Reprint
as at 1 April 2011

Securities Act (Financial Institutions) Exemption Notice 2007

(SR 2007/113)

Securities Act (Financial Institutions) Exemption Notice 2007: revoked, on 1 April 2011, by clause 12 of the Securities Act (Financial Institutions) Exemption Notice 2011 (SR 2011/62).

Pursuant to the Securities Act 1978, the Securities Commission gives the following notice (to which is appended a statement of reasons of the Securities Commission).

Contents

		Page
1	Title	2
2	Commencement	2
3	Expiry	2
4	Interpretation	2
	Part 1	
	Exemptions for financial institutions whose non-guaranteeing subsidiaries are not significant	
5	Application of this Part	5
6	Exemption from section 37A(1)(c) of Act	6

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.

The Securities Act (Financial Institutions) Exemption Notice 2007 is administered by the Securities Commission.

7 Exemption from section 37A(1A)(d) of Act 7
8 Exemption from clause 7 of Schedule 2 of Regulations 7
9 Exemptions from various clauses of Schedule 2 of Regulations 8

Part 2
Exemptions for all financial institutions

10 Exemption from section 37A(1)(c) of Act 8
11 Exemption from section 37A(1A)(d) of Act 9
12 Investment in non-guaranteeing subsidiaries 10
13 Exemption from clause 7(6) of Schedule 2 of Regulations 10
14 Exemptions from various clauses of Schedule 2 of Regulations 10

Schedule 11
Conditions of exemptions from clauses of Schedule 2 of Regulations

---

Notice

1 Title

This notice is the Securities Act (Financial Institutions) Exemption Notice 2007.

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 April 2012.

4 Interpretation

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

accounting period has the same meaning as in section 2(1) of the Financial Reporting Act 1993

Act means the Securities Act 1978

balance date has the same meaning as in section 7(1) of the Financial Reporting Act 1993

equity instrument means a contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities

financial asset means—

(a) cash; or

(b) an equity instrument of another entity; or

(c) a contractual right—

(i) to receive cash or another financial asset from another entity; or

(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or

(d) a contract that will or may be settled in the entity's own equity instruments and is—

(i) a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or

(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments (which, for this purpose, do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments)

financial institution—

(a) means an entity whose principal activity is to obtain funds with the objective of lending or investing in financial assets other than equity instruments; but

(b) does not include—

(i) entities that are wholly funded and controlled by a related party or parties and that do not engage in activities that give rise to material unrecognised financial liabilities with counter-parties that are not related parties; and

(ii) general insurance companies, life insurance companies, and superannuation schemes

financial institution group, in relation to an offer of debt securities by a financial institution, means—

(a) the financial institution; and

(b) all former subsidiaries of the financial institution, in respect of the periods during which they were those subsidiaries; and

(c) all present subsidiaries of the financial institution, in respect of the periods since they became those subsidiaries

financial liability means any liability that is—

(a) a contractual obligation to—

(i) deliver cash or another financial asset to another entity; or

(ii) exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or

(b) a contract that will or may be settled in the entity's own equity instruments and is—

(i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or

(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own instruments (which, for this purpose, do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments)

financial statements has the same meaning as in section 8 of the Financial Reporting Act 1993

generally accepted accounting practice has the same meaning as in section 3 of the Financial Reporting Act 1993

group means—

(a) a financial institution; and

(b) all guaranteeing subsidiaries, in respect of the period since they became those subsidiaries

guaranteeing subsidiary, in relation to an offer of debt securities by a financial institution, means a subsidiary of the financial institution that—

(a) is unconditionally liable (whether or not jointly or severally with the financial institution or other person) to repay the securities; or

(b) is liable to repay the securities subject only to the condition that the financial institution or any other person has failed to do so

non-guaranteeing subsidiary means, in relation to an offer of debt securities by a financial institution,—

(a) a subsidiary of a financial institution that is not a guaranteeing subsidiary, in respect of the periods since it became that subsidiary; and

(b) a former subsidiary of a financial institution that was not a guaranteeing subsidiary, in respect of the periods during which it was that subsidiary

NZ IFRS 7 means the financial reporting standard known as the New Zealand Equivalent to International Financial Reporting Standard 7 (Financial Instruments: Disclosures) that has been approved under the Financial Reporting Act 1993

Regulations means the Securities Regulations 1983.

(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.

Part 1
Exemptions for financial institutions whose non-guaranteeing subsidiaries are not significant

5 Application of this Part

(1) This Part applies to a financial institution if—

(a) the financial institution has non-guaranteeing subsidiaries; and

(b) the aggregate profit or loss after taxation of the non-guaranteeing subsidiaries for the most recently completed accounting period (as incorporated in the consolidated financial statements of the financial institution group), and since, does not exceed 5% of the consolidated profit or loss after taxation, before the deduction of all minority interests, of the financial institution group; and

(c) the aggregate carrying value of the assets of the non-guaranteeing subsidiaries on the last day of the most

recently completed accounting period (as incorporated in the consolidated financial statements of the financial institution group), and since, does not exceed 5% of the consolidated amount of the assets of the financial institution group; and

(d) the aggregate amount of investment by members of the financial institution group in the non-guaranteeing subsidiaries on the last day of the most recently completed accounting period, and since, does not exceed 5% of the consolidated equity of the financial institution group.

(2) In subclause (1)(d), the **amount of investment** includes the carrying value of equity held in the non-guaranteeing subsidiaries and the amount of all loans and advances made to the non-guaranteeing subsidiaries.

6 Exemption from section 37A(1)(c) of Act

(1) Every financial institution to which this Part applies and every person acting on its behalf are exempted from section 37A(1)(c) of the Act in respect of debt securities of that financial institution.

(2) The exemption is subject to the condition that no allotment of a debt security offered to the public by the financial institution is made if the date of allotment would be more than,—

(a) in the case of a registered prospectus relating to the security that contains or refers to financial statements or interim financial statements because of clause 9 and for which no certificate has been registered under section 37A(1A) of the Act, 9 months after the later of—

(i) the date of the statement of financial position contained or referred to in the registered prospectus; or

(ii) the last day of the interim accounting period to which the interim financial statements relate; or

(b) in the case of a registered prospectus relating to the security that contains or refers to financial statements (but not interim financial statements) because of clause 9 and for which a certificate has been registered under section 37A(1A) of the Act, 9 months after the date of that certificate; or

(c) in any other case, 6 months after the date of the registered prospectus.

7 Exemption from section 37A(1A)(d) of Act

(1) Every financial institution to which this Part applies and every person acting on its behalf are exempted from section 37A(1A)(d) of the Act in respect of debt securities of that financial institution.

(2) The exemption is subject to the conditions that—

(a) a certificate delivered to the Registrar for registration under section 37A(1A) of the Act is accompanied by financial statements of the financial institution group for the 6-month period from the date of the statement of financial position referred to in section 37A(1A)(b) of the Act; and

(b) the financial statements referred to in paragraph (a) satisfy subclause (3).

(3) The financial statements referred to in subclause (2)(a)—

(a) must comply with NZ IFRS 7 (including Appendix E of that standard); and

(b) must comply with the Financial Reporting Act 1993 as if—

(i) they were financial statements to which the Financial Reporting Act 1993 applies; and

(ii) the financial institution in a financial institution group were a reporting entity with 1 or more subsidiaries required to complete and register group financial statements under the Financial Reporting Act 1993; and

(c) need not be audited.

8 Exemption from clause 7 of Schedule 2 of Regulations

(1) Every financial institution to which this Part applies and every person acting on its behalf are exempted from clause 7 of Schedule 2 of the Regulations in respect of debt securities of that financial institution.

(2) The exemption is subject to the conditions that—

(a) the registered prospectus contains for the financial institution group the statements and amounts described by

clause 7(1) to (5) and (7) of Schedule 2 of the Regulations; and

(b) the financial statement in summary form required by subclause (2)(a) contains, for each accounting period and other period specified in clause 7(3)(a) of Schedule 2 of the Regulations,—

(i) a statement of the amount of the consolidated operating surplus or deficit of the financial institution group excluding any amounts derived by the use of the equity method of accounting; and

(ii) a statement of the amount of the consolidated equity of the financial institution group excluding any amounts derived by the use of the equity method of accounting.

9 Exemptions from various clauses of Schedule 2 of Regulations

(1) Every financial institution to which this Part applies and every person acting on its behalf are exempted from clauses 16 to 32 and clause 36(1)(e) and (f) of Schedule 2 of the Regulations in respect of debt securities of that financial institution.

(2) The exemptions are subject to the conditions in Part 1 of the Schedule of this notice.

Part 2
Exemptions for all financial institutions

10 Exemption from section 37A(1)(c) of Act

(1) Every financial institution and every person acting on its behalf are exempted from section 37A(1)(c) of the Act in respect of debt securities of that financial institution.

(2) The exemption is subject to the condition that no allotment of a debt security offered to the public by the financial institution is made if the date of allotment would be more than,—

(a) in the case of a registered prospectus relating to the security that contains financial statements or interim financial statements because of clause 14 and for which no certificate has been registered under section 37A(1A) of the Act, 9 months after the later of—

(i) the date of the statement of financial position contained or referred to in the registered prospectus; or

(ii) the last day of the interim accounting period to which the interim financial statements relate; or

(b) in the case of a registered prospectus relating to the security that contains financial statements (but not interim financial statements) because of clause 14 and for which a certificate has been registered under section 37A(1A) of the Act, 9 months after the date of that certificate; or

(c) in any other case, 6 months after the date of the registered prospectus.

11 Exemption from section 37A(1A)(d) of Act

(1) Every financial institution and every person acting on its behalf are exempted from section 37A(1A)(d) of the Act in respect of debt securities of that financial institution.

(2) The exemption is subject to the conditions that—

(a) a certificate delivered to the Registrar for registration under section 37A(1A) of the Act is accompanied by financial statements of the group for the 6-month period from the date of the statement of financial position referred to in section 37A(1A)(b) of the Act; and

(b) the financial statements referred to in paragraph (a) satisfy subclause (3).

(3) The financial statements referred to in subclause (2)(a)—

(a) must comply with NZ IFRS 7 (including Appendix E of that standard); and

(b) must comply with the Financial Reporting Act 1993 as if they were financial statements to which the Financial Reporting Act 1993 applies; and

(c) if the financial institution has both guaranteeing and non-guaranteeing subsidiaries, must comply with the Financial Reporting Act 1993, except for the matter addressed in clause 12, as if—

(i) they were financial statements to which the Financial Reporting Act 1993 applies; and

(ii) the financial institution were a reporting entity required to complete and register financial

statements for the group under the Financial Reporting Act 1993; and

(d) need not be audited.

12 Investment in non-guaranteeing subsidiaries

The financial statements referred to in the circumstances described in clause 11(3)(c) must include the group's investment in non-guaranteeing subsidiaries at a carrying value determined in accordance with the group's accounting policy for the valuation of investments outside the group.

13 Exemption from clause 7(6) of Schedule 2 of Regulations

(1) Every financial institution and every person acting on its behalf are exempted from clause 7(6) of Schedule 2 of the Regulations in respect of debt securities of that financial institution.

(2) The exemption is subject to the condition that a financial statement in summary form required by clause 7 of Schedule 2 of the Regulations contains, for each accounting period and other period specified in clause 7(3)(a) of Schedule 2 of the Regulations, additionally,—

(a) a statement of the amount of the consolidated operating surplus or deficit of the group excluding any amounts derived by the use of the equity method of accounting; and

(b) a statement of the amount of the consolidated equity of the group excluding any amounts derived by the use of the equity method of accounting.

14 Exemptions from various clauses of Schedule 2 of Regulations

(1) Every financial institution and every person acting on its behalf are exempted from clauses 16 to 32 and clause 36(1)(f) of Schedule 2 of the Regulations in respect of debt securities of that financial institution.

(2) The exemptions are subject to the conditions in Part 2 of the Schedule of this notice.

Schedule

cls 9(2), 14(2)

Conditions of exemptions from clauses of Schedule 2 of Regulations

Part 1

1 Application

The exemptions in clause 9 of this notice are subject to the conditions in this Part.

2 Financial information with prospectus

(1) The registered prospectus contains, or is accompanied by and refers to, audited consolidated financial statements of the financial institution group for the most recently completed accounting period or, if there is no such accounting period, as at a stated date that is not more than 4 months before the specified date.

(2) The financial statements required by subclause (1) comply with the Financial Reporting Act 1993 and are statements that—

(a) are registered under the Financial Reporting Act 1993; or

(b) if they are not registered under the Financial Reporting Act 1993, contain the material that they would contain if they were registered.

(3) If the directors of the financial institution consider it necessary or desirable in light of clause 6 of this notice, the registered prospectus contains, or is accompanied by and refers to, additional consolidated interim financial statements of the financial institution group as at a stated date that is not more than 9 months after the date of the financial statements referred to in subclause (1).

(4) The interim financial statements referred to in subclause (3)—

(a) comply with NZ IFRS 7 (including Appendix E of that standard); and

(b) comply with the Financial Reporting Act 1993 as if—

(i) they were financial statements to which the Financial Reporting Act 1993 applies; and

Part 1—*continued*

(ii) the financial institution in the financial institution group were a reporting entity with 1 or more subsidiaries required to complete and register group financial statements under the Financial Reporting Act 1993.

3 Audit

The interim financial statements referred to in clause 2(3) and (4) of this schedule need not be audited.

4 Statements in prospectus

(1) The registered prospectus states the information specified in subclauses (2) to (4).

(2) The registered prospectus states the aggregate amount of investments by members of the financial institution group in the non-guaranteeing subsidiaries, at their carrying amount, as at the most recent balance date and, if the registered prospectus contains or refers to interim financial statements, as at the balance date to which the interim financial statements relate.

(3) The registered prospectus states the following aggregate amounts (at the carrying amounts) of the non-guaranteeing subsidiaries as at the most recent balance date and, if the prospectus contains or refers to interim financial statements, as at the balance date to which the interim statements relate:

(a) the amount of total assets (including, as separate items, claims on the group and claims on other non-guaranteeing subsidiaries):

(b) the amount of total tangible assets:

(c) the amount of total liabilities (including, as separate items, liabilities owed to the group and liabilities owed to other non-guaranteeing subsidiaries):

(d) the amount of total equity.

(4) The registered prospectus states the following amounts for the most recently completed accounting period and, if the prospectus contains or refers to interim financial statements, for the interim accounting period to which those interim financial statements relate:

Part 1—*continued*

(a) the amount of consolidated profit or loss after taxation of the financial institution group; and

(b) that part of the amount specified in paragraph (a) that is attributable to non-guaranteeing subsidiaries.

5 Equity accounting

If the financial statements or interim financial statements referred to in clause 2 of this schedule include amounts derived by using the equity method of accounting, the registered prospectus—

(a) states the operating surplus or deficit of the financial institution group excluding amounts derived by using that method for the most recently completed accounting period and, if the prospectus contains or refers to interim financial statements, for the interim accounting period to which the interim financial statements relate; and

(b) states the total equity and the aggregate amount of investments of the financial institution group excluding amounts derived by using that method as at the most recent balance date and, if the prospectus contains or refers to interim financial statements, as at the last day of the interim accounting period to which the interim financial statements relate.

6 Auditor's report

(1) The copy of a report by a qualified auditor required by clause 36 of Schedule 2 of the Regulations states whether or not, in the auditor's opinion,—

(a) proper accounting records have been kept by the financial institution group as far as appears from an examination of them; and

(b) the financial statements that are referred to in clause 8(2) of this notice and Part 1 of this schedule and that are required to be audited,—

(i) comply with the Regulations, this notice, and generally accepted accounting practice; and

Part 1—*continued*

(ii) give a true and fair view of the state of affairs of the financial institution group, as at the date of the financial statements, and of the results and cash flows of the financial institution group, for the period to which they relate, taking into account information or explanations of the kind referred to in section 14(2) of the Financial Reporting Act 1993 (if any).

(2) If, in the auditor's opinion, the financial statements referred to in subclause (1)(b) do not comply with or give a true and fair view of the matters specified in that subclause, the auditor's report specifies the respects in which they do not.

Part 2

7 Application

The exemptions in clause 14 of this notice are subject to the conditions in this Part.

8 Financial information with prospectus

(1) The registered prospectus contains, or is accompanied by and refers to, audited consolidated financial statements of the group for the most recently completed accounting period or, if there is no such accounting period, as at a stated date that is not more than 4 months before the specified date.

(2) The financial statements required by subclause (1)—

(a) comply with the Financial Reporting Act 1993 and are registered under the Financial Reporting Act 1993; or

(b) if they are not registered under the Financial Reporting Act 1993, contain the material that they would contain if they were registered; or

(c) if the financial institution has both guaranteeing and non-guaranteeing subsidiaries, comply with the Financial Reporting Act 1993, except for the matter addressed in subclause (3), as if the financial institution in the group were a reporting entity required to complete

Part 2—*continued*

and register financial statements of the group under the Financial Reporting Act 1993.

(3) The financial statements referred to in the circumstances described in subclause (2)(c) must include the carrying value of the group's investment in the non-guaranteeing subsidiaries according to the group's accounting policy for the valuation of investments outside the group.

(4) If the directors of the financial institution consider it necessary or desirable in light of clause 10 of this notice, the registered prospectus contains, or is accompanied by and refers to, additional consolidated interim financial statements of the group as at the stated date that is not more than 9 months after the date of the financial statements referred to in subclause (1).

(5) The interim financial statements referred to in subclause (4)—
- (a) comply with NZ IFRS 7 (including Appendix E of that standard); and
- (b) comply with the Financial Reporting Act 1993 as if they were financial statements to which the Financial Reporting Act 1993 applies; and
- (c) if the financial institution has both guaranteeing and non-guaranteeing subsidiaries, comply with the Financial Reporting Act 1993, except for the matter addressed in subclause (6), as if—
  - (i) they were financial statements to which the Financial Reporting Act 1993 applies; and
  - (ii) the financial institution in the group were a reporting entity required to complete and register financial statements of the group under the Financial Reporting Act 1993.

(6) The interim financial statements referred to in the circumstances described in subclause (5)(c) include the carrying value of the group's investment in the non-guaranteeing subsidiaries according to the group's accounting policy for the valuation of investments outside the group.

Part 2—*continued*

9 Audit

The interim financial statements referred to in clause 8(4) and (5) of this schedule need not be audited.

10 Equity accounting

If the financial statements or interim financial statements required by clause 8 of this schedule include amounts derived by using the equity method of accounting, the registered prospectus—

(a) states the operating surplus or deficit of the group excluding amounts derived by using that method for the most recently completed accounting period and, if the prospectus contains interim financial statements, for the interim accounting period to which the interim financial statements relate; and

(b) states the total equity and the aggregate amount of investments of the group excluding amounts derived by using that method as at the most recent balance date and, if the prospectus contains interim financial statements, as at the last day of the interim accounting period to which the interim financial statements relate.

11 Auditor's report

(1) The copy of a report by a qualified auditor required by clause 36 of Schedule 2 of the Regulations states whether or not, in the auditor's opinion, the financial statements that are referred to in clause 13(2) of this notice and Part 2 of this schedule and that are required to be audited—

(a) comply with the Regulations, this notice, and generally accepted accounting practice; and

(b) give a true and fair view of the state of affairs of the group, as at the date of the financial statements, and of the results and cash flows of the group, for the period to which they relate, taking into account information or explanations of the kind referred to in section 14(2) of the Financial Reporting Act 1993 (if any).

Part 2—*continued*

(2) If, in the auditor's opinion, the financial statements referred to in subclause (1) do not comply with or give a true and fair view of the matters specified in that subclause, the auditor's report specifies the respects in which they do not.

Dated at Wellington this 15th day of May 2007.

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

[Seal]

J Diplock,
Chairperson.

Statement of reasons

This notice, which comes into force on the day after the date of its notification in the *Gazette* and expires on 30 April 2012, is virtually identical to the Securities Act (Financial Institutions) Exemption Notice 2006, which will expire on 30 November 2008. The changes from that notice are:

- where previously compliance with Financial Reporting Standard No 33 (Disclosure of Information by Financial Institutions) (**FRS-33**) or New Zealand Equivalent to International Accounting Standard 30 (Disclosures in the Financial Statements of Banks and Similar Financial Institutions) (**NZ IAS 30**) was an ingredient in the conditions of exemption, this notice provides for compliance with New Zealand Equivalent

to International Financial Reporting Standard 7 (Financial Instruments: Disclosures) (**NZ IFRS 7**):

- the amendment of certain definitions to accommodate NZ IFRS 7 compliance:
- minor drafting revisions.

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

- the exemptions allow financial institutions to use in their prospectuses, to the greatest extent practical, financial statements and related information that comply with financial reporting standards rather than with the requirements prescribed in the Securities Regulations 1983 (the **Regulations**):
- the exemptions provide users with information about asset quality and risk management that is more comprehensive than the disclosures required by Schedule 2 of the Regulations and reduce compliance costs for financial institutions without compromising the quality of information available to prospective investors in debt securities issued by financial institutions:
- the exemptions aim to minimise possible confusion that might arise from a financial institution having financial statements prepared on different accounting bases publicly available:
- it is consistent with the Commission's policy to allow financial institutions that prepare their financial statements in accordance with NZ IFRS 7 to use those financial statements in the preparation of a registered prospectus.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 17 May 2007.

Contents

1 General
2 Status of reprints
3 How reprints are prepared
4 Changes made under section 17C of the Acts and Regulations Publication Act 1989
5 List of amendments incorporated in this reprint (most recent first)

Notes

1 General

This is a reprint of the Securities Act (Financial Institutions) Exemption Notice 2007. The reprint incorporates all the amendments to the Securities Act (Financial Institutions) Exemption Notice 2007 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 (Financial Institutions) Exemption Notice 2011 (SR 2011/62): clause 12

Wellington, New Zealand:
Published under the authority of the New Zealand Government—2011