



## Securities Act (Loan and Building Society) Exemption Notice 2001

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

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### Notice

#### 1 Title

This notice is the Securities Act (Loan and Building Society) Exemption Notice 2001.

#### 2 Commencement

This notice comes into force on the day after the date of its notification in the *Gazette*.

#### 3 Expiry

This notice expires on the close of 20 June 2002.

#### 4 Interpretation

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

**Act** means the Securities Act 1978

**Regulations** means the Securities Regulations 1983

**Society** means the Loan and Building Society

**specified participatory securities** means shares issued or to be issued by the Society under section 11 of the Building Societies Act 1965 that—

- (a) carry the right to payment of a dividend from the annual surplus or accumulated reserves of the Society; and
  - (b) are irredeemable or redeemable only at the option of the Society; and
  - (c) entitle the holders to participate in the assets of the Society on liquidation after the payment of all other liabilities of the Society.
- (2) Any term or expression that is defined in the Act or the Regulations and used, but not defined, in this notice has the same meaning as in the Act or the Regulations.

## 5 Exemption

The Society and every person acting on its behalf are exempted from sections 33(3) and 53 to 53F of the Act and regulations 3(3) and 7A(1) of the Regulations in respect of any specified participatory securities offered to any person who, at the time the offer is made, is—

- (a) a member of the Society; or
- (b) the holder of a debt security in the form of a deposit issued by the Society.

## 6 Conditions

The exemption is subject to the following conditions:

- (a) that the Society complies with sections 53 to 53F of the Act as if the specified participatory securities were equity securities;
- (b) that every registered prospectus that relates to the specified participatory securities contains—
  - (i) all the information, statements, certificates, and other matters specified in the First Schedule of the Regulations that are applicable, as if the specified participatory securities were equity securities; and
  - (ii) a description, and (where practicable) quantification, of all liabilities (including potential and contingent liabilities) that a person will or may incur as a holder of specified participatory securities;
- (c) that every investment statement that relates to the specified participatory securities contains all the information, statements, and other matters specified in Schedule 3D

of the Regulations that are applicable, as if the specified participatory securities were equity securities.

Dated at Wellington this 28th day of June 2001.

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

[L.S.]

C. A. N. Beyer,  
Member.

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### Explanatory note

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

This notice comes into force on the day after the date of its notification in the *Gazette* and expires on the close of 20 June 2002.

The notice exempts the Loan and Building Society, subject to conditions, from certain provisions of the Securities Act 1978 and the Securities Regulations 1983 in respect of offers of certain participatory securities to existing members and depositors of the Society. The effect of the exemption is to treat the participatory securities as if they were equity securities for the purposes of the Act and the Regulations.

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Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 29 June 2001.

This notice is administered in the Securities Commission.

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