

**Reprint  
as at 1 October 2014**



**Futures Contracts (Commonwealth  
Securities Limited) Exemption  
Notice 2009**

(SR 2009/259)

Futures Contracts (Commonwealth Securities Limited) Exemption Notice  
2009: expired, on 1 October 2014, by clause 3.

Pursuant to section 48(1)(d) of 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 Futures Contracts (Commonwealth Securities Limited) Exemption Notice 2009.

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**Note**

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this official reprint.

Note 4 at the end of this reprint provides a list of the amendments incorporated.

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

## 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 September 2014.

## 4 Interpretation

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

**Act** means the Securities Markets Act 1988

**AFS licence** means Commonwealth Securities Limited's Australian financial services licence granted under the Corporations Act

**Corporations Act** means the Corporations Act 2001 of the Commonwealth of Australia

**specified futures contract** means a futures contract that is a contract made on or effected through a market operated by ASX Limited, a company incorporated in Australia.

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

## 5 Exemption

Commonwealth Securities Limited is exempt from compliance with the Futures Industry (Client Funds) Regulations 1990 in respect of its dealings in specified futures contracts.

## 6 Conditions of exemption

The exemption in clause 5 is subject to the conditions that—

(a) Commonwealth Securities Limited complies with the conditions set out in clause 3(2) of the Authorised Futures Dealers (Commonwealth Securities Limited) Notice 2009; and

(b) Commonwealth Securities Limited holds client funds in a segregated client funds account in accordance with the provisions of the AFS licence, the Corporations Act, and any regulations made under the Corporations Act

- in relation to the protection of client money and client property; and
- (c) Commonwealth Securities Limited provides a copy of any auditor's report that shows non-compliance with any of the following to the Securities Commission as soon as is reasonably practicable after receiving that report:
- (i) the AFS licence;
  - (ii) the Corporations Act;
  - (iii) regulations made under the Corporations Act.

Dated at Wellington this 8th day of September 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**

Under this notice, which comes into force on the day after its notification in the *Gazette* and expires on 30 September 2014, Commonwealth Securities Limited is exempted from the Futures Industry (Client Funds) Regulations 1990 in respect of its dealings in futures contracts made on or effected through a market operated by the Australian Securities Exchange.

The Securities Commission considers it is appropriate to grant this exemption because—

- Commonwealth Securities Limited currently carries on business in Australia, and is subject to regulation by the Australian Securities and Investments Commission, the Australian Securities Exchange, and the Sydney Futures Exchange. The exemption will allow Commonwealth Securities Limited to carry on its business with New Zealand clients under the same rules as apply in respect of its Australian clients; and
- the requirements of Australian law in respect of client money and client property are broadly equivalent to those under the Futures Industry (Client Funds) Regulations 1990, and provide adequate protection for New Zealand clients' assets; and
- by requiring Commonwealth Securities Limited to hold client money in a segregated client funds account in accordance with the provisions of Australian law in relation to the protection of client money and client property, the conditions of the exemption provide adequate alternative safeguards for preserving client money and client property.

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Issued under the authority of the Legislation Act 2012.  
Date of notification in *Gazette*: 10 September 2009.

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## **Reprints notes**

### **1     *General***

This is a reprint of the Futures Contracts (Commonwealth Securities Limited) Exemption Notice 2009 that incorporates all the amendments to that notice as at the date of the last amendment to it.

### **2     *Legal status***

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, has the status of an official version under section 17 of that Act. A printed version of the reprint produced directly from this official electronic version also has official status.

### **3     *Editorial and format changes***

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

### **4     *Amendments incorporated in this reprint***

Futures Contracts (Commonwealth Securities Limited) Exemption Notice 2009 (SR 2009/259): clause 3

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