



Securities Act (Capricorn Society Limited) Exemption Amendment Notice 2006

Pursuant to the Securities Act 1978, the Securities Commission gives the following notice (to which is appended a statement of reasons of the Securities Commission).

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Notice

- 1 **Title**
This notice is the Securities Act (Capricorn Society Limited) Exemption Amendment Notice 2006.

- 2 **Commencement**
This notice comes into force on the day after the date of its notification in the *Gazette*.

- 3 **Principal notice amended**
This notice amends the Securities Act (Capricorn Society Limited) Exemption Notice 2003.

4 Expiry

Clause 3 is amended by omitting “2008” and substituting “2007”.

5 Interpretation

The definition of **specified equity securities** in clause 4(1) is amended by omitting “Western Australia Co-operative and Provident Societies Act 1903” and substituting “Corporations Act 2001 of the Commonwealth of Australia”.

6 Exemptions

Clause 5(1) is amended by revoking paragraphs (a) and (c).

7 Conditions about investment statement

Clause 7 is revoked.

8 Conditions about financial statements

Clause 9 is amended by omitting “The exemptions in clause 5(1)(b) and (c) are” and substituting “The exemption in clause 5(1)(b) is”.

Dated at Wellington this 18th day of December 2006.

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

[Seal]

J Diplock,
Chairperson.

Statement of reasons

This notice, which comes into force on the day after the date of its notification in the *Gazette*, amends the Securities Act (Capricorn Society Limited) Exemption Notice 2003.

The effect of this amendment is—

- to bring forward the expiry date of that notice from 30 June 2008 to 30 June 2007:
- to replace a reference to shares issued under the Western Australia Co-operative and Provident Societies Act 1903 with shares issued under the Corporations Act 2001 of the Commonwealth of Australia:
- to remove the exemptions from section 37A(1)(a) and 37A(2) of the Securities Act 1978 (the **Act**).

The Securities Commission considers that the amendments to the principal notice are appropriate for the following reasons:

- the expiry date is brought forward because Capricorn Society Limited (**Capricorn**) will be able to rely on the Securities Act (Australian Issuers) Exemption Notice 2002 by 30 June 2007:
- the amendment to the definition of specified equity securities reflects the fact that Capricorn is no longer registered under the Western Australia Co-operative and Provident Societies Act 1903. However, while Capricorn is now registered only under the Corporations Act 2001 of the Commonwealth of Australia, Capricorn continues to operate on a co-operative basis. It is appropriate, in these circumstances, for Capricorn to be able to continue offering shares to members in New Zealand in reliance on its exemption, as a transitional measure, until the time when Capricorn can start relying on the Securities Act (Australian Issuers) Exemption Notice 2002:
- Capricorn provides New Zealand investors with an investment statement before subscription, in the same way as other Australian companies that offer securities in New Zealand are required to do. It is therefore appropriate to remove Capricorn's exemption from section 37A(1)(a) of the Act, as it is not required:
- section 37A(2) of the Act has been repealed, and Capricorn's exemption from this section of the Act is redundant.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 21 December 2006.
This notice is administered by the Securities Commission.
