

# PROPOSED NEW SUBSTANTIAL SECURITY HOLDER REGULATIONS

## DISCUSSION PAPER

Securities Commission  
12th floor  
Reserve Bank Building  
2 The Terrace  
P O Box 1179  
WELLINGTON

Tel: (64)(4) 472 9830  
Fax: (64)(4) 472 8076

18 September 1996

# PROPOSED NEW SUBSTANTIAL SECURITY HOLDER REGULATIONS

## DISCUSSION PAPER

### Introduction

1. The Securities Commission proposes to recommend new regulations under section 36 of the Securities Amendment Act 1988. A copy of a discussion draft of the new regulations is attached. The new regulations will:
  - a. replace the Securities (Substantial Security Holders) Regulations 1989;
  - b. prescribe a new disclosure form for the four substantial security holder notices under the Amendment Act; and
  - c. prescribe the contents of that form of notice and others, the documents to accompany those notices, and the manner in which those notices shall be given and acknowledged.

This paper discusses the new regulations and notice. The Commission would welcome comments by 18 November 1996.

2. This paper does not review other issues arising from the Amendment Act. These may be the subject of future discussion papers.

### Background

3. The Commission's Discussion Paper "Review of the law on disclosure by substantial security holders" proposed a single form of notice to replace the four existing forms for substantial security holder notices prescribed by the 1989 Regulations. The new form of notice in the new regulations is based on the draft form in that Discussion Paper, and has been prepared with the assistance of the New Zealand Stock Exchange. We are grateful to those persons who made submissions to the Commission on that earlier draft form, and to the Exchange for its assistance.
4. The new regulations will replace the 1989 Regulations (SR 1989/162). The proposed new form of notice (form 1) will replace forms 2, 3, 4 and 5 of the 1989 Regulations. Form 1 of the 1989 Regulations is now redundant. Forms 6 and 7 of the 1989 Regulations will remain largely unchanged, and become new forms 2 and 3.
5. The new form 1 is a one page document. It reflects a simplification of the existing forms that have been cumbersome to use in practice. In many cases the information disclosed in notices has been difficult to interpret. We have addressed these and other practical

issues in drafting the new regulations. We would welcome comments on any other issues that concern users of the current forms that may be specifically accommodated in the new regulations.

### **Discussion: the regulations**

6. It is anticipated that the new regulations would come into force at least 28 days after notification in the Gazette. A transition period of more than 28 days, for example 56 days, would seem to be warranted. We would welcome views on the length of such a period.
7. New definitions of a "beneficial relevant interest" and "non-beneficial relevant interest" have been introduced to distinguish beneficial ownership from other relevant interests. These definitions are used to simplify the prescriptive requirements and the form of the notice. A beneficial relevant interest exists where a person is a beneficial owner, and a non-beneficial relevant interest exists where a person has a relevant interest other than as a beneficial owner.
8. Substantial security holder notices (under sections 20(3), 21(1), 21(3) and 22 ) must be in the new form 1.
9. A notice must contain (i) the information required in the form, and (ii) the information required by regulations 6 to 13. The form must be completed by reference to the form and the notes, together with the regulations. The notes do not form part of the notice, and therefore would not need to be given as part of the notice.
10. The regulations and the notice are structured to require disclosure at different levels of detail. First, the overall totals, then the class totals, then each relevant interest under the headings of beneficial and non-beneficial interests, and finally the transactions giving rise to each relevant interest. Regulation 6 requires disclosure of totals, regulations 7 and 8 require class totals to be disclosed, regulations 9, 10 and 11 require relevant interests to be disclosed, and regulation 10 requires individual transaction information to be disclosed.
11. Under regulation 6, the totals must be disclosed of the number of voting securities in which a relevant interest is held, the voting securities issued by the public issuer, and the percentage in which a relevant interest is held. We believe that this information is useful and relevant, particularly in view of the more specific and understandable break-down into beneficial and non-beneficial relevant interests.
12. Under regulation 7, information about each class must be disclosed, in respect of the name of the class, and the number and percentage of the voting securities of the class in which beneficial and non-beneficial relevant interests are held. Under regulation 8, if relevant interests are held in voting securities of more than one class, the information must be given for each class.

13. Regulation 9 sets out the relevant interests for which details must be disclosed as prescribed under regulation 10. In the case of a section 20(3) notice (person becomes a substantial security holder), it is every relevant interest. In the case of a section 21(1) notice (change in total number of voting securities in which a person has a relevant interest of 1% or more), it is every relevant interest affected by the transactions from which the change results. For a section 21(3) notice (person ceases to be a substantial security holder), it is every relevant interest affected by the transactions resulting in the person ceasing to be a substantial security holder. For a section 22 notice (change in the nature of relevant interest), it is every relevant interest for which there has been a change in nature.
14. Regulation 10 prescribes the information that must be provided in respect of the relevant interests identified in regulation 9. The registered holder, or the proposed registered holder after any transfers are registered, of the voting securities must be disclosed. For any non-beneficial relevant interests, the applicable provisions of section 5 (definition of a relevant interest) must be stated. The date of the relevant transactions must be given. The number of voting securities affected by the transaction, the consideration (if any) in New Zealand dollars, the names of other parties to the transaction, and name of persons believed to have given or intending to give a notice in respect of those securities, must also be disclosed. Each of these disclosures must be given in respect of each transaction giving rise to the obligation to disclose the relevant interest.
15. Under regulations 12, 13 and 14, the definition of "relevant documentation" is introduced for the purposes of the requirement to attach documents to the notice. Relevant documentation does not need to be given as part of a notice where it has been previously filed by that person and the notice refers to that fact and the date of the notice.
16. By virtue of regulation 15, the information in a notice must be correct as at the date the notice is given.
17. Under regulation 16, notices must be signed unless given by electronic means, where that manner of giving notices is permitted.
18. Regulation 17 prescribes the manner in which notices are to be given. As was the case in the 1989 Regulations, they may be given by facsimile, or delivered by hand. This regulation introduces a third means. Persons may give a notice by electronic means where permitted by the particular public issuer or the stock exchange. Unlike the 1989 Regulations, there is no requirement to give an original of a notice given by facsimile. The new regulations introduce provisions about the proving of giving of notices by facsimile and by electronic means. The regulation adopts the approach for faxes that it is sufficient to prove that the sender's fax machine generates a confirmation of transmission. For an electronic transmission, the sender must receive by electronic means an acknowledgement of receipt from the recipient of the notice.

**Discussion- the new form of notice**

19. The new form of notice, which is contained in the schedule to the regulations,-
- a. is in a multi-purpose one page format. The person giving the notice simply ticks the appropriate box or boxes. For example, a person giving notice of a change in the total number of voting securities in which that person has a relevant interest of more than 1% of the total number of voting securities of the public issuer under section 21(1), together with ceasing to be a substantial security holder under section 21(3), may give one notice containing all the prescribed information in the one form;
  - b. has shorter prompts for information. The notes for users appear on page 2 of the form so that they do not clutter the notice itself;
  - c. does not require the notes to be filed with the notice. The notes appear as page 2 of the *form* to assist persons preparing a notice. They are not part of the *notice* itself, and therefore do not need to be filed. The regulations make it clear that when completing the notice, there must be compliance with the regulations and the form, rather than relying on the form and notes;
  - d. must be given to both the public issuer and the applicable stock exchange (as defined in the Amendment Act), as required by the Amendment Act;
  - e. requires disclosure of a contact name for queries and a telephone number;
  - f. does not require, as the previous forms did under the 1989 Regulations, certain information relating to the last notice given by that person, such as the percentage of the voting securities in which a person has a relevant interest before a change in that percentage, the number of voting securities in which a relevant interest is held before a change in that number, and the total number of voting securities of the public issuer on the date the last notice was given. This information, which we believe is of limited relevance, can be found by referring to the last notice itself;
  - g. does not require, as the previous forms did under the 1989 Regulations, the disclosure of the nominal value of each security;
  - h. removes the confusing expressions "acquires" and "disposes of" in relation to a relevant interest that were found in the previous forms, in accordance with the Commission's earlier recommendations;
  - i. divides the disclosure of relevant interests of classes into two categories: beneficial relevant interests (beneficial owner) and non-beneficial relevant interests (other than as a beneficial owner);

- j. requires disclosure of the percentages held of beneficial and non-beneficial relevant interests as at the date of the last notice and the date of the notice for comparative purposes;
- k. requires disclosure of each relevant interest that gave rise to the obligation to file the notice;
- l. requires disclosure of the provisions of section 5 under which the relevant interest arises only for non-beneficial interests. This was previously referred to as the nature of the relevant interests in the previous forms under the 1989 Regulations. A change in nature is, in our view, wider than a mere change in the applicable provisions of section 5 under which the relevant interest arises;
- m. requires disclosure of the nature of the transaction in a more helpful narrative form, rather than requiring a description of only the documents. There are also requirements to disclose the consideration, if any, in New Zealand dollars for non-beneficial relevant interest transactions, and to disclose the names of other parties to the transaction unless it was a transaction on a stock exchange;
- n. does not require, as did the 1989 Regulations, a statement as to whether there has been any disposition of any relevant interests in the last year;
- o. does not require a person to file relevant documentation when that person has already filed that documentation with a previous notice given to the public issuer and the stock exchange, and indicates that fact and the date of that previous notice in the notice that is given; and
- p. provides for the possibility of electronic filing of the notice, which does not need to be signed, where that manner of giving notices is permitted by the public issuer or the stock exchange.

20. The forms 6 and 7 of the 1989 Regulations (new forms 2 and 3) have been amended so that they must be signed by a person on behalf of the public issuer.

**Comments invited**

21. We invite interested persons to comment on the proposed new regulations.

22. We would prefer comments to be in writing. We ask that they be forwarded to the Commission at the following address by 18 November 1996:

Securities Commission  
P O Box 1179  
Wellington

Attention: Frank Chan

18 September 1996

(SSHPAPER.DOC)

DRAFT  
For discussion

THE SECURITIES (SUBSTANTIAL SECURITY HOLDERS)  
REGULATIONS 1996

---

Governor-General

ORDER IN COUNCIL

At Wellington this            day of            1996

Present:

IN COUNCIL

PURSUANT to the Securities Act 1978 and the Securities Amendment Act 1988, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, and in accordance with a recommendation of the Securities Commission, hereby makes the following regulations.

---

ANALYSIS

- |   |  |
|---|--|
| 1. Title and commencement   | 9. Relevant interests in respect of which details are required to be given   |
| 2. Interpretation   | 10. Details that are required to be given in respect of relevant interests   |
| 3. Meaning of "beneficial relevant interest" and "non-beneficial relevant interest" | 11. Different relevant interests to be disclosed separately  |
| 4. Form of substantial security holder notices                                      | 12. Documents required to accompany notice in case of non-beneficial relevant interests or change in nature of relevant interest |
| 5. Information required to be given in form 1                                       | 13. Meaning of relevant documentation  |
| 6. Total relevant interests   | 14. Exception for previously filed documentation   |
| 7. Class totals   |  |
| 8. Different class totals to be disclosed separately                                |  |



*Securities (Substantial Security Holders)  
Regulations 1996*

15. Date at which information to be given	20. Notices to holders of relevant interests requiring disclosure of information
16. Notices to be signed	21. Deviations from prescribed forms
17. Manner in which notices to be given	22. Prescribed fees
18. Acknowledgment of notices	23. Revocation
19. Notices to registered holders requiring disclosure of relevant interests	

REGULATIONS

1. **Title and commencement**—(1) These regulations may be cited as the Securities (Substantial Security Holders) Regulations 1996.

(2) These regulations shall come into force on the \_\_\_\_\_ day of \_\_\_\_\_ 1996.

2. **Interpretation**—In these regulations, unless the context otherwise requires,—

“The Act” means the Securities Amendment Act 1988:

“Address”,—

(a) In relation to an individual, means the address of his or her last known or usual place of residence or business in New Zealand or, if no such address exists, means the address of his or her last known or usual place of business outside New Zealand:

(b) In relation to a company within the meaning of the Companies Act 1955 or the Companies Act 1993, as the case may be, means the address of the company’s registered office:

(c) In relation to any other corporate body, means the address of its principal office or principal place of business in New Zealand or, if no such address exists, means the address of its principal office or principal place of business outside New Zealand.

3. **Meaning of “beneficial relevant interest” and “non-beneficial relevant interest”**—In these regulations,—

(a) A person has a beneficial relevant interest in a voting security if that person is a beneficial owner of the security:

(b) A person has a non-beneficial relevant interest in a voting security if that person has a relevant interest in the security other than by reason of being a beneficial owner of the security.

4. **Form of substantial security holder notices**—Every notice—

(a) Under section 20 (3) of the Act (notice that a person has become a substantial security holder in a public issuer); or

(b) Under section 21 (1) of the Act (notice of a change in total number of a public issuer’s voting securities in which a substantial security holder has a relevant interest); or

(c) Under section 21 (3) of the Act (notice that a person has ceased to be a substantial security holder in a public issuer); or

(d) Under section 22 of the Act (notice of a change in the nature of any relevant interest held by a substantial security holder in a public issuer’s voting securities),—

shall be in form 1 in the Schedule to these regulations.

5. **Information required to be given in form 1**—(1) Every notice in form 1 shall contain—

*Securities (Substantial Security Holders)  
Regulations 1996*

3

- (a) The information specified in that form; and
  - (b) The information required by regulations 6 to 13 of these regulations.
- (2) The notes to form 1 are not part of the notice.

6. Total relevant interests—Every notice in form 1 shall contain the following information:

- (a) The total number of the public issuer's voting securities in which a relevant interest is held;
- (b) The total number of voting securities issued by the public issuer;
- (c) The total percentage of the public issuer's voting securities in which a relevant interest is held.

7. Class totals—Every notice in form 1 shall contain the following information in respect of each class of the public issuer's voting securities in which a relevant interest is held:

- (a) The name of the class;
- (b) The number of voting securities of that class in which a beneficial relevant interest is held;
- (c) The number of voting securities of that class in which a non-beneficial relevant interest is held;
- (d) The percentage of the voting securities of that class in which a beneficial relevant interest is held;
- (e) The percentage of the voting securities of that class in which a non-beneficial relevant interest is held.

8. Different class totals to be disclosed separately—If a relevant interest is held in the voting securities of more than one class, the information prescribed by regulation 7 of these regulations must be disclosed for each class in a separate table and annexed to form 1.

9. Relevant interests in respect of which details are required to be given—Every notice in form 1 shall contain details, as required by regulation 10 of these regulations, of—

- (a) In the case of a notice under section 20 (3) of the Act (notice that a person is a substantial security holder in a public issuer), every relevant interest of the substantial security holder in the public issuer's voting securities;
- (b) In the case of a notice under section 21 (1) of the Act (notice of a change in total number of a public issuer's voting securities in which a substantial security holder has a relevant interest), the relevant interest or interests affected by the transaction or transactions from which the change results;
- (c) In the case of a notice under section 21 (3) of the Act (notice that a person has ceased to be a substantial security holder), the relevant interest or interests affected by the transaction or transactions as a result of which the person ceased to be a substantial security holder;
- (d) Under section 22 of the Act (notice of a change in the nature of any relevant interest held by a substantial security holder in a public issuer's voting securities), the relevant interest or interests in respect of which there has been a change in nature.

10. Details that are required to be given in respect of relevant interests—(1) Every notice in form 1 shall contain, in respect of each

relevant interest referred to in regulation 9 of these regulations, the following details:

- (a) The name of the registered holder or holders of the voting securities, or the name of the person or persons who is or are intended to be the registered holder or holders once any transfers involved in the transactions giving rise to the notice have been registered:
  - (b) In the case of a non-beneficial relevant interest, the provision or provisions of section 5 of the Act under which the relevant interest arises:
  - (c) The date of the transaction under which the relevant interest was acquired or disposed of, or otherwise arose or ceased, or from which the change in number or nature of the relevant interest results, as the case may be:
  - (d) The number of voting securities affected by that transaction:
  - (e) The consideration (if any) for that transaction expressed in New Zealand dollars:
  - (f) A description of the nature of that transaction:
  - (g) The name of the other party or parties to that transaction (except in the case of a transaction on a stock exchange):
  - (h) The name of any other person or persons believed to have given, or to be intending to give, a notice under these regulations in relation to the securities to which the notice relates.
- (2) If a relevant interest was acquired or disposed of, or otherwise arose or ceased, under more than one transaction, the information prescribed by this regulation must be disclosed for each transaction and annexed to form 1.

11. **Different relevant interests to be disclosed separately**—(1) If the substantial security holder has different relevant interests in the same voting security of the public issuer concerned, every notice in form 1 shall contain details, as prescribed by regulation 10 of these regulations, of each of those interests annexed to the form.

(2) If the substantial security holder has different relevant interests in different voting securities of the public issuer concerned, every notice in form 1 shall contain details, as prescribed by regulation 10 of these regulations, of each of those interests annexed to the form.

12. **Documents required to accompany notice in case of non-beneficial relevant interests or change in nature of relevant interest**—Every notice in form 1 shall be accompanied by, or have annexed, relevant documentation if the notice discloses—

- (a) A relevant interest that arises, or a change in the total number of voting securities in which a relevant interest is held, other than by reason of the substantial security holder having, or ceasing to have, a beneficial relevant interest in any voting securities; or
- (b) A change in the nature of any relevant interest.

13. **Meaning of relevant documentation**—In regulation 12 of these regulations, “relevant documentation” means—

- (a) Copies of every contract, agreement, deed, or instrument; or
- (b) Copies of any document recording the material terms of any oral agreement; or

(c) If there are no such documents, a memorandum in writing specifying the material terms of any trust, agreement, arrangement, or understanding,—  
from which the relevant interest arises, or the change results, or, in the case of a notice that discloses a change in the nature of any relevant interest, from which the change in the nature of any relevant interest results.

14. Exception for previously filed documentation—In regulation 12 of these regulations, "relevant documentation" does not include a document that has accompanied, or been annexed to, another notice given to the same person under Part II of the Act, if the current notice indicates that the document has already been filed, and the date of the other notice.

15. Date at which information to be given—Every notice in form 1 shall contain the information that is correct as at the date on which the notice is given.

16. Notices to be signed—Every notice in form 1 shall be signed by or on behalf of the person giving the notice, unless it is filed by electronic means.

17. Manner in which notices to be given—(1) Every notice in form 1 shall be—

- (a) Given by facsimile; or
- (b) Delivered by hand to the address of the person to whom the notice is given; or
- (c) Filed by electronic means approved or permitted by the public issuer (in the case of a notice given to a public issuer); or
- (d) Filed by electronic means approved by, or in accordance with the relevant rules of, the stock exchange (in the case of a notice given to a stock exchange).

(2) In proving the giving of a notice by facsimile, it shall be sufficient to prove that a facsimile machine generated a record of the transmission of the notice to the facsimile machine of the recipient.

(3) In proving the filing of a notice by electronic means, it shall be sufficient to prove that an acknowledgment of receipt sent by the recipient of the notice and transmitted by electronic means has been received.

18. Acknowledgment of notices—An acknowledgment of a notice under section 23 (4) of the Act shall be given by delivering by hand, or sending by post, to the address of the person by whom the notice was given, a copy of the notice—

- (a) Showing the date on which and the time at which the notice was received; and
- (b) Signed by or on behalf of the person receiving the notice.

19. Notices to registered holders requiring disclosure of relevant interests—Every notice under section 28 of the Act shall be in form 2 in the Schedule to these regulations or to like effect.

20. Notices to holders of relevant interests requiring disclosure of information—Every notice under section 29 of the Act shall be in form 3 in the Schedule to these regulations or to like effect.

21. **Deviations from prescribed forms**—Slight deviations from any form prescribed by these regulations, but to the same effect and not calculated to mislead, shall not vitiate the notice given.

22. **Prescribed fees**—(1) The fee payable under section 25 (3) (b) of the Act for inspection of a file shall be \$10.

(2) The fee payable under section 25 (4) of the Act for a copy of a file, or a copy of a notice or other information filed in it, shall be \$1 for each page copied.

(3) The fees prescribed by this regulation are inclusive of goods and services tax under the Goods and Services Tax Act 1985.

23. **Revocation**—The Securities (Substantial Security Holders) Regulations 1989 (S.R. 1989/162) are hereby consequentially revoked.

---

SCHEDULE

Reg. 4

FORMS

Form 1

(Securities Amendment Act 1988)

Substantial Security Holder Notice

Tick the appropriate box(es)

Notice that a person has become a substantial security holder (section 20(3))

Notice that a person has ceased to be a substantial security holder (section 21(3))

Notice of a change in the number of voting securities in which a substantial security holder has a relevant interest (section 21(1))

Notice of a change in the nature of relevant interest held by a substantial security holder (section 22)

1\*.   
Name of public issuer

Name of substantial security holder

Address of substantial security holder

Contact name for queries Telephone number

2\*.    %  
Total number of voting securities of the public issuer in which a relevant interest is held Total number of voting securities issued by public issuer Total percentage

3\*.   
Class of voting securities

4*. BENEFICIAL RELEVANT INTERESTS	NON-BENEFICIAL RELEVANT INTERESTS
5*. <input type="text"/> Number of voting securities of the class in which a beneficial relevant interest is held	<input type="text"/> Number of voting securities of the class in which a non-beneficial relevant interest is held
<input type="text"/> % Percentage held at date of THIS notice	<input type="text"/> % Percentage held at date of THIS notice
<input type="text"/> % Percentage held at date of LAST notice (if any)	<input type="text"/> % Percentage held at date of LAST notice (if any)
6*. DETAILS OF EACH RELEVANT INTEREST	DETAILS OF EACH RELEVANT INTEREST
7*. <input type="text"/> Name(s) of registered holder(s)	<input type="text"/> Name(s) of registered holder(s)
8*. <input type="text"/> Date(s) of transaction(s)	<input type="text"/> <input type="text"/> Provision(s) of section 5 Date(s) of transaction(s)
9*. <input type="text"/> <input type="text"/> Number of voting securities Consideration (expressed in NZ\$)	<input type="text"/> <input type="text"/> Number of voting securities Consideration (expressed in NZ\$)
10*. <input type="text"/> Description of nature of transaction(s), including the name(s) of any other party to the transaction(s) (if known)	
A copy of the contract, etc., [is filed with this notice] [was filed with the notice dated _____] [is not required to be filed] under regulation 12.	

11\*.     
Number of pages that accompany this notice (if any) Date of last notice (if any) Names of any other person(s) who are believed to have given, or to be intending to give, a substantial security holder notice in relation to the securities to which this notice relates

I declare that to the best of my knowledge and belief the information contained in this notice is correct and that I am duly authorised to give this notice:

Signature (unless filed electronically) Full name Date

SCHEDULE—continued

FORMS—continued

Form 1—continued

NOTES

1. **Stock Exchange**—A copy of this notice must be sent to the New Zealand Stock Exchange, or any other stock exchange registered under the Sharebrokers Act 1908, on which the securities of the public issuer are listed at the same time as it is sent to the public issuer.
2. **Overall totals—Give—**
  - (a) The total number of the public issuer's voting securities in which a relevant interest is held;
  - (b) The total number of voting securities issued by the public issuer. The most recent statement given by the public issuer to security holders of the total number of voting securities issued by the public issuer should be used unless the person giving the notice knows that that number is not correct and knows the correct number;
  - (c) The total percentage in which a relevant interest is held.
3. **Class**—If a relevant interest is held in the voting securities of more than one class, fill out a separate table for each class, and annex it to the notice.
4. **Beneficial/Non-beneficial relevant interests—**A person has a beneficial relevant interest in a voting security if that person is a beneficial owner of the security. A person has a non-beneficial relevant interest in a voting security if the person has a relevant interest in the security other than by reason of being a beneficial owner of the security.

Where a relevant interest has changed in nature from being a non-beneficial to a beneficial relevant interest (or vice versa), complete both columns to show the effect of the change in nature of the relevant interest.
5. **Class totals—**In respect of each class of voting securities in which a relevant interest is held, give—
  - (a) The number of voting securities of that class in which a beneficial relevant interest is held;
  - (b) The number of voting securities of that class in which a non-beneficial relevant interest is held;
  - (c) The percentage of beneficial relevant interests held, and the percentage of non-beneficial relevant interests held, in that class.
6. **Which relevant interests are to be disclosed—**Give details of the following relevant interests:
  - (a) In the case of a notice that a person has become a substantial security holder, every relevant interest;
  - (b) In the case of a notice of a change in total number of voting securities in which relevant interest is held, the relevant interest(s) affected by the transaction or transactions from which the change results;
  - (c) In the case of a notice that a person has ceased to be a substantial security holder, the relevant interest(s) affected by the transaction or transactions as a result of which the person ceased to be a substantial security holder; or
  - (d) In the case of a notice of a change in the nature of a relevant interest, the relevant interest(s) in respect of which there has been a change in nature.

If the person has different relevant interests in the same voting security of the public issuer concerned, give details of each of those interests, and annex it to the notice.

If the person has different relevant interests in different voting securities of the public issuer concerned, give details of each of those interests, and annex it to the notice.
7. **Registered holders—**Give the name of the registered holder(s) of the voting securities, or the name of the person(s) who are intended to be the registered holder(s) once any transfers involved in the transactions giving rise to the notice have been registered.

Use a separate attachment page for each registered holding, if the substantial security holder has relevant interests in more than one registered holding.
8. **Details of non-beneficial relevant interests—**In respect of each non-beneficial relevant interest required to be disclosed, give the provision(s) of section 5 of the Securities Amendment Act 1988 under which the relevant interest arises.
9. **Details of transactions—**In respect of each transaction pursuant to which the relevant interest was acquired or disposed of, or from which the change results, give—
  - (a) The date of the transaction pursuant to which the relevant interest was acquired or disposed of, or from which the change results;
  - (b) The number of voting securities involved in that transaction;
  - (c) The consideration (if any), for that transaction, expressed in New Zealand dollars;
  - (d) A description of the nature of that transaction, including the names of the other party or parties to that transaction (unless it is a transaction on the stock exchange).

E.g. Listing on New Zealand Stock Exchange:  
Joint venture with [name];  
Sale on the New Zealand Stock Exchange;  
Off-market purchase from [name];  
Exercise of right of purchase under an option to acquire voting securities.

If a relevant interest was acquired or disposed of, or otherwise arose or ceased, from more than one transaction, give the details for each transaction separately, and annex it to the notice.
10. **Documents required to accompany notice in case of non-beneficial relevant interests or change in nature of relevant interest—**The notice must be accompanied by, or have annexed, relevant documentation if the notice discloses—
  - (a) A relevant interest that arises, or a change in the total number of voting securities in which a relevant interest is held, other than by reason of the substantial security holder having, or ceasing to have, a beneficial relevant interest in any voting securities; or
  - (b) A change in the nature of any relevant interest.

"Relevant documentation" means—

    - (a) Copies of every contract, agreement, deed, or instrument; or
    - (b) Copies of any document recording the material terms of any oral agreement; or
    - (c) If there are no such documents, a memorandum in writing specifying the material terms of any trust, agreement, arrangement, or understanding,—from which the relevant interest arises, or the change results, or, in the case of a notice that discloses a change in the nature of any relevant interest, from which the change in the nature of any relevant interest results.

It does not include a document that has accompanied, or been annexed to, another notice given to the same person under Part II of the Act, if the current notice indicates that the document has already been filed, and the date of the other notice.
11. **Miscellaneous—Give—**
  - (a) The number of pages that accompany the notice;
  - (b) The date of the last notice (if any) given to the public issuer in compliance with Part II of the Securities Amendment Act 1988 by the person(s) on whose behalf this notice is given;
  - (c) The names of any other person(s) who are believed to also have given, or to be intending to give, a notice under the regulations in relation to the securities to which the notice relates.

(Securities Amendment Act 1988)

NOTICE REQUIRING DISCLOSURE OF RELEVANT INTERESTS

(To be given by a public issuer pursuant to section 28 of the Act for the purpose of requiring a person who is registered as the holder of voting securities to disclose relevant interests in those securities)

To: ..... [Full name]

1. You are registered as the holder of voting securities in ..... [Name of public issuer].

2. Particulars of those voting securities are as follows:

Class of voting securities .....  
Number of securities .....

3. You are required, pursuant to section 28 of the Securities Amendment Act 1988, to disclose—

- (a) The name and address of every person who holds a relevant interest in those voting securities; and  
(b) The nature of that interest.

4. To the extent that you are unable to supply any of that information in relation to a person holding a relevant interest, you are required, pursuant to section 28, to supply such other particulars as will, or are likely to, assist in identifying that person and the nature of that interest.

5. You are required to supply the information stated in clauses 3 and 4 above immediately in writing to—

..... [Name of public issuer]

..... [Address]

Dated at ..... this ..... day of ..... 19.....

..... [Signature]

This notice is given on behalf of ..... [Name of public issuer] by ..... [Name of person giving the notice], ..... [Description], who is duly authorised to give this notice.



SCHEDULE—continued

FORMS—continued

Reg. 20

Form 3

(Securities Amendment Act 1988)

NOTICE REQUIRING PERSON WHO IS BELIEVED TO HOLD A RELEVANT INTEREST IN PUBLIC ISSUER TO DISCLOSE INFORMATION

(To be given by a public issuer pursuant to section 29 of the Act for the purpose of requiring a person believed to have a relevant interest in voting securities to disclose information for the purpose of ascertaining who is, or may be, a substantial security holder)

To: ..... [Full name]

1. .... [Name of public issuer] believes that you have, or may have, a relevant interest in its voting securities.
2. You are required, pursuant to section 29 of the Securities Amendment Act 1988, to supply information for the purpose of assisting ..... [Name of public issuer] to ascertain who is, or may be, a substantial security holder.
3. Please supply the following information [To be specified by public issuer for the purpose stated in clause 2 above].
4. You are required to supply the information immediately in writing to—

..... [Name of public issuer]

..... [Address]

Dated at ..... this ..... day of ..... 19.....

..... [Signature]

This notice is given on behalf of ..... [Name of public issuer] by ..... [Name of person giving the notice], ..... [Description], who is duly authorised to give this notice.

Clerk of the Executive Council.

EXPLANATORY NOTE

*This note is not part of the regulations, but is intended to indicate their general effect.*

These regulations relate to the disclosure of interests of substantial security holders in public issuers.

The regulations prescribe—

- (a) The form of notices that are required under sections 20, 21, 22, 28, and 29 of the Securities Amendment Act 1988:
- (b) The information required to be contained in those notices:
- (c) The documents, certificates, and statements that are required to accompany or be annexed to those notices:
- (d) The manner in which those notices are to be given and acknowledged:
- (e) The fees payable under section 25 of the Securities Amendment Act 1988.

The regulations replace the Securities (Substantial Security Holders) Regulations 1989. The principal differences from the old regulations are that—

- (a) The new regulations prescribe just one multi-purpose form to be used by persons becoming substantial security holders, ceasing to be substantial security holders, and also where there is a change in size or nature of relevant interests. The previous regulations prescribed different forms for each event:
- (b) The new regulations provide in certain circumstances for electronic filing of notices.