

**Reprint  
as at 1 October 2012**



**Securities Act (Commercial Bill  
Dealers) Exemption Notice 2002**

(SR 2002/297)

Securities Act (Commercial Bill Dealers) Exemption Notice 2002: expired, on  
1 October 2012, by clause 3.

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

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**Note**

Changes authorised by section 17C of the Acts and Regulations Publication Act 1989  
have been made in this reprint.

A general outline of these changes is set out in the notes at the end of this reprint, together  
with other explanatory material about this reprint.

**This notice is administered by the Financial Markets Authority.**

## Notice

### 1 Title

This notice is the Securities Act (Commercial Bill Dealers) Exemption Notice 2002.

### 2 Commencement

This notice comes into force on 1 October 2002.

### 3 Expiry

This notice expires on the close of 30 September 2012.

Clause 3: amended, on 21 September 2007, by clause 3 of the Securities Act (Extension of Term, Amendment, and Revocation of Certain Exemptions) Exemption Notice 2007 (SR 2007/277).

### 4 Interpretation

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

**Act** means the Securities Act 1978

**address** means a postal or electronic address; and includes a Post Office box address, document exchange box number, fax number, and email address

**bank** means a registered bank within the meaning of section 2(1) of the Reserve Bank of New Zealand Act 1989

**bill of exchange** means a bill of exchange within the meaning of section 3 of the Bills of Exchange Act 1908

**Regulations** means the Securities Regulations 1983

**specified debt security** means a debt security that is—

- (a) a promissory note that is endorsed (without negating or limiting liability), but not made, by a bank; or
- (b) a bill of exchange that is drawn, accepted, or endorsed (without negating or limiting liability) by a bank; or
- (c) any negotiable or transferable debt security, not being a promissory note or a bill of exchange, in respect of which a bank is directly or indirectly liable otherwise than as the original allotter.

(2) Any term or expression that is defined in the Act or the Regulations, and used, but not defined in this notice has the same meaning as in the Act or the Regulations.

## **5 Exemptions for banks**

- (1) Every bank and every person acting on its behalf are exempted, in respect of any specified debt securities offered by the bank to the public for subscription, from—
  - (a) sections 33(2), 37, 51, 52, and 54 of the Act; and
  - (b) regulation 14(1) of the Regulations.
- (2) Every bank and every person acting on its behalf are exempted from regulation 7A(1) of the Regulations to the extent that that provision requires an investment statement relating to specified debt securities that have not been originally allotted by the bank to contain information about the original allotter of those securities.

## **6 Exemption from section 37A(1)(a) of Act**

- (1) Every bank and every person acting on its behalf are exempted from section 37A(1)(a) of the Act in respect of any specified debt securities offered by the bank to the public for subscription.
- (2) The exemption is subject to the condition that the bank must not allot a specified debt security unless the bank or any person acting on its behalf has sent an investment statement relating to the debt security, at least 3 working days before the subscriber subscribes for the debt security, to—
  - (a) an address specified by the subscriber for this purpose; or
  - (b) the last address of the subscriber known to the bank.
- (3) The exemption is subject to the further condition that, if an investment statement relating to the specified debt security is sent by—
  - (a) fax, the fax machine has generated a record of the transmission of the investment statement to the fax machine of the recipient; or
  - (b) other electronic means, the machine used to transmit that message has not generated a record that the investment statement has failed to be transmitted.

## **7 Exemption for persons other than banks**

Every person (not being a bank) who allots or is an issuer of specified debt securities, and every person acting on its behalf,

is exempted from sections 33(2), 37, and 37A of the Act in respect of those securities.

## **8 Exemption relating to advertisements**

- (1) Every bank that, and every other person who, distributes an investment statement or other advertisement to the public containing an offer of specified debt securities made by that bank is exempted from regulation 17 of the Regulations in respect of the distribution of that advertisement.
- (2) The exemption is subject to the condition that the bank, at the time that the advertisement is distributed to the public, has completed a certificate relating to the advertisement that complies with subclause (3).
- (3) That certificate must be in the form set out in Schedule 4 of the Regulations and must be signed by 2 persons being,—
  - (a) directors of the bank; or
  - (b) executive officers of the bank authorised by the directors of the bank to sign those certificates; or
  - (c) a director and an executive officer of the bank who is authorised by the directors of the bank to sign those certificates.
- (4) The exemption is, in the case of a bank, subject to the condition that the bank holds the certificate for at least 12 months from the date of the last distribution of the advertisement to which it relates.
- (5) Nothing in subclauses (1) to (4) limits or affects regulation 17(3) of the Regulations, and, for the purposes of this subclause, a reference in regulation 17(3) of the Regulations to the term issuer must be read and construed as a reference to the bank.

## **9 Exemption relating to acceptance and endorsement of specified debt securities**

- (1) Every bank that, or other person who, is the issuer of specified debt securities and every person acting on its behalf are exempted from regulations 11 and 23A(d) of the Regulations to the extent that those regulations apply to any acceptance or endorsement of those securities.

- (2) Every bank and every person acting on its behalf are exempted from clause 10 of Schedule 3D of the Regulations to the extent that clause 10 requires an investment statement relating to specified debt securities to contain information about any acceptance or endorsement of those securities.

Dated at Wellington this 17th day of September 2002.

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

[Seal]

J Diplock,  
Chairperson.

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Issued under the authority of the Acts and Regulations Publication Act 1989.  
Date of notification in *Gazette*: 19 September 2002.

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## Notes

### 1 *General*

This is a reprint of the Securities Act (Commercial Bill Dealers) Exemption Notice 2002. The reprint incorporates all the amendments to the notice as at 1 October 2012, as specified in the list of amendments at the end of these notes.

Relevant provisions of any amending enactments that contain transitional, savings, or application provisions that cannot be compiled in the reprint are also included, after the principal enactment, in chronological order. For more information, see <http://www.pco.parliament.govt.nz/reprints/>.

### 2 *Status of reprints*

Under section 16D of the Acts and Regulations Publication Act 1989, reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by the amendments to that enactment. This presumption applies even though editorial changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in the reprint.

This presumption may be rebutted by producing the official volumes of statutes or statutory regulations in which the principal enactment and its amendments are contained.

### 3 *How reprints are prepared*

A number of editorial conventions are followed in the preparation of reprints. For example, the enacting words are not included in Acts, and provisions that are repealed or revoked

are omitted. For a detailed list of the editorial conventions, see <http://www.pco.parliament.govt.nz/editorial-conventions/> or Part 8 of the *Tables of New Zealand Acts and Ordinances and Statutory Regulations and Deemed Regulations in Force*.

#### **4 Changes made under section 17C of the Acts and Regulations Publication Act 1989**

Section 17C of the Acts and Regulations Publication Act 1989 authorises the making of editorial changes in a reprint as set out in sections 17D and 17E of that Act so that, to the extent permitted, the format and style of the reprinted enactment is consistent with current legislative drafting practice. Changes that would alter the effect of the legislation are not permitted. A new format of legislation was introduced on 1 January 2000. Changes to legislative drafting style have also been made since 1997, and are ongoing. To the extent permitted by section 17C of the Acts and Regulations Publication Act 1989, all legislation reprinted after 1 January 2000 is in the new format for legislation and reflects current drafting practice at the time of the reprint.

In outline, the editorial changes made in reprints under the authority of section 17C of the Acts and Regulations Publication Act 1989 are set out below, and they have been applied, where relevant, in the preparation of this reprint:

- omission of unnecessary referential words (such as “of this section” and “of this Act”)
- typeface and type size (Times Roman, generally in 11.5 point)
- layout of provisions, including:
  - indentation
  - position of section headings (eg, the number and heading now appear above the section)
- format of definitions (eg, the defined term now appears in bold type, without quotation marks)
- format of dates (eg, a date formerly expressed as “the 1st day of January 1999” is now expressed as “1 January 1999”)

- position of the date of assent (it now appears on the front page of each Act)
- punctuation (eg, colons are not used after definitions)
- Parts numbered with roman numerals are replaced with arabic numerals, and all cross-references are changed accordingly
- case and appearance of letters and words, including:
  - format of headings (eg, headings where each word formerly appeared with an initial capital letter followed by small capital letters are amended so that the heading appears in bold, with only the first word (and any proper nouns) appearing with an initial capital letter)
  - small capital letters in section and subsection references are now capital letters
- schedules are renumbered (eg, Schedule 1 replaces First Schedule), and all cross-references are changed accordingly
- running heads (the information that appears at the top of each page)
- format of two-column schedules of consequential amendments, and schedules of repeals (eg, they are rearranged into alphabetical order, rather than chronological).

## **5 *List of amendments incorporated in this reprint (most recent first)***

Securities Act (Extension of Term, Amendment, and Revocation of Certain Exemptions) Exemption Notice 2007 (SR 2007/277): clause 3

Securities Act (Commercial Bill Dealers) Exemption Notice 2002 (SR 2002/297): clause 3

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