



**THE SECURITIES ACT (BLOODSTOCK) 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 (Bloodstock) Exemption Notice 1994.

(2) This notice shall come into force on the 1st day of August 1994.

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

“The Act” means the Securities Act 1978:

“Approved code of practice” means a code of practice for the regulation of offers of equity securities or specified participatory securities to the public for subscription that is—

- (a) Administered by Harness Racing New Zealand; and
- (b) Approved by the Securities Commission:

“Registered” means—

- (a) Registered under the New Zealand Rules of Harness Racing of the New Zealand Harness Racing Conference; or
- (b) Recorded on a Foaling Return, Stud Book Certificate, Certificate of Export, or equivalent document, deposited with the New Zealand Harness Racing Conference:

“The Regulations” means the Securities Regulations 1983:

“Specified issuer” means—

- (a) In relation to an offer of equity securities, any company—
  - (i) That is a member of Harness Racing New Zealand; and
  - (ii) That is bound by the rules of Harness Racing New Zealand to comply with an approved code of practice relating to the making of offers of equity securities to the public for subscription; and

(iii) The business of which consists of—

(A) The ownership of any registered horse or horses or any interest or interests in a registered horse or horses that is or are used, or intended to be used, for the purpose of breeding or racing; or

(B) The ownership of any registered horse or horses or any interest or interests in a registered horse or horses that is or are used, or intended to be used, for the purpose of breeding or racing and any progeny of that horse or horses or any interest or interests in that progeny being progeny that is eligible to be, but is not, registered;

(b) In relation to an offer of specified participatory securities, any person that is—

(i) A member of Harness Racing New Zealand; and

(ii) Bound by the rules of Harness Racing New Zealand to comply with an approved code of practice relating to the making of offers of specified participatory securities to the public for subscription:

“Specified participatory security” means a participatory security relating exclusively to—

(a) Any scheme in respect of the ownership of any registered horse or horses or any interest or interests in a registered horse or horses that is or are used, or intended to be used, for the purpose of breeding or racing; or

(b) Any scheme in respect of the ownership of any registered horse or horses or any interest or interests in a registered horse or horses that is or are used, or intended to be used, for the purpose of breeding or racing and any progeny of that horse or horses or any interest or interests in that progeny being progeny that is eligible to be, but is not, registered.

(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. Certain issuers of equity securities exempted from compliance with provisions of the Securities Act 1978**—Every specified issuer, and every person acting on behalf of a specified issuer, is exempted from compliance with the provisions of sections 37 (1) to (4), 37A, 38 (a) to (c), 39 to 44, and 44B to 54 of the Act in respect of any offer of equity securities made by that issuer.

**4. Issuers of specified participatory securities exempted from compliance with provisions of the Securities Act 1978**—Every specified issuer, and every person acting on behalf of a specified issuer, is exempted from compliance with the provisions of sections 33 (3), 37 (1) to (4), 37A, 38 (a) to (c), 39 to 44, and 44B to 54 of the Act in respect of any offer of specified participatory securities made by that issuer.

**5. Revocations**—The following notices are hereby revoked:

(a) The Securities Act (Bloodstock) Exemption Notice (No. 2) 1988\*:

(b) The Securities Act (Bloodstock) Exemption Notice (No. 2) 1988, Amendment No. 1†.

\*S.R. 1988/295

†S.R. 1993/398

Dated at Wellington this 19th day of May 1994.

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

[L.S.]

R. E. BAKER,  
Member.

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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 1 August 1994, replaces the Securities Act (Bloodstock) Exemption Notice (No. 2) 1988.

The notice, in effect, revokes the exemption contained in the existing notice for issuers that are members of The New Zealand Thoroughbred Breeders' Association (Inc.).

The new notice applies only to issuers who are members of Harness Racing New Zealand.

The notice exempts certain companies whose business consists of the ownership of registered horses or interests in registered horses that are intended to be used for breeding or racing and progeny and interests in progeny from the prospectus requirements of the Securities Act 1978 in the case of offers of equity securities.

The company must be a member of Harness Racing New Zealand and be bound by its rules to comply with a code of practice administered by it and approved by the Securities Commission for regulating the offering of equity securities to the public.

The notice also exempts persons offering participatory securities which relate to schemes for the ownership of registered horses or interests in registered horses used or intended to be used for breeding or racing and progeny and interests in progeny from the prospectus requirements of the Securities Act 1978. The exemption applies to a person who is a member of Harness Racing New Zealand and is bound by its rules to comply with a code of practice administered by it and approved by the Commission for regulating such offers.

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

Date of notification in *Gazette*: 26 May 1994.

This notice is administered in the Securities Commission.