

**Reprint  
as at 2 July 2011**



**Securities Markets Act (New  
Zealand Post Limited Bonus  
Bonds) Exemption Notice 2009**

(SR 2009/204)

Securities Markets Act (New Zealand Post Limited Bonus Bonds) Exemption  
Notice 2009: expired, on 2 July 2011, by clause 3.

Pursuant to the Securities Markets Act 1988, the Securities Commission gives the following notice (to which is appended a statement of reasons of the Securities Commission).

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**Notice**

**1 Title**

This notice is the Securities Markets Act (New Zealand Post Limited Bonus Bonds) Exemption Notice 2009.

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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 Securities Commission.**

**2 Commencement**

This notice comes into force on the day after the date of its notification in the *Gazette*.

**3 Expiry**

This notice expires on the day after the date on which Part 4 of the Act is repealed.

**4 Interpretation**

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

**Act** means the Securities Markets Act 1988

**application money** means money received by an exempted person from a member of the public in relation to the acquisition of bonus bonds

**bonus bonds** means fully paid units in the Bonus Bonds Trust

**Bonus Bonds Trust** means The Bonus Bonds Trust established under the Unit Trusts Act 1960 by a deed dated 17 September 1990 (as amended) and approved for the purposes of the Finance Act (No 2) 1990 by the Minister of Finance by notice published in the *Gazette* on 20 September 1990, at page 3431

**company** means New Zealand Post Limited

**exempted person** means a person who receives application money and who is—

(a) a franchisee; or

(b) an employee of the company or of a franchisee

**franchisee** means a person who has been granted a franchise by the company to provide certain postal, banking, and other products and services to the public at a New Zealand Post Post-Shop in accordance with the terms of a franchise agreement

**PostLink system** means a point of sale system operated by the company that automatically prints a receipt when a transaction for the acquisition of bonus bonds is entered into the system.

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

## **5 Exemptions**

Each exempted person is in respect of the receipt of application money exempted from—

- (a) section 41H of the Act; and
- (b) in the case of exempted persons who are franchisees, section 41J(2)(c) of the Act; and
- (c) in the case of exempted persons who are employees of the company or of a franchisee, section 41J(2)(d) of the Act.

## **6 Conditions of exemptions in clause 5**

The exemptions in clause 5 are subject to the conditions that—

- (a) the company issues a receipt printed by the PostLink system to the member of the public who pays the application money, at the time when the application money is paid; and
- (b) the company, as a term of its agreement with ANZ Investment Services (New Zealand) Limited (**ANZIS**), is liable to pay ANZIS an amount equal to all application money paid to an exempted person or to the company for all bonus bonds acquired by a member of the public (whether the bonus bonds are sold by the company directly or through its franchisees); and
- (c) the exempted person provides to each member of the public who acquires bonus bonds, before receiving application money for the acquisition, the disclosures that the company would have to make under Part 4 of the Act if the company received the application money direct from the member of the public.

Dated at Wellington this 27th day of July 2009.

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

[Seal]

J Diplock,  
Chairperson.

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### Statement of reasons

This notice comes into force on the day after the date of its notification in the *Gazette* and expires on the day after the date on which Part 4 of the Securities Markets Act 1988 is repealed (which is due to occur by Order in Council to be made under the Financial Advisers Act 2008 when that Act replaces Part 4).

This notice exempts franchisees of New Zealand Post Limited (**NZ Post**), and employees of NZ Post and its franchisees, subject to conditions, from certain investment broker disclosure requirements of the Securities Markets Act 1988 in respect of payment for units in The Bonus Bonds Trust (**bonus bonds**). The provisions from which exemptions are given are as follows:

- section 41H (which is the requirement that an investment broker must disclose criminal convictions and other matters):
- section 41J(2)(c) (which is the requirement that the disclosure statement must state the name, address, and business telephone number of the investment broker concerned). This exemption applies to franchisees of NZ Post:
- section 41J(2)(d) (which is the requirement that the disclosure statement must state the name of an investment broker who is an employee of an investment broker).

The exemptions are subject to various conditions, for example, conditions that are designed to ensure that—

- NZ Post is liable for bonus bond application money paid to franchisees and employees; and
- there is disclosure about the matters that would have to be disclosed if the application money had been paid directly to NZ Post, for example, about the money-handling procedures and criminal convictions of NZ Post. These requirements are additional to the requirements of the Securities Markets Act 1988

to disclose information about the money-handling procedures of the franchisee, from which there is no exemption.

The Securities Commission considers that it is appropriate to grant the exemptions because—

- broker information relevant to prospective investors deciding whether or not to purchase bonus bonds at PostShops would be information about NZ Post's money-handling procedures (which are the same for NZ Post employees, NZ Post franchisees, and employees of NZ Post franchisees) and about the principal officers of NZ Post; and
- the conditions of the exemptions ensure that prospective investors intending to purchase bonus bonds at PostShops are provided with a broker disclosure statement that includes the required disclosures in respect of the money-handling procedures for both the broker and NZ Post (which are essentially the same) and in respect of the criminal convictions of NZ Post and its principal officers (including directors); and
- the conditions of the exemptions require NZ Post to be liable for all application money paid for bonus bonds sold directly or indirectly through its franchisees. The provision of additional disclosure that includes personal information about employees of NZ Post and employees of franchisees is therefore unnecessary.

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Issued under the authority of the Acts and Regulations Publication Act 1989.  
Date of notification in *Gazette*: 30 July 2009.

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## Notes

### 1 *General*

This is a reprint of the Securities Markets Act (New Zealand Post Limited Bonus Bonds) Exemption Notice 2009. The reprint incorporates all the amendments to the notice as at 2 July 2011, 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 Markets Act (New Zealand Post Limited Bonus Bonds) Exemption  
Notice 2009 (SR 2009/204): clause 3

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