

# INTRODUCTION COPY

*Mr Kidd*

## PETROLEUM CORPORATION OF NEW ZEALAND LIMITED (RETENTION OF NEW ZEALAND OWNERSHIP AND CONTROL)

### ANALYSIS

Title	5. Sale of Petrocorp shares to overseas persons
1. Short title and commencement	6. Limiting consents to sale
2. Interpretation	7. Transactions not consented to void
3. Crown to be bound	8. Regulations
4. Overseas Investment Commission Act 1973 not to apply	9. Act to be administered in the Reserve Bank of New Zealand

### A BILL INTITULED

**An Act to ensure that majority ownership and control of the Petrocorp group of companies remains in the hands of New Zealanders.**

5 BE IT ENACTED by the Parliament of New Zealand as follows:

**1. Short title and commencement**—(1) This Act may be cited as the Petroleum Corporation of New Zealand Limited (Retention of New Zealand Ownership and Control) Act 1988.

(2) This Act shall be deemed to have come into force on the  
10 2nd day of March 1988.

**2. Interpretation**—In this Act, unless the context otherwise requires,—

“Minister” means the Minister of Finance:

15 “Overseas person” means—an overseas person as defined in section 2 of the Overseas Investment Commission Act 1973:

“Person” includes any individual person, a corporation sole, a corporation aggregate, and any association or

2            *Petroleum Corporation of New Zealand Limited*  
(Retention of New Zealand Ownership and Control)

combination of individual persons or corporate or unincorporate bodies:

“Petrocorp” means all or any of; Petroleum Corporation of New Zealand Limited, Offshore Mining Company Limited, Petroleum Corporation of New Zealand (Exploration) Limited, Natural Gas Corporation of New Zealand Limited, Petrochemical Corporation of New Zealand Limited, and Petralgas Chemicals New Zealand Limited. 5

**3. Crown to be bound**—This Act shall bind the Crown. 10

**4. Overseas Investment Commission Act 1973 not to apply**—Nothing in the Overseas Investment Commission Act 1973 shall apply to any transactions subject to this Act.

**5. Sale of Petrocorp shares to overseas persons**—(1) No person shall sell or transfer any shares in Petrocorp to an overseas person without the prior consent of the Minister. 15

(2) Except with the prior consent of the Minister it shall not be lawful for Petrocorp:

- (a) To issue shares to an overseas person; or
- (b) To allocate any shares subscribed for by any overseas person to that overseas person. 20

(3) Any consent granted by the Minister under subsection (1) or subsection (2) of this section may be granted wholly or partly and either unconditionally or subject to such conditions as the Minister thinks fit and may at any time be revoked by the Minister; and any condition subject to which any such consent is granted may from time to time be revoked, varied, or added to by the Minister. 25

(4) Every person who applies for any consent under subsection (1) or subsection (2) of this section shall furnish such information and particulars in such form as the Minister may from time to time require. 30

**6. Limiting consents to sale**—The Minister shall not consent to any proposed sale transfer or other acquisition of Petrocorp shares to an overseas person or persons where the effect of granting the Minister’s consent would result in either: 35

- (a) More than 24.9 percent of the shares in Petrocorp being owned by overseas persons; or

(b) Overseas persons being able to exercise more than 24.9 percent of the voting power at any general meeting of Petrocorp.

**7. Transactions not consented to void**—Any contract, 5 sale, transfer, allotment of shares or other transaction whatsoever relating to shares in Petrocorp made in contravention of section 5 of this Act shall be unlawful and void.

**8. Regulations**—The Governor-General may from time to 10 time, by Order in Council, make all such regulations as may be necessary for giving full effect to the provisions of this Act and for its due administration.

**9. Act to be administered in the Reserve Bank of New Zealand**—This Act shall be administered in the Reserve Bank 15 of New Zealand.