



THE SECURITIES ACT (SHANGRI-LA GARDENS) EXEMPTION NOTICE 1994

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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 (Shangri-La Gardens) 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:

“Communal facilities” means the facilities within Shangri-La Gardens designated by Gulf Harbour Development Limited for use by all owners of residential properties in Shangri-La Gardens:

“The Regulations” means the Securities Regulations 1983:

“Rules” means the rules of the society:

“Sale agreement” means any agreement for the sale of any type or class of property within Shangri-La Gardens adopted by Gulf Harbour Development Limited or Shangri-La Gardens (N.Z.) Limited as vendor from time to time:

“Shangri-La Gardens” means the residential development on the site generally bounded by Island View Drive and Gulf Harbour Drive, Gulf Harbour, Whangaparaoa Peninsular, being undertaken by Gulf Harbour Development Limited and Shangri-La Gardens (N.Z.) Limited:

“Society” means the society incorporated under the Incorporated Societies Act 1908 that has, as its sole purpose, the purpose of owning, administering, and maintaining the communal facilities and controlling the design and appearance of residences within Shangri-La Gardens:

“Specified participatory security” means a participatory security in the form of membership of the society offered to a purchaser of property in Shangri-La Gardens and that confers rights to participate in ownership and use of the communal facilities.

(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 persons exempted from provisions of the Securities Act 1978 in respect of offers of certain participatory securities—

(1) Subject to subclause (2) of this clause, Gulf Harbour Development Limited, Shangri-La Gardens (N.Z.) Limited, the society and every person acting on behalf of any of them are exempted from compliance with the provisions of sections 33 (3), 37, 37A, 38 (a) to (c), 38A, 51, 53, and 54 of the Act in respect of any offer of a specified participatory security.

(2) The exemptions granted by subclause (1) of this clause are subject to the conditions that:

- (a) Any offer of a specified participatory security is made as part of a sale agreement and is accompanied by a copy of the rules and a statement that the costs of the development of the communal facilities are to be met by Gulf Harbour Development Limited; and
- (b) The rules require that:
 - (i) The financial statements of the society are audited annually and distributed annually to all members of the society as soon as reasonably practicable after each audit is completed; and
 - (ii) All money paid to the society by members of the society in accordance with the rules is applied exclusively for the purposes of owning, administering, and maintaining the communal facilities, and of administering and enforcing a scheme for controlling the design and appearance of residences within Shangri-La Gardens; and
- (c) Before allotment of any specified participatory security, Gulf Harbour Development Limited executes a bond, under which a registered bank is surety, in favour of the society, the amount of which is payable to the society in the event that the communal facilities are not completed by the close of the 31st day of December 1995.

Dated at Wellington this 21st day of September 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 certain persons from compliance with the provisions of the Securities Act 1978 in the case of offers of participatory securities in an incorporated society in connection with a residential property development known as Shangri-La Gardens at Whangaparaoa.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 22 September 1994.
This notice is administered in the Securities Commission.