



**THE SECURITIES ACT (MEDICAL ASSURANCE SOCIETY OF
NEW ZEALAND LIMITED) EXEMPTION NOTICE 1993**

—

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

—

NOTICE

1. Title and commencement—(1) This notice may be cited as the Securities Act (Medical Assurance Society of New Zealand Limited) Exemption Notice 1993.

(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:

“Society” means Medical Assurance Society of New Zealand Limited:

“Specified participatory security” means a participatory security that constitutes the holder a member of the Society and that is issued in connection with the provision by the Society or any wholly-owned subsidiary of the Society to the holder of insurance or other services:

“The Regulations” means the Securities Regulations 1983.

(2) Any term or expression that is not defined in this notice, but that is defined in the Act or the Regulations, has the meaning given to it by the Act or the Regulations.

3. Medical Assurance Society of New Zealand Limited exempted from certain provisions of Securities Act 1978—(1) Subject to subclause (2) of this clause, the Society and every person acting on its behalf, is exempted from compliance with the provisions of sections 33 (3), 37, 37A, 38 (a) to (c), and 51 (5) of the Act in respect of offers of specified participatory securities.

(2) The exemption granted by subclause (1) of this clause is subject to the following terms and conditions:

(a) That the liability of each holder of specified participatory securities in the winding up of the Society does not exceed \$100; and

- (b) That no amount is payable or liability undertaken by any person to the Society on becoming or remaining a member of the Society except the amount for which that person may be liable on the winding up of the Society and any amount payable by that member as consideration for the provision of insurance or other services by the Society; and
- (c) That every person who subscribes for specified participatory securities has, before the securities are subscribed for, been supplied with—
 - (i) A statement in writing to the effect that in the event of the assets of the Society being insufficient to discharge its liabilities on the winding up of the Society, each member would be required to contribute up to \$100 towards the discharge of those liabilities; and
 - (ii) A copy of the audited financial statements of the Society for the most recently completed accounting period together with the report of the directors for that accounting period; and
- (d) That the amount of shareholders funds as shown in the audited financial statements of the Society for the most recently completed accounting period is equal to at least \$100 in respect of each member.

Dated at Wellington this 26th day of March 1993.

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

[L.S.]

M. R. H. WEBB,
Member.

EXPLANATORY NOTE

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

This notice, which comes into force on the day after the date of its notification in the *Gazette*, exempts Medical Assurance Society of New Zealand Limited, a company limited by guarantee, from compliance with the prospectus requirements of the Securities Act 1978 in the case of offers of participatory securities to persons with whom the Society or any wholly-owned subsidiary contracts to provide insurance or other services.

The notice also exempts the Society from compliance with the requirements of section 51 (5) of the Act. Section 51 (5) requires an issuer of securities to ensure that the register of securities is audited at least once a year by a qualified auditor.

The exemptions are subject to the conditions that—

- (a) The liability of each holder of the securities on the winding up of the Society does not exceed \$100; and
- (b) No member is liable to the Society in excess of the amount that the member may be liable to contribute on a winding up and the amount payable for the provision by the Society of insurance or other services; and
- (c) Before subscribing for the securities the person to whom the offer is made has been supplied with—
 - (i) A written statement to the effect that, in the event of the assets of the Society being insufficient to discharge its liabilities on winding up, each member would be required to contribute up to \$100 towards those liabilities; and
 - (ii) A copy of the audited financial statements for the most recently completed accounting period of the Society together with the directors' report; and
- (d) The amount of shareholders funds as shown in the financial statements for the most recent accounting period is equal to at least \$100 in respect of each member.

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

Date of notification in *Gazette*: 1 April 1993.

This notice is administered in the Securities Commission.