



## Securities Act (Translated Advertisements) Exemption Notice 2006

Pursuant to the Securities Act 1978, the Securities Commission gives the following notice (to which is appended a statement of reasons of the Securities Commission).

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### Notice

- 1 Title**  
This notice is the Securities Act (Translated Advertisements) Exemption Notice 2006.
- 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 30 September 2011.
- 4 Interpretation**  
(1) In this notice, unless the context otherwise requires,—  
**Act** means the Securities Act 1978

**Regulations** means the Securities Regulations 1983.

- (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 Application**

This notice applies to an advertisement that is distributed to the public in a language in which fewer than 2 of the directors of the issuer are fluent.

## **6 Exemption from regulation 17(2) of Regulations**

Every issuer and every person acting on its behalf are exempted from regulation 17(2) of the Regulations in respect of any advertisement to which this notice applies in so far as regulation 17(2) requires a certificate for the purposes of regulation 17(1) of the Regulations to be in the form set out in Schedule 4 of the Regulations.

## **7 Condition of exemption in clause 6**

The exemption in clause 6 is subject to the condition that the certificate for the purposes of regulation 17(1) of the Regulations is in the same form as set out in Schedule 4 of the Regulations except that—

- (a) there is inserted, after the word “advertisement” in paragraph (a), the words “(or an accurate translation of the advertisement)”; and
- (b) a new paragraph (d) is inserted as follows:  
“We have reasonable grounds for believing that the translation is an accurate translation, namely [*state grounds*]”.

Dated at Wellington this 26th day of September 2006.

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

[Seal]

J. Diplock,  
Chairperson.

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### Statement of reasons

This notice comes into force on the day after the date of its notification in the *Gazette* and expires on 30 September 2011. Its effect is to allow certification under regulation 17(2) of the Securities Regulations 1983 of a translation of an advertisement distributed to the public by an issuer if the advertisement is in a language in which fewer than 2 of the issuer's directors are fluent.

The Securities Commission considers that it is appropriate to grant the exemption because—

- advertisements for securities can be made in any language. Directors of an issuer are responsible for certifying that advertisements are not misleading and comply with the law. The exemption is needed in order that the certificate can be given if the advertisement is in a language in which fewer than 2 of the issuer's directors are fluent:
- the condition of the exemption in effect requires the certifying directors to see, read, or hear an accurate translation of the advertisement, and to set out their basis for concluding that the translation is accurate:
- this notice extends the exemption contained in the Securities Act (Advertisements in a Language other than English) Exemption Notice 2001, which has now expired, to any issuer that distributes an advertisement to the public in a language in which fewer than 2 of its directors are fluent (because 2 directors must usually sign the certificate required under regulation 17 of the Securities Regulations 1983).

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

Date of notification in *Gazette*: 28 September 2006.

This notice is administered by the Securities Commission.

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