



**THE SECURITIES ACT (MANCHESTER UNITY FRIENDLY
SOCIETY) 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 (Manchester Unity Friendly Society) Exemption Notice 1995.

(2) This notice shall come into force on the 28th day of February 1995.

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

“The Act” means the Securities Act 1978:

“Auditor” means the auditor of the Society appointed from time to time pursuant to section 62 of the Friendly Societies and Credit Unions Act 1982:

“The Regulations” means the Securities Regulations 1983:

“The Society” means the Manchester Unity Friendly Society, a society registered pursuant to the Friendly Societies and Credit Unions Act 1982.

(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. Society exempt from certain provisions of the Securities Act 1978 and regulation 10 of the Securities Regulations 1983—

(1) Subject to subclause (2) of this clause, the Society and every person acting on its behalf are exempted from compliance with the provisions of section 33 (3) of the Act in respect of any offer of participatory securities of which the Society is the issuer made before the close of the 31st day of August 1995.

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

(a) That in respect of each accounting period commencing on or after the 30th day of May 1995, the Society shall ensure that—

(i) Its accounting records are audited at least once every 6 months by an auditor qualified for appointment as an auditor of a friendly society under section 63 of the Friendly Societies and Credit Unions Act 1982; and

- (ii) Any interim balance sheet set out in a registered prospectus pursuant to clause 16 of the Second Schedule to the Regulations, any profit and loss account contained in the registered prospectus pursuant to clause 27 of that Schedule, and any statement of cash flows contained in the registered prospectus pursuant to clause 29 of that Schedule are audited; and
- (b) That the Society has authorised the auditor to inform the Registrar of Friendly Societies and Credit Unions if, in the opinion of the auditor, there is good reason to suspect that the Society is in breach of the Act or the Regulations or the terms of the offer of participatory securities or that the assets of the Society are not sufficient or likely to be sufficient to discharge the Society's obligations in respect of any participatory securities as they become due; and
- (c) That the auditor has undertaken to inform the Registrar of Friendly Societies and Credit Unions if, in the auditor's opinion, there is good reason to suspect any matter described in paragraph (b) of this subclause.
- (3) The Society and every person acting on its behalf are exempted from compliance with the provisions of section 37 (2) of the Act in respect of any participatory securities of which the Society is the issuer.
- (4) Subject to subclause (5) of this clause, the Society and every person acting on its behalf are exempted from compliance with the provisions of sections 37A (1) (a) to (d) and (f), 37A (2), and 38 (a) and (b) of the Act and regulation 10 of the Regulations in respect of any offer of participatory securities of which the Society is the issuer.
- (5) The exemption granted by subclause (4) of this clause is subject to the following terms and conditions:
- (a) That the Society provides, free of charge, at the request of any person made at any time, a copy of the most recent registered prospectus that relates to the participatory securities:
- (b) That copies of the registered prospectus relating to the participatory securities are on display and available to members of the public during normal business hours at each place of business of the Society at which offers of the participatory securities are made:
- (c) That every authorised advertisement distributed by or on behalf of the Society contains a statement to the effect that copies of the registered prospectus referred to in paragraph (a) of this subclause are available, free of charge, upon request:
- (d) That at the date of allotment, the registered prospectus 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).

4. Society exempt from sections 51, 52, and 53 (5) of the Securities Act 1978—The Society is exempted from compliance with the provisions of sections 51, 52, and 53 (5) of the Act in respect of any participatory securities issued by the Society.

5. Society exempt from section 54 of the Securities Act 1978—

(1) Subject to subclause (2) of this clause, the Society is exempted from compliance with the provisions of section 54 of the Act in respect of any participatory securities issued by the Society.

(2) The exemption granted by subclause (1) of this clause is subject, to the condition that the Society shall send, or cause to be sent, to the security holder at any time on request and at least once within one month of each allotment of a security, a written statement that properly evidences the amount, nature, ownership, and terms and conditions of all participatory securities issued by the Society and held by the security holder.

6. Society exempt from certain provisions of Third Schedule to the Securities Regulations 1983—(1) Subject to subclause (2) of this clause, the Society and every person acting on its behalf are exempted from compliance with the provisions of clause 2 (1) of the Third Schedule to the Regulations in respect of any offer of participatory securities made by the Society.

(2) The exemption granted by subclause (1) of this clause is subject to the condition that the registered prospectus relating to the offer states, in relation to every director of the Society,—

- (a) The name of the director; and
- (b) The city, town, or district in which the principal place of residence of the director is situated; and
- (c) The technical or professional qualifications (if any) of the director; and
- (d) An address to which any document or communication relating to the offer of securities or the securities themselves may be sent to the director.

(3) The Society and every person acting on its behalf are exempted from compliance with the provisions of clauses 7 (5) and (6), 8, and 17 of the Third Schedule to the Regulations in respect of any offer of participatory securities made by the Society.

(4) Subject to subclause (5) of this clause, the Society and every person acting on its behalf are exempted from compliance with the provisions of clauses 6 and 21 to 34 of the Third Schedule to the Regulations in respect of any offer of participatory securities made by the Society.

(5) The exemption granted by subclause (4) of this clause is subject to the condition that the registered prospectus relating to the offer contains all of the information, statements and other matters specified in clauses 7 and 16 to 32 of the Second Schedule in respect of the Society, which clauses shall be read as if:

- (a) References to the term “debt securities” were references to participatory securities; and
- (b) References to the term “the group” were references to the Society.

7. Society exempt from clause 38 of Third Schedule to the Securities Regulations 1983—(1) Subject to subclause (2) of this clause, the Society and every person acting on its behalf are exempted from compliance with the provisions of regulation 7 (b) of the Regulations and clause 38 of the Third Schedule to the Regulations in respect of any offer of participatory securities of which the Society is the issuer.

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

(a) That every registered prospectus relating to such participatory securities distributed by or on behalf of the Society contains a copy of a report by an auditor qualified for appointment as an auditor of a Friendly Society under section 63 of the Friendly Societies and Credit Unions Act 1982 signed by that auditor (either in the auditor's own name or in that of the auditor's firm), stating—

(i) The work done by the auditor; and

(ii) The scope and limitations of the audit; and

(iii) The existence of any relationship (other than that of auditor) which the auditor has with, or any interests which the auditor has in, the Society; and

(iv) Whether the auditor has obtained all information and explanations that he or she has required; and

(v) Whether, in the auditor's opinion, as far as appears from an examination of them, proper accounting records have been kept by the Society; and

(vi) Whether or not, in the auditor's opinion, the financial statements that are required by clauses 16 to 31 of the Second Schedule to the Regulations (as required pursuant to clause 6 (4) of this notice) and that are required to be audited—

(A) Comply with the Regulations; and

(B) Subject to the Regulations, comply with generally accepted accounting practice; and

(C) Give a true and fair view of the state of affairs of the Society as at the date thereof and of the results and cash flows of the Society for the period to which they relate, taking into account information or explanations of the kind referred to in section 14 (2) of the Financial Reporting Act 1993 (if any)—

and, if they do not, the respects in which they do not; and

(vii) Whether the amounts stated pursuant to clauses 7 (2), and 7 (3) of the Second Schedule to the Regulations (as required by clause 6 (4) of this notice) and clauses 10 (2) and 10 (3) of the Third Schedule to the Regulations, have been taken from audited financial statements, and, whether or not the amounts have been correctly taken:

(b) That every prospectus delivered to the Registrar for registration under the Act by or on behalf of the Society has endorsed on it, or attached to it, or is accompanied by—

(i) The signed auditor's report required to be contained pursuant to paragraph (a) of this subclause; and

(ii) A statement, dated not earlier than 7 days before the specified date and signed by the auditor (either in the auditor's own name or in that of the auditor's firm), that the auditor consents to the report appearing in the registered prospectus in the form in which it appears.

Dated at Wellington this 27th day of February 1995.

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

[L.S.]

M. R. H. WEBB,
Member.

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 28 February 1995, exempts the Manchester Unity Friendly Society, subject to conditions, from compliance with certain provisions of the Securities Act 1978 and the Securities Regulations 1983 in respect of offers of participatory securities.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 27 February 1995.
This notice is administered in the Securities Commission.