

**Reprint  
as at 1 April 2011**



**Securities Act (Co-operative  
Companies) Exemption Notice  
2002**

(SR 2002/403)

Securities Act (Co-operative Companies) Exemption Notice 2002: revoked,  
on 1 April 2011, by clause 11 of the Securities Act (Co-operative Companies)  
Exemption Notice 2011 (SR 2011/59).

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 Securities Commission.**

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## Notice

### 1 Title

This notice is the Securities Act (Co-operative Companies) Exemption Notice 2002.

### 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 close of 30 November 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

**co-operative company** means a co-operative company registered under Part 2 or Part 3 of the Co-operative Companies Act 1996

**Regulations** means the Securities Regulations 1983

**transacting shareholder** has the same meaning as in section 4 of the Co-operative Companies Act 1996; and, for the avoidance of doubt, includes a supplying shareholder within the meaning of Part 3 of that Act.

- (2) Any term or expression that is defined in the Act or the Regulations and used, but not defined, in this notice has the meaning given to it by the Act or the Regulations.

### 5 Exemptions

- (1) A co-operative company and every person acting on its behalf are exempted from—

- (a) section 37A(1)(a) of the Act in respect of equity securities; and
  - (b) section 37A(1)(c) of the Act in respect of equity securities and debt securities; and
  - (c) *[Revoked]*
  - (d) section 54 of the Act in respect of equity securities and debt securities; and
  - (e) clauses 4 to 9, 11 to 20, 22 to 38, and 40 to 42 of Schedule 1 of the Regulations in respect of equity securities; and
  - (f) clauses 5 to 11, 15 to 32, and 34 to 36 of Schedule 2 of the Regulations in respect of debt securities.
- (2) However,—
- (a) the exemption from clause 40 of Schedule 1 of the Regulations does not apply to a first offer to the public of a class of equity securities of the co-operative company; and
  - (b) the exemption from clause 34 of Schedule 2 of the Regulations does not apply to a first offer to the public of a class of debt securities of the co-operative company.

Clause 5(1)(c): revoked, 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).

## **6 Condition that securities allotted only to transacting shareholders**

The exemptions in clause 5 are subject to the condition that the securities are allotted only to persons who are, or after allotment will be, transacting shareholders of the co-operative company.

## **7 Conditions about investment statement**

- (1) The exemption in clause 5(1)(a) is subject to the further conditions that—
- (a) an investment statement is sent to every person who requests it within 5 working days of receipt of the request by the co-operative company; and

- (b) an investment statement is sent to every person who applies to become a transacting shareholder (or, in the case of a co-operative company registered under Part 3 of the Co-operative Companies Act 1996, applies to supply dairy produce to the co-operative company) within 5 working days of receipt of the application; and
  - (c) the investment statement is available on a website operated by the co-operative company (if any); and
  - (d) the investment statement contains a reasonably prominent statement that every applicant for securities who did not receive an investment statement before applying for the securities may, within 10 working days of the date on which the investment statement is sent to the applicant, withdraw their application by written notice to the co-operative company.
- (2) However, the conditions in subclause (1) do not apply to the issue of shares having a nominal value if the shares are, in accordance with the constitution of the co-operative company, issued to a transacting shareholder who already holds shares in the company having a nominal value.

### **8 Condition that directors' statement must be attached to investment statement**

- (1) The exemptions in clause 5(1)(b), (e), and (f) are subject to the further condition that every copy of the investment statement that is sent or made available more than 9 months after the date of the most recent statement of financial position of the co-operative company registered under the Financial Reporting Act 1993 has attached to it (or contained in it) a statement—
- (a) that is dated 9 months after the date of that statement of financial position; and
  - (b) that is signed by each of the directors of the co-operative company (or his or her agent who has been authorised in writing).
- (2) The statement must contain the following matters:
- (a) particulars of any material matters relating to the offer of securities other than—

- (i) matters set out elsewhere in the investment statement, registered prospectus, or most recent financial statements; and
  - (ii) contracts entered into in the ordinary course of business; and
- (b) a statement as to whether, after due inquiry by them in relation to the period between the date of the most recent statement of financial position and the date of the directors' statement referred to in this clause, there have, in their opinion, arisen any circumstances that materially adversely affect—
- (i) the trading or profitability of the co-operative company or the group; or
  - (ii) the value of the assets of the co-operative company or group; or
  - (iii) the ability of the co-operative company or group to pay its liabilities due within the next 12 months.

## **9 Condition about financial statements**

The exemption in clause 5(1)(b) is subject to the further condition that a copy of the most recent audited financial statements or group financial statements of the co-operative company, being financial statements that comply with the Financial Reporting Act 1993, is attached to, or contained in, every copy of the registered prospectus sent to a person under section 54B of the Act.

Clause 9: 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).

## **10 Condition about statement of shareholding in lieu of certificate evidencing securities**

- (1) The exemption in clause 5(1)(d) is subject to the further condition that the co-operative company sends to each transacting shareholder annually, and at any time on request, a written statement that sets out—
- (a) the class or classes of securities held by that shareholder; and

- (b) the number of securities in each class held by that shareholder.
- (2) However, this condition does not require a co-operative company to send an annual statement to a transacting shareholder if the total number of securities in each class held by the shareholder has not changed since the most recent of the following dates:
- (a) the date on which this notice comes into force;
  - (b) the date on which a written statement was sent to the shareholder under this clause;
  - (c) the date on which a certificate was sent to the shareholder under section 54 of the Act.

Dated at Wellington this 11th day of December 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*: 12 December 2002.

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## **Notes**

### **1 *General***

This is a reprint of the Securities Act (Co-operative Companies) Exemption Notice 2002. The reprint incorporates all the amendments to the notice as at 1 April 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 Act (Co-operative Companies) Exemption Notice 2011 (SR 2011/59): clause 11

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

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