

House of Representatives
Supplementary Order Paper

Tuesday, 21 July 2009

**Securities Disclosure and Financial Advisers
Amendment Bill**

Proposed amendments

Hon Simon Power, in Committee, to move the following amendments:

Clause 7

To insert the following subclause after *subclause (2)* (after line 11 on page 5):

- (2A) Section 5(2CB)(a) is amended by inserting “in New Zealand” after “the only persons”.

Clause 7(3)

New section 5(2CBA)(a): to insert after “the only persons” (line 16 on page 5) “in New Zealand”.

Clause 12

New section 44A(1)(a): to insert after “to the issuer” (line 15 on page 8) “or the scheme”.

New section 44A(1)(b): to insert after “to the issuer” (lines 19 and 20 on page 8) “or the scheme”.

New section 44AB(2)(b)(iii): to insert after “to the issuer” (line 5 on page 10) “or the scheme”.

New clauses 17AA and 17AAB

To insert the following clauses after *clause 17* (after line 6 on page 17):

17AA Investigation by Commission

Section 97(2) is amended by inserting “it” after “investigate a complaint if”.

17AAB Content of disciplinary committee's notice of complaint

Section 100 is amended by omitting "Commission's" and substituting "disciplinary committee's".

Explanatory note

This Supplementary Order Paper makes a number of minor amendments to the Securities Disclosure and Financial Advisers Amendment Bill.

The effect of the first amendment is to insert a new amending subclause in the Bill in order to align section 5(2CB)(a) of the Securities Act 1978 with *new section 5(2CBA)* of the same Act by clarifying that offers of securities that are made to eligible persons can also be made to persons outside New Zealand at the same time (*see* section 7 of the Securities Act 1978).

The effect of the second amendment is that *new section 5(2CBA)* will permit offers of securities that are made to eligible persons and persons who fall within 1 or more of the categories set out in subparagraphs (i) to (iii) of section 3(2)(a) of the Securities Act 1978 to be made also to persons outside New Zealand at the same time (*see* section 7 of that Act).

Each of the next 3 amendments to the Securities Act 1978 is a minor clarification in relation to delayed allotment orders in recognition of the fact that, depending on the nature of the securities concerned, information may be adverse to a scheme rather than to an issuer.

The effect of the final amendment is to insert 2 new amending clauses in the Bill in order to correct 2 typographical errors in the Financial Advisers Act 2008.
