



**THE SECURITIES ACT (RENEWALS AND VARIATIONS)  
EXEMPTION NOTICE 1991**

—

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 (Renewals and Variations) Exemption Notice 1991.

(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 “The Act” means the Securities Act 1978.

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

**3. Persons offering or allotting securities varying terms of existing securities but not extending time for payment of money by issuer exempt from certain provisions of Securities Act 1978**—(1) Subject to subclause (2) of this clause, every person is exempted from compliance with the provisions of sections 37, 37A, 38 (a) to (c), and 54 of the Act in respect of any offer of securities which varies the terms or conditions of an existing security otherwise than by extending the time for payment of money due, or to become due, under that security by the issuer.

(2) The exemption granted by subclause (1) of this clause is subject to the condition that the offer is first made in, or accompanied by, a written statement that—

(a) Is given or sent to the last known address of all of the persons who are, at the time the statement is given or sent, holders of the securities which are to be varied; and

(b) States—

- (i) The terms of the proposed variation; and
- (ii) The purpose and effect of the proposed variation; and
- (iii) The steps necessary to bring the proposed variation into effect; and
- (iv) Particulars of any other matters material to the proposed variation.

**4. Persons offering or allotting securities renewing existing securities or varying existing securities by extending time for payment of money by issuer exempt from certain provisions of Securities Act 1978**—(1) Subject to subclause (2) of this clause, every person is exempted from compliance with the provisions of sections 37 (3), 37A (1) (a) to (d), 37A (2), and 54 of the Act in respect of any offer of securities which—

- (a) Renews an existing security; or
- (b) Varies the terms or conditions of an existing security by extending the time for payment of money due, or to become due, under that security by the issuer.

(2) The exemption granted by subclause (1) of this clause is subject to the condition that the offer is first made in, or accompanied by, a registered prospectus that is, at the date of allotment, not known by the issuer of the security, 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 of circumstances occurring after the date of the registered prospectus).

**5. Revocation**—The Securities Act (Renewals and Variations) Exemption Notice 1983\* is hereby revoked.

Dated at Wellington this 15th day of April 1991.

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

[L.S.]

P. D. MCKENZIE,  
Chairman.

\*S.R. 1983/168

#### 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*, replaces the Securities Act (Renewals and Variations) Exemption Notice 1983. Clause 3 of that notice exempts persons from compliance with sections 37, 37A, 38 (a) to (c), and 54 of the Securities Act 1978 in the case of offers of securities which vary the terms of existing securities other than by extending the time for payment of money.

Clause 4 exempts persons from compliance with sections 37 (3), 37A (1) (a) to (d), 37A (2), and 54 of the Act in the case of offers of securities which—

- (a) Renew existing securities; or
- (b) Vary the terms of existing securities by extending the time for payment of money due, or to become due, under the securities.

This notice continues these exemptions in the same terms but makes it clear, in view of doubts which have arisen concerning the proper interpretation of the reference in the present notice to variations extending the time for payment of money, that—

- (a) The exemption granted by clause 3 applies to offers of securities which vary the terms of existing securities other than by extending the time for the payment of money due, or to become due, under the securities by the issuer; and
- (b) The exemption granted by clause 4 applies to offers of securities which renew existing securities or vary the terms of existing securities by extending the time for payment of money due, or to become due, under the securities by the issuer.

---

Issued under the authority of the Acts and Regulations Publication Act 1989.  
Date of notification in *Gazette*: 18 April 1991.  
This notice is administered in the Securities Commission.