

**Reprint  
as at 29 March 2013**



**Financial Reporting Act (Overseas  
Issuers) Exemption Amendment  
Notice (No 2) 2010**

(SR 2010/248)

Financial Reporting Act (Overseas Issuers) Exemption Amendment Notice  
(No 2) 2010: revoked, on 29 March 2013, pursuant to clause 8 of the Financial  
Reporting Act (Overseas Issuers) Exemption Notice 2013 (SR 2013/62).

Pursuant to section 35A of the Financial Reporting Act 1993, 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 Financial Reporting Act (Overseas Issuers) Exemption Amendment Notice (No 2) 2010.

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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.**

**2 Commencement**

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

**3 Principal notice amended**

This notice amends the Financial Reporting Act (Overseas Issuers) Exemption Notice 2009.

**4 Schedule 1 amended**

Schedule 1 is amended by adding the following item:

Germany	The German Commercial Code (Handelsgesetzbuch) and the German Securities Trading Act (Wertpapierhandelsgesetz)	Generally accepted accounting principles in Germany or international accounting standards (within the meaning of Regulation (EC) No 1606/2002)	Section 37v of the Securities Trading Act (Wertpapierhandelsgesetz)
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Dated at Wellington this 17th day of August 2010.

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

[Seal]

David Mayhew,  
Member.

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### **Statement of reasons**

This notice, which comes into force on the day after the date of its notification in the *Gazette*, amends the Financial Reporting Act (Overseas Issuers) Exemption Notice 2009 (the **principal notice**), by adding Germany to the list of specified jurisdictions.

The Securities Commission (the **Commission**) considers it appropriate to grant the exemptions because—

- German issuers are subject to the same considerations and issues facing the Netherlands, United States of America, and United Kingdom issuers (who are already included in the principal notice):
- the effect of the exemptions is to allow issuers incorporated in Germany that offer securities under certain exemption notices under the Securities Act 1978 (the **1978 Act**) to provide financial statements that they are required to prepare under the financial reporting requirements of Germany. The principal differences in financial statements provided by issuers relying on the exemptions are that—
  - the directors of a German issuer will prepare and register consolidated financial statements only; and
  - financial statements will comply with the requirements set out in German legislation and will comply with generally accepted accounting practice in Germany rather than generally accepted accounting practice in New Zealand; and
  - financial statements will be audited in accordance with the requirements set out in German legislation and the auditor's report will provide the information required by German legislation instead of the Financial Reporting Act 1993:
- the Commission has had regard to the financial reporting and auditing requirements that must be complied with by German issuers and considers that the financial reporting obligations under the laws of Germany would provide New Zealand securities holders with adequate financial information about companies in which they invest and that Germany has adequate regulatory and enforcement mechanisms in this regard. The exemptions are limited to issuers that must comply with the

financial and audit requirements set out in the German Commercial Code (Handelsgesetzbuch) and the German Securities Trading Act (Wertpapierhandelsgesetz):

- German issuers are required under the laws of Germany to publish audited financial statements prepared in accordance with international financial reporting standards that have been endorsed by the European Union (**EU IFRS**). The Commission is satisfied that the consolidated financial statements prepared under EU IFRS provide sufficient information to avoid any detriment to subscribers who invest in these issuers.
- there will be no significant detriment to subscribers because the exemptions apply only to subscribers for offers of securities made in reliance on certain exemption notices under the 1978 Act. Those notices allow overseas issuers to provide offer documents that comply with overseas requirements (including in relation to financial statements). Therefore the financial disclosure provided under the exemptions is consistent with the initial offer documents provided to the subscribers:
- there will be no detriment to subscribers as a result of this amendment, because the notice being amended (the Financial Reporting Act (Overseas Issuers) Exemption Notice 2009) includes a condition that the specified financial statements are accompanied by a report by an approved auditor who is qualified under the law of the jurisdiction in which the exempt issuer is incorporated. The Commission has had regard to the audit requirements of Germany:
- the exemptions address the particular difficulties experienced by German issuers that issue securities in New Zealand. The exemptions are not broader than what is reasonably necessary to address these difficulties and still require that group financial statements be filed in New Zealand.

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## **Notes**

### **1 *General***

This is a reprint of the Financial Reporting Act (Overseas Issuers) Exemption Amendment Notice (No 2) 2010. The reprint incorporates all the amendments to the notice as at 29 March 2013, 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)*

Financial Reporting Act (Overseas Issuers) Exemption Notice 2013 (SR 2013/62): clause 8

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