



## Securities Act (Wool Equities Limited) Exemption Notice 2003

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

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### Notice

#### 1 Title

This notice is the Securities Act (Wool Equities Limited) Exemption Notice 2003.

#### 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 2008.

#### 4 Interpretation

(1) In this notice, unless the context otherwise requires,—

**Act** means the Securities Act 1978

**company** means Wool Equities Limited

**offer** means the offer of specified securities to be made by the company to persons who are engaged, in New Zealand, in the

business of farming sheep (whether in conjunction with another business or not) in connection with the restructuring of the wool industry and the allocation of the assets of the New Zealand Wool Board under the Wool Industry Restructuring Act 2003

**Regulations** means the Securities Regulations 1983

**specified securities** means ordinary shares in the company.

- (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 Exemption

The company and every person acting on its behalf are exempted, in respect of the offer, from—

- (a) section 37A(1)(c) of the Act; and
- (b) clause 1(4) of the First Schedule of the Regulations; and
- (c) clause 10(1)(c) of the First Schedule of the Regulations to the extent that that paragraph requires a prospective statement of cash flows to contain information in respect of Wool Board Disestablishment Company Limited; and
- (d) clause 11(2)(c) and (3)(f) of the First Schedule of the Regulations in respect of Keratec Limited; and
- (e) clause 11(2)(c) and (3)(f) of the First Schedule of the Regulations in respect of Tectra Limited.

## 6 Condition for exemption from section 37A(1)(c) of Act

The exemption in clause 5(a) is subject to the condition that no allotment of specified securities is made after 31 March 2004 unless—

- (a) the financial statements of the company for the financial year prior to the allotment that are delivered to the Registrar of Companies under the Financial Reporting Act 1993 contain, or are accompanied by, a certificate relating to that financial year that—
  - (i) is signed by each of the directors of the company; and
  - (ii) is dated on or about the date of the auditor's report for those financial statements; and

- (iii) states that the registered prospectus that contains the offer is not, at the date of the certificate, false or misleading in a material particular by reason of failing to refer, or give proper emphasis, to adverse circumstances; and
- (b) a copy of the certificate is attached to every copy of the registered prospectus that contains the offer that is distributed after the date of the certificate.

#### **7 Condition for exemption from clause 1(4) of First Schedule of Regulations**

The exemption in clause 5(b) is subject to the condition that the registered prospectus that contains the offer—

- (a) states the issue price of any specified securities the issue price of which is known at the date of the registered prospectus; and
- (b) contains the following information in respect of any specified securities the issue price of which is not known at the date of the registered prospectus:
  - (i) a description of the procedure for fixing the issue price of the specified securities;
  - (ii) a description of the factors that may be taken into account in determining the issue price of the specified securities;
  - (iii) a statement of when the directors of the company expect the issue price for the specified securities to be fixed (by reference to each allotment if more than 1 allotment is intended);
  - (iv) a statement of how an investor may, after the issue price for the specified securities has been fixed, ascertain that issue price;
  - (v) a description of the method of allocation of the specified securities to investors.

#### **8 Condition for exemption from clause 11(2)(c) and (3)(f) of First Schedule of Regulations in respect of Keratec Limited**

The exemption in clause 5(d) is subject to the condition that the registered prospectus that contains the offer contains—

- (a) a statement to the effect that the registered prospectus does not contain separate historical summary financial

- information (including pro forma financial information) in respect of Keratec Limited; and
- (b) a statement from the directors of the company as to why, in their opinion, they consider that it is inappropriate for the registered prospectus to contain that information; and
  - (c) a description of Keratec Limited, including a description of—
    - (i) Keratec Limited's prospects; and
    - (ii) any specific risks associated with Keratec Limited or with Keratec Limited's activities.

Dated at Wellington this 23rd day of September 2003.

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

[L.S.]

J. Diplock,  
Chairperson.

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### 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* and expires on the close of 30 September 2008, exempts Wool Equities Limited, subject to conditions, from certain provisions of the Securities Act 1978 and the Securities Regulations 1983 in respect of the offer of shares to sheep farmers in connection with the restructuring of the wool industry and the allocation of the assets of the New Zealand Wool Board.

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

Date of notification in *Gazette*: 25 September 2003.

This notice is administered in the Securities Commission.

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