

1987/293



**THE SECURITIES ACT (CONTINUOUS ISSUES) EXEMPTION
NOTICE (NO. 2) 1987**

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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 (Continuous Issues) Exemption Notice (No. 2) 1987.

(2) This notice shall come into force on the 1st day of December 1987.

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

“The Act” means the Securities Act 1978:

“Debt security” does not include a security which renews or varies the terms of an existing security:

“The Regulations” means the Securities Regulations 1983:

“Specified issuer” means a person named in the Schedule to this notice.

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

3. Specified issuers exempt from certain provisions of the Securities Act 1978 and the Securities Regulations 1983 in respect of offers of debt securities—(1) Subject to subclause (2) of this clause, every specified issuer, and every person acting on behalf of a specified issuer, is exempted from compliance with the provisions of sections 37A (1) (a) to (d) and 38 (a) and (b) of the Act and regulation 10 of the Regulations in respect of any offer of debt securities made by that specified issuer.

(2) The exemption granted by subclause (1) of this clause is subject to the following terms and conditions—

(a) That copies of the registered prospectus relating to the debt securities are on display and available to members of the public during normal business hours at each place of business of the specified issuer at which offers of the debt securities are made; and

(b) That at the date of allotment, the registered prospectus is not known by the specified issuer of the security, or any director of the

specified issuer, to be false or misleading in a material particular by reason of failing to refer, or give proper emphasis, to adverse circumstances (whether or not the registered prospectus became so misleading as a result of circumstances occurring after the date of the registered prospectus).

4. Specified issuers exempted from section 52 (1) and (2) of the Securities Act 1978 in relation to register of securities required to be kept under section 51 (1) (b) of that Act—(1) Subject to subclause (2) of this clause, every specified issuer which is a company is exempted from compliance with the provisions of section 52 (1) and (2) of the Act in respect of the register kept by that specified issuer under section 51 (1) (b) of the Act.

(2) The exemption from section 52 (1) of the Act granted by subclause (1) of this clause is subject to the condition that every register of securities kept under section 51 (1) (b) of the Act by the specified issuer shall, except when duly closed (but subject to such reasonable restrictions as the specified issuer may impose, so that not less than 2 hours in each day shall be allowed for inspection), be open to the inspection of any holder of securities registered therein, or the representative of the holder, in respect of the securities of that holder, without fee.

5. Specified issuers accepting deposits exempt from the provisions of section 54 of the Securities Act 1978—(1) Subject to subclause (2) of this clause, every specified issuer is exempted from compliance with the provisions of section 54 of the Act in respect of any deposit with that specified issuer.

(2) The exemption granted by subclause (1) of this clause is subject to the condition that the specified issuer shall send, or cause to be sent, to the security holder at any time upon request and at least once every 6 months a written statement which properly evidences the nature, ownership, terms, and conditions of the security.

6. Revocation—The following notices are hereby revoked—

- (a) The Securities Act (Inspection of Registers) Exemption Notice 1985*;
- (b) The Securities Act (Inspection of Registers) Exemption Notice 1985, Amendment No. 3†;
- (c) The Securities Act (Continuous Issues) Exemption Notice 1987‡.

*S.R. 1985/297
†S.R. 1986/265
‡S.R. 1987/252

SCHEDULE

A.A. Finance Limited
Australian Guarantee Corporation (N.Z.) Limited
A.G.C. Merchant Securities Limited
BNZ Finance Limited
Consumer Finance Corporation Limited
Crown Finance Limited
DFC New Zealand Limited
Finance and Discounts Limited
General Bills Limited
General Finance Limited
General Motors Acceptance Corporation (N.Z.) Limited
IFC Securities Limited
Investment Finance Corporation Limited
Main Corporation Limited
Main Securities Limited
Marac Financial Services Limited
Medical Securities Limited
National Australia Limited
National Australia Finance Limited
National Mutual Finance Limited
National Westminster Finance New Zealand Limited
N.Z.I. Finance Limited
Public Service Investment Society Limited
Southland Development Corporation Limited
Southpac Securities Limited
UDC Finance Limited
UDC Group Holdings Limited
UDC Mercantile Securities Limited
Wardley New Zealand Limited
Westpac Merchant Finance Limited
Westpac Securities Limited
Wrightson Farmers Finance Limited.

Dated at Wellington this 29th day of September 1987.

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

[L.S.]

C. I. PATTERSON,
Chairman.

EXPLANATORY NOTE

This note is not part of the notice, but is intended to indicate its general effect.

This notice replaces the Securities Act (Continuous Issues) Exemption Notice 1987 with effect from 1 December 1987.

The Securities Act (Continuous Issues) Exemption Notice 1987 exempts all issuers from compliance with the provisions of sections 37A (1) (a) to (d) and 38 (a) and (b) of the Securities Act 1978 and regulation 10 of the Securities Regulations 1983 in the case of—

- (a) Any offer of debt securities made to a person who is at the time the security is offered or allotted, or who was at any time before the offer or allotment, the holder of a debt security of the same class; or
- (b) Any offer of debt securities made in conjunction with an offer of debt securities of the kind mentioned in (a) above.

That exemption is subject to the conditions—

- (a) That before allotment of the security the issuer has delivered to the person to whom the offer is made or sent to that person at that person's last known address, the most recent registered prospectus relating to the securities and that is, at the date of allotment a registered prospectus; and
- (b) That at the date of allotment, the registered prospectus is not known by the issuer or any director of the issuer to be false or misleading in a material particular by reason of failing to refer, or give proper emphasis to, adverse circumstances (whether or not it became misleading as a result of circumstances occurring after the date of the registered prospectus).

Clause 3 of this notice exempts the issuers named in the Schedule to the notice from compliance with the provisions of sections 37A (1) (a) to (d) and 38 (a) and (b) of the Securities Act 1978 and regulation 10 of the Securities Regulations 1983 in the case of all offers of debt securities made by those issuers.

The exemption is subject to the conditions—

- (a) That copies of the registered prospectus relating to the debt securities are on display and available to the public at each place of business of the issuer and its agents during normal business hours; and
- (b) That at the date of allotment, the registered prospectus is not known by the issuer or any director of the issuer to be false or misleading in a material particular by reason of failing to refer, or give proper emphasis, to adverse circumstances (whether or not it became misleading as a result of circumstances occurring after the date of the registered prospectus).

Clause 4 exempts the issuers named in the Schedule to the notice which are companies from compliance with the provisions of section 52 (1) and (2) of the Securities Act 1978 in relation to the register of debt securities kept under section 51 (1) (b) of that Act. The exemption replaces the exemption contained in the Securities Act (Inspection of Registers) Exemption Notice 1985 which is revoked.

The Securities Act (Continuous Issues) Exemption Notice 1987 also exempts issuers of debt securities in the form of deposits from compliance with the provisions of section 54 of the Securities Act 1978 on the condition that the issuer sends to the security holder on request and at least once every 6 months a written statement which properly evidences the nature, ownership, terms, and conditions of the security.

Clause 5 of this notice confers on the issuers named in the Schedule to the notice an exemption in the same terms.