



## Securities Act (Sydenham Money Club) Exemption Notice (No 2) 2001

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

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### Notice

#### 1 Title

This notice is the Securities Act (Sydenham Money Club) Exemption Notice (No 2) 2001.

#### 2 Commencement

This notice comes into force on its notification in the *Gazette*.

#### 3 Expiry

This notice expires on the earlier of—

- (a) the close of 1 July 2002; or
- (b) 1 month after the club becomes registered as a building society under the Building Societies Act 1965.

#### 4 Interpretation

- (1) In this notice, unless the context otherwise requires,—

**Act** means the Securities Act 1978

**building society** means a building society registered under the Building Societies Act 1965

**club** means the Sydenham Money Club, which is a credit union within the meaning of section 2 of the Friendly Societies and Credit Unions Act 1982

**Regulations** means the Securities Regulations 1983

**scheme** means the scheme for the reconstitution of the club as a building society required under section 6 of the SMC Act

**SMC Act** means the Sydenham Money Club Act 2001

**SMC Building Society** means the building society to which the club will convert once the requirements under the SMC Act have been met.

- (2) Any term or expression that is defined in the Act or Regulations and used, but not defined, in this notice has the same meaning as in the Act or the Regulations.

## 5 Exemptions

The club is exempted from sections 33(3), 37, and 37A of the Act in respect of any securities the club offers in the SMC Building Society under the scheme before the club becomes a building society.

## 6 Conditions

The exemptions granted by clause 5 are subject to the conditions that:

- (a) the club converts to a building society under the SMC Act; and
- (b) the scheme presented to, and to be voted on, by members of the club includes the following information:
  - (i) a prominent statement that the offer of shares is conditional on the club becoming a building society and that the shares will not be allotted until the commencement of the club as a building society;
  - (ii) a description of the SMC Building Society and its proposed activities;
  - (iii) a description of the shares that are being offered to members of the club, including a brief description of the rights and privileges that will be attached to the shares;
  - (iv) a statement of the approximate number of each of the different classes of shares that are being

- offered and the different ways in which they will be allocated and offered:
- (v) the terms of the offers:
  - (vi) a description of the class of persons to whom each offer is being made:
  - (vii) the date on which the club expects that the offers and allotments will be made:
  - (viii) audited financial statements for the club for the period of 6 months ending 30 June 2001:
  - (ix) a summary of the audited financial statements of the club in respect of each of the 5 consecutive accounting periods preceding the current financial year:
  - (x) forecast financial statements for the club for the period of 9 months ending 31 March 2002 and projected financial statements for the SMC Building Society for the period of 12 months ending 31 March 2003; and
- (c) an investment statement will be circulated to all members of the SMC Building Society at the time the investment statement becomes available in respect of the ongoing offer by the SMC Building Society of its redeemable shares.

Dated at Wellington this 7th day of November 2001.

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

[L.S.]

J. Diplock,  
Chairperson.

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### Explanatory note

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

This notice comes into force on the day after the date of its notification in the *Gazette* and expires on 1 July 2002 or 1 month after the club becomes registered as a building society.

The Sydenham Money Club (the **club**) is currently a credit union registered under the Friendly Societies and Credit Unions Act 1982. Under the Sydenham Money Club Act 2001, the club will become a building society (the **SMC Building Society**) registered under the Building Societies Act 1965.

In the meantime, it is not feasible to register a prospectus relating to the issue of shares in the SMC Building Society. As the club will not have become a building society at the time the shares are offered, there is no entity that can issue a prospectus and investment statement in respect of the issue of those shares.

The purpose of this exemption notice is to exempt the club from the need to comply with sections 33(3), 37, and 37A of the Securities Act 1978 subject to the conditions that:

- the shares are allotted subject to the building society commencing business;
- all relevant information of the kind that would be provided in a prospectus is included in the scheme.

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

Date of notification in *Gazette*: 8 November 2001.

This notice is administered in the Securities Commission.

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