



**SECURITIES ACT (DEUTSCHE BANK AG) EXEMPTION  
NOTICE 1997**

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

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NOTICE

**1. Title, commencement, and expiry**—(1) This notice may be cited as the Securities Act (Deutsche Bank AG) Exemption Notice 1997.

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

(3) This notice expires on the close of 30 September 1997.

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

“The Act” means the Securities Act 1978:

“Company” means Deutsche Bank Aktiengesellschaft, a bank incorporated in Germany and a registered bank within the meaning of section 2 of the Reserve Bank of New Zealand Act 1989:

“Disclosure statement” means a disclosure statement published by the company under the Registered Bank Disclosure Statement (Full and Half-Year—Overseas Incorporated Registered Banks) Order 1995:

“Equity warrant” means a security offered to the public for subscription that—

(a) Confers on the holder the right to acquire a security or securities that, at the time of the offer, belongs to a class of securities that is—

(i) Quoted on the Exchange; and

(ii) Issued by a person or persons referred to in the investment statement relating to the offer that is listed on the Exchange; and

(b) At the time of the offer is, or immediately after allotment will be, quoted on the Exchange:

“Exchange” means the New Zealand Stock Exchange:

“First Schedule” means the First Schedule of the Regulations:

“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. Application to company only if registered bank**—This notice applies to the company only if the company is a registered bank.

**4. Meaning of “investment statement”**—“Investment statement”, in relation to an offer of equity warrants, means a written document that—

- (a) Provides certain key information that is likely to assist a prudent but non-expert person to decide whether or not to subscribe for the equity warrants and bring to the attention of such a person the fact that other important information about the warrants is available to that person in other documents; and
- (b) Contains or refers to an offer of the warrants to the public for subscription; and
- (c) States that it is an investment statement for the purposes of this notice; and
- (d) States, in a prominent place, the date as at which it is prepared; and
- (e) Refers to the registered prospectus that relates to the offer of the warrants and states the date of its registration; and
- (f) Refers to a current disclosure statement and to the date of that statement; and
- (g) Apart from referring to the effect of the Investment Advisers (Disclosure) Act 1996, contains the information and other matters proposed to be contained in investment statements by—
  - (i) The draft Schedule 3D of the Regulations recommended in the report of the Working Group on Improved Investment Product and Adviser Disclosure dated 21 December 1995; or
  - (ii) If, on the date as at which the investment statement is prepared, the Regulations include a schedule containing the matters that must be included in an investment statement under the Regulations, that schedule even though the schedule is not in force.

**5. Deutsche Bank exempt from certain provisions of the Securities Act 1978 in respect of offers of equity warrants**—(1) The company and every person acting on its behalf are exempted from compliance with the provisions of sections 33 (1) and 38 of the Act in respect of any offer of equity warrants.

(2) The exemption granted by subclause (1) is subject to the following conditions:

- (a) That the offer is made in or accompanied by—
  - (i) An investment statement; or
  - (ii) An advertisement that is not an investment statement but that refers to an investment statement that relates to the equity warrants referred to in the advertisement and, apart from the exemptions granted by this notice, that complies with the Act and the Regulations; or
  - (iii) A registered prospectus that, apart from the exemptions granted by this notice, complies with the Act and the Regulations:

- (b) That the company provides any person who requests it, free of charge, a copy of the registered prospectus relating to the equity warrants accompanied by—
- (i) A copy of the current disclosure statement of the company; and
  - (ii) A copy of the investment statement relating to the equity warrants:
- (c) That the registered prospectus and the current investment statement for those equity warrants state, in a prominent place,—
- (i) That the purpose of the investment statement is to provide certain key information that is likely to assist a prudent but non-expert person to decide whether or not to subscribe for the equity warrants and bring to the attention of such a person the fact that other important information about the warrants is available to that person in other documents; and
  - (ii) That the company will be liable to persons who subscribe for those warrants in reliance on a disclosure statement or investment statement, in relation to any untrue statements in the disclosure statement or investment statement, to the same extent, having regard to the purpose of the investment statement, as it would be if the statements were untrue statements contained in the registered prospectus:
- (d) That every investment statement is lodged by the company with the Registrar.

(3) The company and every person acting on its behalf are exempted from compliance with the provisions of sections 37A (1) and (2) of the Act in respect of the allotment of equity warrants.

(4) The exemption granted by subclause (3) is subject to the condition that no allotment of any equity warrant offered to the public for subscription is made if—

- (a) The subscriber did not receive an investment statement relating to the equity warrant before subscribing for the warrant; or
- (b) At the time of allotment, the investment statement or registered prospectus relating to the equity warrant, or any disclosure statement referred to in the investment statement or registered prospectus, is known by the company or any director of the company, 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 investment statement, registered prospectus, or disclosure statement became so misleading as a result of a change of circumstances occurring after the date of the investment statement or registered prospectus); or
- (c) The date of allotment would be more than 9 months after the date of the balance sheet or interim balance sheet contained in the most recent disclosure statement of the company.

(5) The company and every person acting on its behalf are exempted from compliance with the provisions of sections 38A and 40 of the Act in respect of any offer of equity warrants to the extent that those sections apply to statements about the credit rating of the company or the credit rating of any securities it might offer contained in a current disclosure

statement referred to in subclause (2) (b) (i) that are, in turn, referred to or fairly reflected in a registered prospectus or an investment statement.

(6) The company is exempted from compliance with the provisions of section 53 (2AB), (2B), (4), and (5) of the Act in respect of equity warrants allotted by the company.

**6. Deutsche Bank exempt from certain provisions of the Securities Regulations 1983 in respect of offers of equity warrants—**

(1) The company and every person acting on its behalf are exempted from compliance with the provisions of regulation 10 of the Regulations in respect of any investment statement that contains an offer of equity warrants.

(2) The company and every person acting on its behalf are exempted from compliance with the provisions of regulations 12, 14 (1), and 18 of the Regulations in respect of the distribution of any annual report of the company.

(3) The company and every person acting on its behalf are exempted from compliance with the provisions of regulation 23 of the Regulations in respect of any offer of equity warrants.

(4) The exemption granted by subclause (3) is subject to the condition that no registered prospectus or advertisement that contains or refers to an offer of equity warrants contains a statement referring to—

- (a) Listing or quotation of the warrants on the Exchange; or
- (b) An application or intended application for listing or quotation of the warrants on the Exchange—

unless the statement has been approved by the Exchange.

**7. Deutsche Bank exempt from certain provisions of First Schedule to the Securities Regulations 1983 in respect of offers of equity warrants—**

(1) The company and every person acting on its behalf are exempted from compliance with the provisions of clause 1 (2) of the First Schedule in respect of any offer of equity warrants.

(2) The exemption granted by subclause (1) is subject to the condition that the registered prospectus contains a brief description of the general nature of equity warrants.

(3) The company and every person acting on its behalf are exempted from compliance with the provisions of clause 1 (3) of the First Schedule in respect of any offer of equity warrants.

(4) The company and every person acting on its behalf are exempted from compliance with the provisions of clause 1 (4) of the First Schedule in respect of any offer of equity warrants.

(5) The exemption granted by subclause (4) is subject to the condition that the registered prospectus contains—

- (a) A brief description of the principles and procedures used to calculate the subscription price for equity warrants; and
- (b) A description of the formula for determining the amount payable in respect of equity warrants that have lapsed or expired; and
- (c) A statement that the company will provide free of charge, at the request of a person to whom the offer is made,—
  - (i) The subscription price for the equity warrants; and
  - (ii) The amount payable in respect of equity warrants that have lapsed or expired.

(6) The company and every person acting on its behalf are exempted from compliance with the provisions of clause 5 (1) and (2) of the First Schedule in respect of any offer of equity warrants.

(7) The exemption from clause 5 (1) of the First Schedule granted by subclause (6) is subject to the condition that the registered prospectus states the name, business address, and technical or professional qualifications (if any) of every director of the company.

(8) The company and every person acting on its behalf are exempted from compliance with the provisions of clause 19 (1) (a) and (b) of the First Schedule in respect of any offer of equity warrants.

(9) The exemption from clause 19 (1) (b) of the First Schedule granted by subclause (8) is subject to the condition that—

(a) The rate of commission on the issue of equity warrants; and

(b) The persons or classes of persons to whom the commission is payable—

are disclosed in the investment statement for the equity warrants.

(10) The company and every person acting on its behalf are exempted from compliance with the provisions of clause 20 of the First Schedule in respect of any offer of equity warrants.

(11) The exemption granted by subclause (10) is subject to the condition that the registered prospectus states that there are no restrictions material to holders of equity warrants on the ability of any member of the issuing group to distribute profits or to borrow that result from any undertaking given, or contract or deed entered into, by the company or any of its subsidiaries.

(12) The company and every person acting on its behalf are exempted from compliance with the provisions of clauses 4, 6, 7 (2), 8 to 15, 18, 23 to 38, 41, and 42 of the First Schedule in respect of any offer of equity warrants.

Dated at Wellington this 7th day of January 1997.

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

[L.S.]

E. H. ABERNETHY,  
Chairman.

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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*.

The notice applies to equity warrants issued by Deutsche Bank AG that confer on the holders the right to acquire securities of listed companies.

The notice exempts Deutsche Bank AG, subject to conditions, from compliance with provisions of the Securities Act 1978 and the Securities Regulations 1983 in the case of offers of those equity warrants.

The main effect of the notice is that the bank will be able to make offers of the equity warrants in line with the procedures for the making of offers of securities contained in the Securities Amendment Act 1996 even though that Act is not yet in force.

At present, under the Securities Act 1978, subscribers must receive a copy of a registered prospectus before subscribing for securities. When the amendments to the Act come into force, issuers will be required to provide investors with an investment statement that sets out the principal features of the offer and, only if requested, with a registered prospectus.

The form of investment statement that the notice provides for is the form recommended by the Working Group on Improved Investment Product and Adviser Disclosure in its report dated 21 December 1995 or the form as prescribed by the regulations.

Deutsche Bank AG is a registered bank. It is required to publish disclosure statements under the Reserve Bank of New Zealand Act 1989.

A further effect of the notice (*clause 7*) is to exempt the bank from the requirement to include in a registered prospectus for the equity warrants much of the financial information that would otherwise be required by the First Schedule of the regulations. That information will be available in the bank's published disclosure statements.

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

Date of notification in *Gazette*: 9 January 1997.

This notice is administered in the Securities Commission.