



**SECURITIES ACT (TELSTRA SHARE OFFER) EXEMPTION
NOTICE 1997**

PURSUANT to the Securities Act 1978, the Securities Commission gives the following notice.

NOTICE

1. Title—This notice may be cited as the Securities Act (Telstra Share Offer) Exemption Notice 1997.

2. Application—This notice applies in respect of any offer of equity securities in the company that is made—

(a) By means of—

(i) An Australian prospectus dated 29 September 1997; or

(ii) An advertisement referred to in clause 6 (b) that refers to the Australian prospectus described in subparagraph (i); and

(b) On or after the date on which this notice comes into force; and

(c) In accordance with the law in force immediately before 1 October 1997.

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

“Act” means the Securities Act 1978:

“Company” means Telstra Corporation Limited:

“Lodged” means lodged under the law of a State or Territory of the Commonwealth of Australia; and “lodgment” has a corresponding meaning:

“Registered” means registered under the law of a State or Territory of the Commonwealth of Australia; and “registration” has a corresponding meaning:

“Regulations” means the Securities Regulations 1983.

(2) In this notice, unless the context otherwise requires, every reference to a provision of the Act or the Regulations is to be read as if it were a reference to the provision of the Act or the Regulations that was in force immediately before 1 October 1997.

(3) Any term or expression that is not defined in this notice, but that is defined in the Act or the Regulations, has the meaning given to it by the Act or the Regulations.

4. Meaning of “Australian prospectus”—For the purposes of this notice, the term “Australian prospectus” means a document—

- (a) That contains an offer of equity securities that have previously been allotted by the company, being an offer by the holder of those securities; and
- (b) That, with the exception of the statements that are included in, or that accompany, the document pursuant to clauses 7, 8, and 10 (a), is identical to a document that is lodged or registered under the law of a State or Territory of the Commonwealth of Australia and that is signed by or on behalf of such persons (if any) as are required by that law to sign that document; and
- (c) By means of which it is lawful under the law of that State or Territory to make an offer of those equity securities to the public; and
- (d) That contains no statement referring to listing or intended listing on the New Zealand Stock Exchange other than a statement that has been approved by the New Zealand Stock Exchange; and
- (e) A copy of which has been deposited with the Registrar of Companies at Wellington together with a copy of—
 - (i) The certificate of incorporation of the company;
 - (ii) The memorandum and articles of association or other documents, statutes, or instruments constituting or defining the constitution of the company;
 - (iii) Every document to which clause 7 applies;
 - (iv) Any certificate or other document evidencing lodgment or registration of the document;
 - (v) Any document containing the statements required by clause 8;
 - (vi) A certificate signed by the company’s solicitor that, as at the date of the certificate, all the terms and conditions of this notice have been complied with.

5. Exemptions for holders of equity securities in company—

- (1) Every person who is the holder of equity securities that have previously been allotted by the company and every person acting on behalf of that holder are exempted, in respect of any offer of equity securities in the company, from—
 - (a) Sections 33 (1), 38, and 38A of the Act and regulation 23 of the Regulations; and
 - (b) Sections 37 and 37A of the Act; and
 - (c) Regulations 11 to 19, 21, and 22 of the Regulations.
- (2) Nothing in subclause (1) (c) applies in respect of an advertisement referred to in clause 6 (b).

6. Offers to be made in Australian prospectus or advertisement—

The exemption granted by clause 5 (1) (a) is subject to the condition that—

- (a) The offer is made in, or accompanied by, the Australian prospectus referred to in clause 2 (a) (i); or
- (b) The offer is made in an advertisement (other than the Australian prospectus) that—

(i) Refers to the Australian prospectus that relates to all the securities referred to in the advertisement and states the date and place of lodgment or registration of that prospectus; and

(ii) States that allotments of the securities must be made in the manner specified in the Australian prospectus and in the manner prescribed under the law of the State or Territory of the Commonwealth of Australia in accordance with which the Australian prospectus is lodged or registered; and

(iii) Specifies the place or places at which an Australian prospectus may be obtained, or contains a coupon or coupons to be completed by any person who wishes to be sent an Australian prospectus, or both; and

(iv) States that the offer contained in the advertisement is authorised or instigated by or on behalf of the company or prepared with the co-operation of, or by arrangement with, the company; and

(v) Complies with the provisions of the Act and the Regulations relating to advertisements (other than provisions compliance with which is exempted under clause 5(1)(a)) and, for the purposes of this subparagraph, references in those regulations to the expression "registered prospectus" are construed as references to an Australian prospectus; and

(vi) Contains no statement referring to listing or intended listing of the securities on the New Zealand Stock Exchange other than a statement that has been approved by the New Zealand Stock Exchange.

7. Inspection of certain documents—The exemption granted by clause 5(1)(a) is subject to the further condition that the Australian prospectus contains, or is accompanied by a document that contains, a statement that the following documents may be inspected at the office of the Registrar of Companies at Wellington:

- (a) A copy of any material contract referred to in the Australian prospectus; or
- (b) If the contract is not in writing, a copy of any memorandum containing particulars of the contract; or
- (c) If an exemption or declaration has been granted by the Australian Securities Commission under section 1084 of the Corporations Law of the Commonwealth of Australia, a copy of any memorandum containing particulars of the material contract prepared pursuant to that exemption or declaration.

8. Further statements relating to offer—The exemption granted by clause 5(1)(a) is subject to the further condition that the Australian prospectus contains, or is accompanied by a document that contains, prominent statements that—

- (a) Investors should satisfy themselves as to the tax implications of investing in the equity securities; and
- (b) Investing in the securities of the company may carry with it a currency exchange risk; and
- (c) The financial reporting requirements applying in New Zealand and those applying to the company may be different and the financial statements of the company may not be compatible in

- all respects with financial statements prepared in accordance with the Securities Act 1978 and the Financial Reporting Act 1993; and
- (d) The offer and allotment of the equity securities will be governed by the Australian prospectus and will be made in accordance with the law of the State or Territory of the Commonwealth of Australia under which the Australian prospectus has been registered or lodged; and
 - (e) The company may not be subject in all respects to New Zealand law; and
 - (f) The contract in respect of the equity securities may not be enforceable in New Zealand courts; and
 - (g) The Australian prospectus has not been registered in New Zealand under and in accordance with New Zealand law and may not contain all the information that a New Zealand registered prospectus is required to contain; and
 - (h) It is not a condition of this notice that the company be listed on the New Zealand Stock Exchange and that if the company is not listed on the New Zealand Stock Exchange, New Zealand resident investors may not have access to information concerning the company in the same way as investors have in relation to an issuer listed on the New Zealand Stock Exchange.

9. Offers to be made in Australia at same time—The exemption granted by clause 5 (1) (a) is subject to the further condition that at the same time as offers of the equity securities are made or are open for acceptance in New Zealand, offers of the equity securities are also made or are open for acceptance in Australia pursuant to the Australian prospectus.

10. Advertisement relating to exemption, order, or declaration granted by Australian Securities Commission—The exemption granted by clause 5 (1) (a) is subject to the further condition that—

- (a) The Australian prospectus contains, or is accompanied by a document that contains, a prominent statement of the general nature and effect of any exemption, order, or declaration that may have been granted by the Australian Securities Commission in respect of the offer of the equity securities; or
- (b) The company publishes a prominent statement of the general nature and effect of that exemption, order, or declaration by means of a prominent advertisement in a daily newspaper circulating in each of the cities of Auckland, Hamilton, Wellington, Christchurch, and Dunedin.

11. Exemption for company—The company and every person acting on its behalf are exempted from sections 51 to 54 of the Act in respect of any equity securities offered to the public for subscription or purchase by means of the Australian prospectus referred to in clause 2 (a) (i).

Dated at Wellington this 7th day of November 1997.

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

[L.S.]

J. M. ROBSON,
Member.

EXPLANATORY NOTE

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

This notice exempts holders of equity securities that have previously been allotted by Telstra Corporation Limited, subject to conditions, from certain provisions of the Securities Act 1978 and the Securities Regulations 1983.

The notice also exempts Telstra Corporation Limited from sections 51 to 54 of the Securities Act 1978 in respect of offers of those equity securities.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 7 November 1997.
This notice is administered in the Securities Commission.