



**THE SECURITIES ACT (UNIT TRUSTS PROFIT FORECASTS)
EXEMPTION NOTICE 1994**

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

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NOTICE

1. Title and commencement—(1) This notice may be cited as the Securities Act (Unit Trusts Profit Forecasts) Exemption Notice 1994.

(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:

“Manager” has the same meaning as in section 2 of the Unit Trusts Act 1960:

“The Regulations” means the Securities Regulations 1983:

“Unit trust” has the same meaning as in section 2 of the Unit Trusts Act 1960.

(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. Managers of unit trusts exempted from compliance with regulation 15 of the Securities Regulations 1983—(1) Subject to subclause (2) of this clause, every manager of a unit trust and every person acting on behalf of the manager is exempted from compliance with the provisions of regulation 15 of the Regulations in respect of any advertisement that contains or refers to an offer of an interest in a unit trust and that contains a profit forecast.

(2) The exemption granted by subclause (1) of this clause is subject to the condition that the advertisement is in the form of—

(a) A statement issued in accordance with section 7 of the Unit Trusts Act 1960 that sets out the assumptions on which the profit forecast is based and contains a statement by the auditor of the unit trust in the following terms:

“In our opinion the forecast, so far as the accounting policies and calculations are concerned, has been properly compiled on the footing of the assumptions made by the

manager set out at pp . . . of this offer document and is presented on a basis consistent with the accounting policies normally adopted by the manager in respect of the trust”;
or

- (b) A document that refers to a statement issued in accordance with section 7 of the Unit Trusts Act 1960, being a statement of the kind referred to in paragraph (a) of this subclause and the profit forecast is also contained in the statement.

Dated at Wellington this 9th day of August 1994.

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

[L.S.]

P. D. McKENZIE,
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*, exempts offers of interests in unit trusts under the Unit Trusts Act 1960, subject to certain conditions, from compliance with regulation 15 of the Securities Regulations 1983. Regulation 15 prohibits an advertisement that contains or refers to an offer of securities from containing a profit forecast unless the advertisement refers to a registered prospectus and the profit forecast is also included in the prospectus.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 11 August 1994.
This notice is administered in the Securities Commission.