

**Reprint  
as at 1 December 2015**



**Securities Act (Form and Content of Investment  
Statement for Equity Securities Offers) Exemption Notice  
2014**

(LI 2014/296)

Securities Act (Form and Content of Investment Statement for Equity Securities Offers) Exemption  
Notice 2014: revoked, on 1 December 2015, by clause 3.

Pursuant to section 70B of the Securities Act 1978, the Financial Markets Authority, being satisfied of the matters set out in section 70B(2) of that Act, gives the following notice.

**Contents**

	Page
1 Title	1
2 Commencement	2
3 Revocation	2
4 Interpretation	2
5 Exemptions from regulations 19(1) and 21(1) of Regulations in respect of form and content requirements of investment statement	2
6 Conditions of exemptions in clause 5	3

**Notice**

**1 Title**

This notice is the Securities Act (Form and Content of Investment Statement for Equity Securities Offers) Exemption Notice 2014.

---

**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 Revocation

This notice is revoked on the close of 30 November 2015.

## 4 Interpretation

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

**Act** means the Securities Act 1978

**investment statement** means the investment statement relating to the offer

**listing application** means an application to enter into a listing agreement with NZX for listing the specified securities on the NZX Main Board

**NZX** means NZX Limited

**NZX issuer** means an issuer that has made a listing application

**NZX Main Board** means the securities market operated by NZX under that name

**offer** means an initial offer to the public that comprises either or both of the following:

(a) an offer by an NZX issuer of specified securities:

(b) an offer by an offeror of previously allotted specified securities

**offeror** means a holder, or a person who has agreed to become a holder, of previously allotted specified securities that are to be included in an offer

**prospectus** means the registered prospectus relating to the offer

**Regulations** means the Securities Regulations 2009

**specified securities** means equity securities in an NZX issuer in respect of which a listing application has been made.

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

## 5 Exemptions from regulations 19(1) and 21(1) of Regulations in respect of form and content requirements of investment statement

(1) Every NZX issuer, every offeror, and every person acting on behalf of either or both of them are, in respect of an offer of specified securities, exempted from regulation 19(1) of the Regulations to the extent that it requires the investment statement to contain the information, statements, or other matters specified in the following clauses of Schedule 13 of the Regulations:

(a) clause 1(1), to the extent that that subclause requires the investment statement to include—

- (i) the heading “**Choosing an investment**”:
  - (ii) the words “When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages noted below.”:
  - (iii) the index of questions in italics (including page references):
  - (iv) the words “In addition to the information in this document, important information can be found in the current registered prospectus for the investment. You are entitled to a copy of that prospectus on request.”:
- (b) clauses 3(7), 7, 8, 14, 18(1)(c), 19, and 20:
  - (c) clause 15(1), to the extent that that subclause requires the investment statement to include a statement as to whether, in the NZX issuer’s opinion, there is an established market for the sale of the specified securities:
  - (d) clauses 16 and 17.
- (2) Every NZX issuer, every offeror, and every person acting on behalf of either or both of them are, in respect of an offer of specified securities, exempted from regulation 21(1) of the Regulations.

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

- (1) The exemption in clause 5(1)(a) is subject to the condition that the investment statement contains a prominent table of contents before the first substantive section of the investment statement.
- (2) The exemptions in clause 5(1)(d) are subject to the condition that the investment statement contains—
  - (a) a description of how inquiries about the specified securities can be made; and
  - (b) the contact details for making those inquiries (which must include an address and a business telephone number and may include a toll-free telephone number if such a number is available).
- (3) The exemptions in clause 5 are subject to the further conditions that,—
  - (a) at the time of the offer of the specified securities, the NZX issuer has complied with all the requirements in respect of the listing application with which it is required to comply at that time; and
  - (b) the investment statement is a document that is separate from the prospectus; and
  - (c) the directors of the NZX issuer have, before the date of the investment statement, resolved that, in their opinion, after due enquiry by them, the investment statement is worded and presented in a clear, concise, and effective manner; and

- (d) the investment statement includes, in place of the words referred to in clause 5(1)(a)(iv), a statement to the following effect:
- “This document is an investment statement. The purpose of an investment statement is to—
- provide certain key information that is likely to assist a prudent but non-expert person to decide whether or not to subscribe for securities; and; and
  - bring to the attention of such a person the fact that other important information about the securities is available to that person in other documents.; and
- For more information to assist you in deciding whether or not to purchase the shares offered to you, you are recommended to read the prospectus that has been prepared in respect of this offer.”; and
- (e) the investment statement includes a description, before the first substantive section of the investment statement, of how a copy of the prospectus, which includes or refers to the most recent financial statements of, or relating to, the NZX issuer, can be obtained, free of charge; and
- (f) every Internet site maintained by or on behalf of the NZX issuer that contains information about the offer includes on its homepage, in a prominent place, a hyperlink to the prospectus; and
- (g) the information, statements, and other matters specified in each of clauses 5, 9, and 11 of Schedule 13 of the Regulations under an italicised question are set out in the investment statement under that question; and
- (h) the investment statement includes a brief description of the process and timing of the listing of the specified securities.
- (4) The condition in subclause (3)(f) ceases to apply on the allotment of the specified securities under the offer.
- (5) Nothing in subclauses (1) to (3) (apart from subclause (3)(c)) limits the information, statements, or matters that may be contained in an investment statement.

Dated at Wellington this 29th day of August 2014.

Liam Mason,  
General Counsel.

## Statement of reasons

This notice comes into force on the day after the date of its notification in the *Gazette*. The notice is revoked on the close of 30 November 2015.

The notice exempts, subject to conditions, any issuer that has applied to enter into a listing agreement with NZX Limited (**NZX**) for listing on the NZX Main Board (an **NZX issuer**), and the holder of previously allotted specified securities in the NZX issuer (an **offeror**), from certain requirements of the Securities Regulations 2009 (the **Regulations**) in respect of equity securities in the NZX issuer. The notice exempts an NZX issuer and any offeror from certain specific form and content requirements of the Regulations in relation to the investment statement. As a result of the exemptions, an investment statement will not be required to contain information about various matters referred to in Schedule 13 of the Regulations, including—

- the types of charges that are or may be payable to the issuer or a promoter or an associated person of the issuer or promoter (clause 7):
- the amount of those charges (clause 8):
- a description of any right of the issuer, a subscriber, or any other person to terminate, cancel, surrender, or otherwise make or obtain payment of the returns from the securities (clause 14):
- information about inquiries and complaints (clauses 16 and 17):
- a statement relating to the availability of the prospectus and financial statements at the Companies Office (clause 18(1)(c)):
- statements about annual information and information that is available on request (clauses 19 and 20).

The Financial Markets Authority, after satisfying itself as to the matters set out in section 70B(2) of the Act, considers it appropriate to grant the exemptions because—

- the purpose of an investment statement is to provide prescribed key information that is likely to assist a prudent but non-expert person to decide whether or not to subscribe for the securities, and to bring to the attention of such a person the fact that other important information about the securities is available to them in other documents:
- the Regulations contemplate that certain matters may not be applicable to a particular offer of securities and therefore the investment statement is not required to refer to such matters. However, for an initial offer of equity securities to the public, there are a number of prescribed matters that, while applicable, will not provide useful or relevant information to investors in order for them to make an informed investment decision:
- the Regulations also contemplate a prescribed form for the information that is not necessarily the form most likely to assist a prudent but non-expert person to decide whether or not to subscribe for an initial offer of equity securities to the public:

**Securities Act (Form and Content of Investment  
Statement for Equity Securities Offers) Exemption  
Notice 2014**

Statement of reasons

Reprinted as at  
1 December 2015

- 
- by requiring the inclusion of matters that will not be useful in the context of an initial offer of equity securities to the public, or by requiring a form that is not the most appropriate form, the relevant information in the investment statement may become less clear and the investment statement will be less effective in achieving its purpose:
  - the exemptions will enable issuers to prepare a separate investment statement that provides investors with clearer and more effective information in an appropriate form for the initial offer of equity securities to the public:
  - in these circumstances, the Financial Markets Authority considers that the exemptions will not cause significant detriment to investors because it considers that all material information relevant to the decision of a prudent but non-expert person in the context of the offer is required to be included and the exemptions will allow the investor to be provided with a clearer and more effective investment statement:
  - the Financial Markets Authority considers that the exemptions are not broader than is reasonably necessary to address the matters that gave rise to the exemptions because they only exempt the issuers from providing information that is not useful or relevant to investors in order for them to make an informed investment decision and further exempt issuers from using a prescribed form that is not necessarily the form most likely to assist investors.

Issued under the authority of the Legislation Act 2012.  
Date of notification in *Gazette*: 4 September 2014.

## Reprints notes

### **1**    *General*

This is a reprint of the Securities Act (Form and Content of Investment Statement for Equity Securities Offers) Exemption Notice 2014 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*

Securities Act (Form and Content of Investment Statement for Equity Securities Offers) Exemption Notice 2014 (LI 2014/296): clause 3