



THE SECURITIES ACT (FARMLANDS TRADING SOCIETY LIMITED) EXEMPTION NOTICE 1992

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 (Farmlands Trading Society Limited) Exemption Notice 1992.

(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:

“Member” means a person who is a member of the Society and who is the holder of a specified participatory security in accordance with the rules of the Society:

“The Regulations” means the Securities Regulations 1983:

“Society” means Farmlands Trading Society Limited:

“Specified debt securities” means amounts owing by the Society to a member that are—

(a) Credited to the account of the member and that are calculated by reference to purchases of goods or services made by the member:

(b) Credited to the account of the member from the earnings of the Society where the total amount to be credited to all members has been determined by the members of the Society in general meeting:

“Specified participatory securities” means shares which are issued by the Society pursuant to the Industrial and Provident Societies Act 1908.

(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. Farmlands Trading Society Limited exempt from certain provisions of the Securities Act 1978 and the Securities Regulations 1983—

(1) Subject to subclause (3) of this clause, the Society is exempted from compliance with the provisions of—

(a) Sections 37A (1), 38 (a) to (c), and 54 of the Act; and

(b) Regulation 3 (2) of the Regulations in so far as that subclause requires the registered prospectus containing an offer of debt securities to contain the information, statements, certificates, and other matters specified in clauses 7 to 13, 15 to 32, 33 (b), 35, and 36 of the Second Schedule to the Regulations—

in respect of any offer or allotment of specified debt securities.

(2) Subject to subclause (3) of this clause, the Society is exempted from compliance with the provisions of—

(a) Sections 33 (3), 37A (1), 38 (a) to (c), and 54 of the Act; and

(b) Regulation 3 (3) of the Regulations in so far as that subclause requires the registered prospectus containing an offer of participatory securities to contain the information, statements, certificates, and other matters specified in clauses 6 to 18, 20 to 35, 37, and 38 of the Third Schedule to the Regulations—

in respect of any offer of specified participatory securities.

(3) The exemptions granted by subclauses (1) and (2) of this clause are subject to the following terms and conditions:

(a) That, before allotment of the securities, a copy of the most recent registered prospectus relating to the offer of the securities has been given or sent to the persons to whom the offer is made; and

(b) That a copy of an audited consolidated balance sheet as at the end of, and an audited consolidated profit and loss account for, the most recently completed accounting period of the Society, which give a true and fair view of the state of affairs and results thereof in accordance with the provisions relating to accounts contained in the Companies Act 1955—

(i) Has, before allotment of the securities, been given or sent to the persons to whom the offer is made; or

(ii) Is attached to, or contained in, the registered prospectus given or sent to the persons to whom the offer is made; and

(c) That the accounts of the Society referred to in paragraph (b) of this subclause contain a statement, signed by or on behalf of the directors of the Society, as to whether, after due enquiry by them in relation to the period between the date of those accounts and the date that the accounts are distributed in accordance with that paragraph, there have, in their opinion, arisen any circumstances that materially adversely affect—

(i) The trading or profitability of the Society; or

(ii) The value of its assets; or

(iii) The ability of the Society to pay its liabilities due within the next 12 months; and

(d) That no allotment of the securities is made if the date of allotment would be more than 15 months after the date of the balance sheet referred to in paragraph (b) of this subclause; and

(e) That at the date of allotment of the securities, the most recent registered prospectus that relates to the securities is not known by the Society, or any director of the Society, to be false or

misleading in a material particular by reason of failing to refer, or give proper emphasis, to adverse circumstances (whether or not the registered prospectus became so misleading as a result of circumstances occurring after the date of the registered prospectus); and

- (f) That the Society shall not require any person who is a member to make any payments to the Society on account of any specified participatory securities issued or to be issued to that member, other than specified participatory securities which form part of a member's original application for specified participatory securities, unless the members have agreed in general meeting to the requirement to make such payments and adequate provision has been made for members who object to making any such payment to withdraw from the Society and to be paid, within 6 months of notifying the Society of their intention to withdraw, all amounts that in respect of specified debt securities and specified participatory securities they have a right to receive or that are payable to them or that are credited to their accounts.

Dated at Wellington this 18th day of August 1992.

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 exempts Farmlands Trading Society Limited, subject to conditions, from compliance with provisions of the Securities Act 1978 and the Securities Regulations 1983 in respect of offers of certain debt and participatory securities.

Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 20 August 1992.

This notice is administered in the Securities Commission.