



**THE SECURITIES ACT (CLUB PACIFIC QUEENSTOWN)
EXEMPTION NOTICE 1991**

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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 (Club Pacific Queenstown) Exemption Notice 1991.

(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:

“Company” means Remarkable Resort (Holiday Ownership) Limited:

“Composite certificate of title” means a certificate of title issued under the Unit Titles Act 1972 comprising an undivided one-fifty-first share in a stratum estate together with an estate in leasehold in respect of a specified week at Club Pacific Queenstown:

“Club Pacific Queenstown” means the timeshare development located at Queenstown and known as Club Pacific Queenstown of which the company is the manager:

“Pooling agreement” means the agreement entered into by the subscribers for specified participatory securities and the company under which each subscriber acquires rights and interests in respect of the timeshare weeks of all other subscribers:

“Scheme” means the scheme relating to the disposition of rights and interests in Club Pacific Queenstown:

“Specified participatory securities” means participatory securities relating to the scheme of which the company is the issuer:

“Timeshare agreement” means a contract for the purchase of specified participatory securities from the company.

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

3. Company exempted from certain provisions of the Securities Act 1978 in the case of offers and allotments of participatory securities—(1) Subject to subclause (2) of this clause, the company, and every person acting on its behalf, is exempted from compliance with the provisions of sections 33 (3), 37, 37A, and 38 (a) to (c) of the Act in respect of any offer of specified participatory securities.

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

- (a) That the company does not enter into a timeshare agreement unless—
 - (i) A composite certificate of title is able to be issued to the subscriber for specified participatory securities; and
 - (ii) The unit to which the agreement relates has been fully refurbished:
- (b) That it is a condition of the timeshare agreement that a composite certificate of title will be issued to the subscriber for those securities:
- (c) That the timeshare agreement gives the subscriber for the securities the right to cancel the agreement at any time within 5 working days after the agreement is entered into and in that event to receive repayment of any deposit without penalty or deduction:
- (d) That the company does not accept subscriptions for specified participatory securities unless a timeshare agreement relating to the securities has been entered into:
- (e) That subscriptions for specified participatory securities are held in trust in an audited trust account maintained by—
 - (i) A solicitor of the High Court of New Zealand; or
 - (ii) A trustee corporation or a person approved by the Commission to act as a trustee under section 48 of the Act—
pending the delivery to the subscriber of a composite certificate of title, an executed memorandum of lease, a copy of the pooling agreement, and a registrable memorandum of transfer in respect of the estate or interest in the unit to which the specified participatory securities relate:
- (f) That the subscriber for the specified participatory securities is not prevented or restricted by the terms of the timeshare agreement, the pooling agreement, or the memorandum of lease from selling or disposing of—
 - (i) The specified participatory securities:
 - (ii) The estate or interest in the unit to which the securities relate:
 - (iii) Any other rights and interests under the timeshare agreement or the pooling agreement, or the memorandum of lease:
- (g) That every person has, before entering into a timeshare agreement, been given a written statement signed by the directors of the company and the promoter, if any, that—
 - (i) Describes the nature of a subscriber's rights and interests in the scheme; and
 - (ii) States prominently on the first page of the statement or on the cover, if it has one, that the person has the right to cancel the agreement at any time within 5 working days of entering into the

- agreement and to receive repayment of any deposit without penalty or deduction; and
- (iii) Gives particulars of any mortgages or other encumbrances against the land on which the Club Pacific Queenstown is situated or on any composite certificate of title issued in accordance with the scheme; and
- (iv) States the nature of any exchange rights with other timeshare developments whether in New Zealand or elsewhere; and
- (v) States the names and addresses of all the persons associated with the scheme and describes their role in the scheme; and
- (vi) Contains an explanation of the provisions of the Unit Titles Act 1972 relating to bodies corporate constituted by virtue of that Act; and
- (vii) States that Oxford Charter Management Co. Limited and the company will have the right to exercise the powers and duties of the committee of the body corporate; and
- (viii) Contains a summary of the material terms of the contract of employment of any person appointed to manage the operation of the scheme and states whether or not that person and the company are related or associated persons; and
- (ix) States the maximum price payable for the sale of an interest in the scheme; and
- (x) States the nature of any recreational and communal facilities which form part of the scheme and the rights of the holders of specified participatory securities in relation to these facilities; and
- (xi) Contains a statement by the directors of the company that the scheme is able to pay its debts as they become due and that the value of the scheme's assets is greater than the aggregate of the scheme's liabilities; and
- (xii) Contains details of any insurance provisions relating to the scheme; and
- (xiii) Contains details as to any proposed future developments in relation to the scheme; and
- (xiv) Contains a budget of anticipated expenditure, in respect of the scheme, for the financial year in which the offer is made; and
- (xv) Contains an estimate of the charges payable by a subscriber in the financial year in which the offer is made and the procedures applying for altering the level of those charges in subsequent financial years; and
- (xvi) Contains a statement of all other material matters relating to the scheme; and
- (xvii) Is accompanied by copies of all material agreements; and
- (h) That the information contained in the statement described in paragraph (g) of this subclause is accurate as at the date of any offer of specified participatory securities and as at the date of acceptance of any such offer.

Dated at Wellington this 19th day of June 1991.

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 Remarkable Resort (Holiday Ownership) Limited, subject to conditions, from the prospectus requirements of the Securities Act 1978 in respect of offers of specified participatory securities (as that term is defined) in a timeshare development at Queenstown.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 21 June 1991.
This notice is administered in the Securities Commission.