



Securities Act (Strategic Finance Limited) Exemption Notice 2007

Pursuant to the Securities Act 1978, the Securities Commission gives the following notice (to which is appended a statement of reasons of the Securities Commission).

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Notice

- 1 **Title**
This notice is the Securities Act (Strategic Finance Limited) Exemption Notice 2007.

- 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 31 December 2012.

- 4 **Interpretation**
 - (1) In this notice, unless the context otherwise requires,—
Act means the Securities Act 1978

Regulations means the Securities Regulations 1983

specified debt securities means an issue of debt securities of a kind that is continuously offered by Strategic Finance Limited to the public for subscription.

- (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 Exemptions from regulation 12(1)(a) and (c) of Regulations

Strategic Finance Limited and every person acting on its behalf is exempted from regulation 12(1)(a) and (c) of the Regulations in respect of any advertisement for specified debt securities.

6 Conditions of exemptions

The exemptions in clause 5 are subject to the following conditions:

- (a) an advertisement that states the amount of the net assets, or the amounts of the total assets and total liabilities, of the borrowing group may state those amounts only if the amounts appear in either—
- (i) the most recent audited consolidated statement of financial position of the borrowing group, and that statement is dated not earlier than 18 months before the date of distribution of the advertisement; or
 - (ii) a consolidated interim statement of financial position of the borrowing group contained in the registered prospectus or accompanying a certificate registered in relation to the prospectus under section 37A(1A) of the Act:
- (b) an advertisement that states categorised amounts that fall within the amount of the net assets, or the amounts of the total assets and total liabilities, of the borrowing group may state those amounts only if—
- (i) the advertisement states the amount of the net assets, or the amounts of the total assets and total liabilities, as the case may be, referred to in paragraph (a); and

- (ii) the additional categorised amounts appear in the financial statements mentioned in paragraph (a)(i) or (ii); and
 - (iii) the advertisement contains a statement to the effect that more detailed information in relation to the categorised amounts is available in the registered prospectus:
- (c) an advertisement that states historical financial information may state that information only if—
 - (i) the advertisement states the amount of the net assets, or the amounts of the total assets and liabilities, of the borrowing group that appear in the financial statements mentioned in paragraph (a)(i) or (ii); and
 - (ii) the advertisement states (in tabular form) the amount of the net assets, or the amounts of the total assets and total liabilities, as the case may be, of the borrowing group, and any other categorised amounts that fall within the amounts of the net assets, total assets, or total liabilities of the borrowing group, for the most recently completed accounting period and at least 4 preceding accounting periods, and those amounts are contained in the registered prospectus:
- (d) an advertisement that states the amount of the net assets, or the amounts of the total assets and total liabilities of the borrowing group, or any other categorised amounts that fall within the amounts of the net assets, total assets, or total liabilities of the borrowing group must also state the date or dates of any statement or statements of financial position from which the amounts are taken:
- (e) an advertisement that includes amounts taken from interim consolidated financial statements must also state whether the amounts have been taken from audited or unaudited interim financial statements:
- (f) any amounts stated in an advertisement are taken from a statement or statements of financial position or an interim statement of financial position contained in the

registered prospectus or accompanying a certificate registered in relation to the prospectus under section 37A(1A) of the Act.

Dated at Wellington this 19th day of March 2007.

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

[Seal]

J Diplock,
Chairperson.

Statement of reasons

This notice, which comes into force on the day after the date of its notification in the *Gazette* and expires on 31 December 2012, exempts Strategic Finance Limited, subject to conditions, from regulation 12(1)(a) and (c) of the Securities Regulations 1983.

The Securities Commission considers that it is appropriate to grant the exemptions because—

- the additional financial information sought to be disclosed in advertisements is information that is contained in the registered prospectus or that accompanies a certificate registered under section 37A(1A) of the Securities Act 1978, and is therefore publicly available;
- information taken from half-year interim financial statements is likely to provide potential investors with more up-to-date information about the borrowing group. The conditions of the exemptions require that potential investors be informed whether the interim financial statements from which the information is taken are audited or unaudited;
- historical financial information may provide potential investors with annual trend information about the total assets, net

assets, and total liabilities of the borrowing group. The conditions of the exemptions require that selective historical financial information is not disclosed as the conditions require the advertisement to include the amounts (in tabular form) for the most recently completed accounting period and for the 4 preceding accounting periods:

- the exemption allowing categories of financial information beyond total assets, net assets, and total liabilities to be included in an advertisement requires the issuers in the borrowing group to inform potential investors that more detailed information about the categorised amounts is available in the registered prospectus.

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

Date of notification in *Gazette*: 22 March 2007.

This notice is administered by the Securities Commission.
