

1987/253



**THE SECURITIES ACT (MINIMUM SUBSCRIPTION) 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 (Minimum Subscription) Exemption Notice 1987.

(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:

“The Regulations” means the Securities Regulations 1983:

“Specified participatory security” means a participatory security the terms of which require that the price for the security is payable by instalments over a period specified in the registered prospectus relating to the security with the first such instalment payable on subscription for the security.

(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 of specified participatory securities exempt from section 37 (2) 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 section 37 (2) of the Act in respect of any offer of specified participatory securities in so far as that subsection provides that no allotment of the specified participatory securities shall be made unless the amount stated in the registered prospectus relating thereto as the minimum amount which in the opinion of the directors of the issuer must be raised by the issue of those specified participatory securities in order to provide for the matters specified in regulations made under the Act is paid to and received by the issuer within 4 months after the date of the registered prospectus.

(2) The exemption granted by subclause (1) of this clause is subject to the condition that subscribers for the specified participatory securities have,

within 4 months after the date of the registered prospectus, become legally bound to pay the amount referred to in that subclause to the issuer under the terms of a deed of participation relating to those specified participatory securities.

Dated at Wellington this 10th day of August 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 exempts issuers of specified participatory securities (as that term is defined) from compliance with the requirement of section 37 (2) of the Securities Act 1978 that, before an allotment of the securities can be made, the amount stated in the registered prospectus as the minimum amount which must be raised to provide for the matters specified in regulations made under that Act must be paid to the issuer within 4 months after the date of the registered prospectus. The exemption is subject to the condition that subscribers for the specified participatory securities have become legally bound within 4 months after the date of the registered prospectus to pay that amount to the issuer.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 13 August 1987.

This notice is administered in the Securities Commission.