



**THE SECURITIES ACT (STAFF SAVINGS) EXEMPTION NOTICE  
1985**

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 (Staff Savings) Exemption Notice 1985.

(2) This notice shall come into force on the 1st day of July 1985.

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

“The Act” means the Securities Act 1978:

“Company” means a company appointed under clause 3 (2) (a) of this notice:

“Specified debt security” means a debt security in the form of a deposit which is offered for subscription to any person who is, when the offer is made—

(a) An employee of the issuer of that debt security, or

(b) An employee of a body corporate which is related to the issuer of that debt security.

(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. Issuers of specified debt securities exempt from compliance with certain provisions of the Securities Act 1978**—(1) Subject to subclause (2) of this clause, every issuer and every person acting on behalf of an issuer, is exempt from compliance with the provisions of sections 33 (2), 37, 37A, and 38 (a) to (c) of the Act in respect of any offer of specified debt securities made by the issuer.

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

(a) That the specified debt securities are and will at all times be secured by a debenture or debenture stock, issued by the issuer or any other person to a company appointed by the issuer or that person to act as trustee on behalf of the holders of those specified debt securities, for an amount not less than the cumulative total of those specified debt securities outstanding;

(b) That the debenture or debenture stock ranks as a fixed or floating charge over the assets and undertaking of the issuer or other person, as the case may be, *pari passu* with any other secured

debenture or debenture stock issued by the issuer or that person subject only to a priority in favour of—

- (i) A debenture held by a trading bank named in the First Schedule to the Reserve Bank of New Zealand Act 1964; and
  - (ii) Fixed charges over specific items of property;
- (c) That the company is actively managed;
  - (d) That within 10 days after the completion of each month the issuer makes a written report to the company of the total amount of specified debt securities outstanding in that month;
  - (e) That the holders of the specified debt securities receive copies of all reports and other information supplied to shareholders of their employer;
  - (f) That the offering of the specified debt securities upon the terms and conditions specified in this subclause has been agreed to by any trustee for debenture holders of the issuer or other person, as the case may be;
  - (g) That the auditors of the issuer provide a written report to the issuer and the company at intervals of not less than 12 months that the terms and conditions specified in this subclause have been complied with.

Dated at Wellington this 27th day of June 1985.

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

[L.S.]

P. D. McKENZIE,  
Member of the Securities Commission.

---

EXPLANATORY NOTE

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

This notice exempts, subject to certain conditions, the issuers of debt securities in the form of deposits under staff savings schemes from compliance with certain provisions of the Securities Act 1978.

---

Issued under the authority of the Regulations Act 1936.  
Date of notification in *Gazette*: 28 June 1985.  
This notice is administered in the Securities Commission.