



THE SECURITIES ACT (SINGLE COMMERCIAL PROPERTY COMPANIES) EXEMPTION NOTICE 1994

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 (Single Commercial Property Companies) Exemption Notice 1994.

(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:

“Specified issuer” means a company that has the capacity, rights, powers, and privileges reasonably necessary to carry on only the business of acquiring and owning a single real estate property which is, or any part of which is, at the time of acquisition by the company, leased or capable of being leased to persons for use for business or commercial purposes.

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

3. Certain persons exempted from section 33 (2) of the Securities Act 1978—(1) Subject to subclause (2) of this clause, every specified issuer, and every person acting on its behalf, is exempted from compliance with the provisions of section 33 (2) of the Act in respect of any offer of debt securities of which it is the issuer.

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

- (a) That the offer of debt securities is made in conjunction with, and is contained in the same registered prospectus as, an offer of equity securities:
- (b) That it is a condition of the offer of the equity securities that the subscriber is also allotted the debt securities:

- (c) That the specified issuer does not allot the debt securities to any person unless it also allots equity securities to that person:
- (d) That the number of debt securities allotted to any person in relation to the number of equity securities allotted to that person is the same in relation to all persons to whom equity securities and debt securities are allotted:
- (e) That the only differences between the rights and obligations attaching to any equity securities allotted to or held by the promoter, not being equity securities to which the registered prospectus relates, and the rights and obligations attaching to equity securities to which the registered prospectus relates that are offered for subscription are—
 - (i) That equity securities held by the promoter do not carry voting rights; and
 - (ii) That the promoter is not required, by virtue of holding the equity securities, to subscribe for any debt securities issued by the specified issuer:
- (f) That the rights attaching to all equity securities on the liquidation of the specified issuer are the same:
- (g) That if any equity securities are allotted to or held by the promoter, not being equity securities to which the registered prospectus relates, the registered prospectus states that the securities have been allotted to or are held by the promoter, that the securities do not carry the right to vote, and also states whether or not the promoter is required by virtue of holding the securities to subscribe for any debt securities issued by the specified issuer:
- (h) That from and after the conclusion of the first meeting of the members or shareholders of the specified issuer following the first allotment of any equity securities to which the registered prospectus relates a majority of the directors of the specified issuer are persons appointed at a meeting of the members or shareholders by the holders of equity securities that carry the right to vote at meetings of the specified issuer:
- (i) That no person from whom the specified issuer acquires any real property or who has an interest in any real property acquired by the specified issuer is—
 - (i) The holder of equity securities in or a director of the specified issuer; or
 - (ii) Related to or associated with the holder of equity securities in or a director of the specified issuer; or
 - (iii) The promoter or the holder of equity securities in or a director of the promoter; or
 - (iv) Related to or associated with the promoter or the holder of equity securities in or a director of the promoter.

4. Revocations—The Securities Act (Single Commercial Property Companies) Exemption Notice 1991* and the Securities Act (Single Commercial Property Companies) Exemption Notice 1991, Amendment No. 2† are hereby revoked.

*S.R. 1991/266
†S.R. 1998/44

Dated at Wellington this 20th day of July 1994.

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

[L.S.]

P. D. MCKENZIE,
Chairman.

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 companies the only business of which is the acquisition and ownership of a single real estate property for lease to persons for use by those persons for business or commercial purposes from compliance with the trust deed and trustee requirements of the Securities Act 1978.

The notice is similar to the Securities Act (Single Commercial Property Companies) Exemption Notice 1991. The notice differs from that notice in 2 respects. Firstly, the notice applies to all companies of the kind referred to. The Securities Act (Single Commercial Property Companies) Exemption Notice 1991 applies only to named companies. Second, a number of the conditions to which the exemption granted by that notice is subject are omitted from this notice.

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

Date of notification in *Gazette*: 21 July 1994.

This notice is administered in the Securities Commission.