



**THE SECURITIES ACT (DIVIDEND REINVESTMENT)
EXEMPTION NOTICE 1984**

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 (Dividend Reinvestment) Exemption Notice 1984.

(2) This notice shall come into force on the 21st day of September 1984.

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

“The Act” means the Securities Act 1978:

“The Regulations” means the Securities Regulations 1983.

(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. Issuers exempt from certain provisions of the Securities Act 1978 and the Securities Regulations 1983 in respect of certain offers of equity securities—(1) This clause applies to any offer of equity securities made by the issuer of those securities to any person who already holds equity securities or convertible securities of the issuer, being an offer made on terms which—

(a) Entitle that person to subscribe for those equity securities by applying all or any specified part of any dividends declared by the issuer and payable to him; or

(b) Require the issuer to allot those equity securities to that person as fully paid shares in consideration for that person foregoing the right to receive all or any specified part of any dividends declared by the issuer and otherwise payable to him.

(2) Every company, and every person acting on its behalf, is exempted from compliance with the provisions of paragraphs (e) and (f) of subsection (1) and subsection (2) of section 37A of the Act in respect of any offer of equity securities to which this clause applies.

(3) Every company, and every person acting on its behalf, is exempted from compliance with the provisions of—

(a) Paragraph (c) of subclause (1) of regulation 4 of the Regulations; and

(b) Paragraph (c) of subclause (1) of regulation 4 of the Regulations in so far as that paragraph requires the registered prospectus to state or contain the matters specified in clauses 1 (3) and 9 of the First Schedule to the Regulations—
in respect of any offer of equity securities to which this clause applies.

Dated at Wellington this 18th day of September 1984.

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, which comes into force on 21 September 1984, exempts companies from compliance with certain requirements of the Securities Act 1978 and the Securities Regulations 1983 in respect of certain offers of equity securities made to existing shareholders.

The exemption applies to offers of equity securities where—

- (a) The person to whom the offer is made subscribes for the security by applying the proceeds of dividends declared by the company and payable to him; or
- (b) The company is required to allot the securities as fully paid up shares in consideration for the person to whom the offer is made relinquishing his right to have any dividends declared by the company paid or credited to him.

Issued under the authority of the Regulations Act 1936.
Date of notification in *Gazette*: 20 September 1984.
This notice is administered in the Securities Commission.