



**THE SECURITIES ACT (RETIREMENT HOMES) EXEMPTION
NOTICE (NO. 2) 1990**

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

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NOTICE

1. Title and commencement—(1) This notice may be cited as the Securities Act (Retirement Homes) Exemption Notice (No. 2) 1990.

(2) This notice shall come into force on the 1st day of July 1990.

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

“The Act” means the Securities Act 1978:

“Specified debt securities” means debt securities in respect of a plan for the disposition of units in a complex which provides or is intended to provide residential accommodation for persons in their retirement:

“Specified participatory securities” means participatory securities in respect of a scheme for the disposition of units in a complex which provides or is intended to provide residential accommodation for persons in their retirement.

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

3. Certain issuers exempted from certain provisions of the Securities Act 1978—(1) Subject to subclause (2) of this clause, each person named in the Schedule to this notice, and every person acting on its behalf, is exempted from compliance with the provisions of section 37A (1) (e) of the Act in respect of any offer of specified debt securities or specified participatory securities, as the case may be, of which that person is the issuer.

(2) The exemption from section 37A (1) (e) of the Act granted by subclause (1) of this clause is subject to the following conditions:

(a) That no allotment of any such security to which that subclause applies shall be made if the date of allotment would be more than 15 months after the date of the most recent audited balance

sheet set out, or attached to, or referred to, in accordance with regulations made under the Act, in the registered prospectus relating to the security; and

(b) That the registered prospectus is accompanied by—

(i) An interim balance sheet of the issuer or the scheme, as the case may be (which need not be audited) that is drawn up as at a stated date that is not more than 9 months after the date of the balance sheet referred to in paragraph (a) of this subclause and that gives a true and fair view of the state of affairs of the issuer or the scheme as at that date; and

(ii) A profit and loss account of the issuer or the scheme, as the case may be, (which need not be audited) that gives a true and fair view of the results of the issuer or the scheme for the period from the date of the balance sheet referred to in paragraph (a) of this subclause to the date of the interim balance sheet; and

(iii) A statement signed by or on behalf of each director of the issuer or by the manager of the scheme, as the case may be, and dated not earlier than one month before the date of its publication as to whether, after due enquiry by the directors or the manager in relation to the period between the interim balance date and the date of publication of the statement, there have, in their opinion, arisen any circumstances that materially adversely affect—

(A) The trading or profitability of the issuer or the scheme;
or

(B) The value of the assets of the issuer or the scheme; or

(C) The ability of either the issuer or the scheme to pay their respective liabilities due within the next 12 months.

(4) Each person named in the Schedule to this notice, and every person acting on its behalf, is exempted from compliance with the provisions of section 37A (2) of the Act in respect of any offer of specified participatory securities of which that person is the issuer.

SCHEDULE

Ronald John Thompson.
Maryville Courts Trust Board.
North Shore Village Limited.
United Lifecare (Nelson) Limited.
United Lifecare Limited.
Social Service Council of the Diocese of Christchurch.
Villages of New Zealand (Pakuranga) Limited.

Dated at Wellington this 27th day of June 1990.

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.

The notice comes into force on 1 July 1990.

Clause 3 of the notice exempts the persons named in the Schedule to the notice from compliance with section 37A (1) (c) of the Securities Act 1978 in the case of offers of debt securities and participatory securities in retirement home complexes. The exemption will allow allotments of the securities to be made within 15 months of the date of an audited balance sheet set out, or attached to, or referred to in the registered prospectus. The exemption is subject to the condition that the prospectus is accompanied by—

- (a) An interim balance sheet (which need not be audited) that is drawn up at a date that is not more than 9 months after the date of the audited balance sheet and that gives a true and fair view of the affairs of the issuer or the scheme as at that date; and
- (b) A profit and loss account (which need not be audited) that gives a true and fair view of the results of the issuer or the scheme for the period from the date of the balance sheet set out in the prospectus to the date of the interim balance sheet; and
- (c) A statement by the directors of the issuer in the case of debt securities, or the manager of the scheme in the case of participatory securities, dated not earlier than one month before publication of the statement as to whether in relation to the period between the interim balance date and the date of publication of the statement there have arisen any circumstances that materially adversely affect—
 - (i) The trading or profitability of the issuer or scheme; or
 - (ii) The value of the assets of the issuer or scheme; or
 - (iii) The ability of the issuer or the scheme to pay its liabilities due within the next 12 months.

Clause 3 of the notice also exempts the persons named in the Schedule from compliance with the provisions of section 37A (2) of the Securities Act 1978 in the case of offers of participatory securities in retirement home complexes. Section 37A (2) of the Act prohibits allotments of participatory securities unless the amount payable on application for the security is at least 10 percent of the nominal value of the security.

Issued under the authority of the Acts and Regulations Publication Act 1989.
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This notice is administered in the Securities Commission.