



SECURITIES ACT (BANKS) EXEMPTION AMENDMENT NOTICE 1998

PURSUANT to the Securities Act 1978, the Securities Commission gives the following notice.

ANALYSIS

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| 1. Title and commencement | | 2. Interpretation
3. Exemption from section 37A (1) (a) |
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NOTICE

1. Title and commencement—(1) This notice may be cited as the Securities Act (Banks) Exemption Amendment Notice 1998, and is part of the Securities Act (Banks) Exemption Notice 1997* (“the principal notice”).

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

2. Interpretation—Regulation 2 (1) of the principal notice is amended by inserting, in its appropriate alphabetical order, the following definition:

“ ‘Address’ means a postal or electronic address, and includes a Post Office box address, document exchange box number, facsimile number, and electronic mail address:”.

3. Exemption from section 37A (1) (a)—The principal notice is amended by inserting, after clause 2, the following clause:

“2A. (1) Every bank and every person acting on its behalf are exempted from section 37A (1) (a) of the Act in respect of any debt securities offered by the bank and of which the bank is the issuer.

“(2) The exemption granted by subclause (1) is, in respect of any allotment of a debt security by a bank, subject to the condition that that allotment is not made unless an investment statement relating to that debt security has, at least 3 working days before the subscriber subscribes for that debt security, been sent by the bank, or any person acting on its behalf,—

“(a) To an address specified by the subscriber for this purpose; or

“(b) To the last address of the subscriber known to the bank.

“(3) The exemption granted by subclause (1) is subject to the further condition that, if an investment statement relating to the debt security is sent by—

- “(a) Facsimile, the facsimile machine has generated a record of the transmission of the investment statement to the facsimile machine of the recipient; or
- “(b) Other electronic means, the machine used to transmit the investment statement has not generated a record that the investment statement has failed to be transmitted.”

Dated at Wellington this 27th day of March 1998.

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

[L.S.]

E. H. ABERNETHY,
Chairman.

EXPLANATORY NOTE

This note is not part of the notice, but is intended to indicate its general effect.

This notice, which comes into force on the day after the date of its notification in the *Gazette*, amends the Securities Act (Banks) Exemption Notice 1997.

The amendment inserts a new clause 2A which exempts banks, subject to conditions, from section 37A (1) (a) of the Securities Act 1978 in respect of certain debt securities offered by them.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 31 March 1998.
This notice is administered in the Securities Commission.