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THE SECURITIES ACT (PRIVATE SAVINGS BANKS) EXEMPTION NOTICE 1987

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 (Private Savings Banks) Exemption Notice 1987.

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

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:

“Savings bank company” has the same meaning as in section 2 of the Private Savings Banks Act 1983.

(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. Private savings banks exempt from certain provisions of the Securities Act 1978 and Securities Regulations 1983—(1) Every savings bank company, and every person acting on its behalf, is exempted from compliance with the provisions of sections 37, 37A, 38 (a) to (c), and 39 to 44 of the Act in respect of any offer of debt securities of which that savings bank company is the issuer.

(2) Subject to subclause (3) of this clause, every savings bank company, and every person acting on its behalf, is exempted from compliance with the provisions of regulation 14 (1) of the Regulations in respect of any offer of debt securities of which that savings bank company is the issuer.

(3) The exemption granted by subclause (2) of this clause is subject to the condition that the aggregate amount of any debt securities that are secured by a mortgage or charge created by the savings bank company over any of its assets and that rank or will, after the allotment of the debt securities referred to in subclause (2) of this clause, rank in priority to such debt securities, is not material in the context of the savings bank company's overall business.

(4) Subject to subclause (5) of this clause, every savings bank company which, and every other person who, distributes an advertisement to the public containing an offer of debt securities made by that savings bank company is exempted from compliance with the provisions of regulation 17 of the Regulations in respect of the distribution of that advertisement.

(5) The exemption granted by subclause (4) of this clause is subject to the condition that a certificate that complies with subclause (6) of this clause has been completed in respect of the advertisement at the time that the advertisement is distributed to the public.

(6) A certificate for the purposes of subclause (5) of this clause shall be in the form set out in the Fourth Schedule to the Regulations and shall be signed by 2 persons being—

- (a) Directors of the savings bank company; or
- (b) Executive officers of the savings bank company authorised by the directors of the savings bank company to sign such certificates; or
- (c) A director, and an executive officer of the savings bank company who is authorised by the directors of the savings bank company to sign such certificates.

(7) The exemption granted by subclause (4) of this clause is, in the case of a savings bank company, subject to the condition that the certificate is held by the savings bank company for at least 12 months from the date of the last distribution of the advertisement to which it relates.

(8) Nothing in subclauses (4) to (7) of this clause limits or affects regulation 17 (3) of the Regulations.

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, which comes into force on 1 October 1987, exempts private savings banks from compliance with the provisions of sections 37, 37A, 38 (a) to (c) and 39 to 44 of the Securities Act 1978 in the case of offers of debt securities. To this extent the notice replaces the Securities Act (Designated Banks) Exemption Notice 1987 in so far as that notice applies to private savings banks. The notice exempts private savings banks from compliance with the provisions of regulation 14 (1) of the Securities Regulations 1983 and also exempts private savings banks and other persons from compliance with the provisions of regulation 17 of those regulations.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 30 September 1987.

This notice is administered in the Securities Commission.