



**THE SECURITIES ACT (EMPLOYEE SHARE PURCHASE
SCHEMES) EXEMPTION NOTICE 1995**

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 (Employee Share Purchase Schemes) Exemption Notice 1995.

(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:

“Designated issuer” means a person named in the first column of the Schedule to this notice:

“Listed company” means a company the equity securities of which are listed, or have been accepted for listing subject to completion of allotment procedures, on the official lists of the New Zealand Stock Exchange and in respect of which a right of quotation exists:

“The Regulations” means the Securities Regulations 1983.

(2) 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.

3. Listed companies and designated issuers exempt from certain provisions of the Securities Act 1978 and the Securities Regulations 1983—(1) Subject to subclause (2) of this clause, every listed company, and every person acting on its behalf, is exempted from compliance with the provisions of—

(a) Sections 37A (1) (e) and 37A (2) of the Act; and

(b) Regulation 3 (1) of the Regulations in so far as that subclause requires a registered prospectus to contain the information, statements, certificates, and other matters specified in clauses 4 to 20, 22 to 38, and 40 to 42 of the First Schedule to the Regulations—

in respect of any offer or allotment of equity securities of which the listed company is the issuer.

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

- (a) That the securities are both offered and allotted to a person who—
 - (i) Is an employee of the listed company or of any subsidiary of the listed company; or
 - (ii) Provides personal services (otherwise than as an employee) principally to the listed company or any subsidiary of the listed company; and
- (b) That a copy of an audited consolidated balance sheet as at the end of, and an audited consolidated profit and loss statement and statement of cash flows for, the most recently completed accounting period of the issuing group that comply with the Financial Reporting Act 1993—
 - (i) Have, before allotment of the security, been given or sent to the person to whom the offer is made; or
 - (ii) Are attached to, or contained in, the registered prospectus given or sent to every person to whom the offer is made; and
- (c) That the registered prospectus states the place or places where copies of the items referred to in paragraph (b) of this subclause can be obtained, free of charge, by any person to whom the offer is made.

(3) Subject to subclause (4) of this clause, every designated issuer, and every person acting on its behalf, is exempted from compliance with the provisions of—

- (a) Sections 37A (1) (e) and 37A (2) of the Act; and
- (b) Regulation 3 (1) of the Regulations in so far as that subclause requires a registered prospectus to contain the information, statements, certificates, and other matters specified in clauses 4 to 20, 22 to 38, and 40 to 42 of the First Schedule to the Regulations—

in respect of any offer or allotment of equity securities, or any option or right to acquire equity securities, in the company named or referred to opposite the name of the designated issuer in the second column of the Schedule to this notice made by the designated issuer.

(4) The exemption granted by subclause (3) of this clause is subject to the following terms and conditions:

- (a) That the securities are, or the option or right to acquire the securities is, both offered and allotted to a person who—
 - (i) Is an employee of the company named or referred to opposite the name of the designated issuer in the second column of the Schedule to this notice or of any subsidiary of that company; or
 - (ii) Provides personal services (otherwise than as an employee) principally to the company named or referred to opposite the name of the designated issuer in the second column of the Schedule to this notice or any subsidiary of that company; and
- (b) That a copy of an audited consolidated balance sheet as at the end of, and an audited consolidated profit and loss statement and statement of cash flows for, the most recently completed accounting period of the company named or referred to opposite the name of the designated issuer in the second column of the

Schedule to this notice, that comply with the Financial Reporting Act 1993—

- (i) Have, before allotment of the security or the option or right to acquire the security, been given or sent to the person to whom the offer is made; or
 - (ii) Are attached to, or contained in, the registered prospectus given or sent to every person to whom the offer is made; and
- (c) That a copy of an audited consolidated balance sheet as at the end of, and an audited consolidated profit and loss statement and statement of cash flows for, the most recently completed accounting period of the designated issuer is available at the request of any person to whom the offer is made; and
- (d) That the registered prospectus states the place or places where copies of the items referred to in paragraphs (b) and (c) of this subclause can be obtained, free of charge, by any person to whom the offer is made.

4. Revocation—The Securities Act (Employee Share Purchase Schemes) Exemption Notice 1991* is hereby revoked.

*S.R. 1991/303

SCHEDULE

The Trustees of the Fletcher
Challenge Limited Employee
Share Purchase Schemes

Fletcher Challenge Limited

Dated at Wellington this 23rd day of May 1995.

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

[L.S.]

E. H. ABERNETHY,
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 the day after the date of its notification in the *Gazette*, replaces the Securities Act (Employee Share Purchase Schemes) Exemption Notice 1991. The principal difference between this notice and the Securities Act (Employee Share Purchase Schemes) Exemption Notice 1991 is that this notice also applies to offers made by a designated issuer named in the Schedule to the notice of equity securities (including options or rights to acquire equity securities) issued by a person named opposite the name of the designated issuer in that Schedule.

The effect of the notice is to exempt, subject to conditions, companies whose equity securities are listed on the New Zealand Stock Exchange from certain provisions of the Securities Act 1978 and the Securities Regulations 1983 in respect of offers of equity securities made to employees of, and persons who provide personal services to, those companies or their subsidiaries.

The notice also exempts, subject to conditions, a designated issuer named in the Schedule to the notice from the same provisions of the Act and the Regulations in respect of offers of equity securities or options or rights to acquire equity securities issued by a person named opposite that designated issuer in the Schedule made to employees of, and persons who provide personal services to, that person or its subsidiaries.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 25 May 1995.
This notice is administered in the Securities Commission.