



## **CMDA Policy Statement 9/00**

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# **Offerings of Interests in New Zealand Unit Trusts in Fiji**

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**Subject: Conditions for Offering Interests in New Zealand Unit Trusts in Fiji.**

In addition to the requirements set out in the Capital Markets Development Authority Act 1996 relating to the offer for sale of and/or issue of securities in Fiji, the Authority has adopted the following conditions for offerings of interests in New Zealand Unit Trusts in Fiji effective from 14 March 2000.

**1. NEW ZEALAND PROSPECTUS**

That there is a New Zealand Prospectus relating to the New Zealand Securities at the time that offers of the New Zealand Securities are made or open for acceptance in Fiji.

It is a term of the offer of the New Zealand Securities made in Fiji, that the Manager or its agent will, within five working days of receiving a request from an offeree for a copy of the New Zealand Prospectus relating to the New Zealand Securities without fee, send or cause to be sent, to that offeree:

- a copy of the New Zealand Prospectus
- a copy of the New Zealand Investment Statement; and
- copies of any documents that, under New Zealand Law, must accompany any copy of the New Zealand Prospectus or New Zealand Investment Statement sent to any person to whom an offer of the New Zealand Securities is made in New Zealand.

**2. DOCUMENTS TO BE DEPOSITED OR REGISTERED IN FIJI**

That a copy of each of the following documents has been deposited or registered with the Registrar of Companies in Fiji and provided to the Authority:

- (a) a certified copy of the New Zealand Prospectus relating to the New Zealand Securities; and
- (b) a certified copy of the trust deed for the New Zealand Unit Trust, and every amendment thereto; and
- (c) any certificate or other document evidencing lodgement or registration of the New Zealand Prospectus and trust deed and any amendment thereto, with the Registrar; and
- (d) a certificate or other document evidencing payment of the Manager's bond pursuant to section 4(2) of the New Zealand Unit Trusts Act 1960; and

- (e) a copy of any material contract that has been lodged or registered with the New Zealand Prospectus; or if the contract is not in writing, a copy of any memorandum that has been so lodged or registered and that contains full particulars of the contract; and
- (f) a copy of each consent (if any) under which a director of the Manager of the New Zealand Unit Trust authorised an agent to sign the New Zealand Prospectus on the director's behalf; and
- (g) a copy of each other document (if any) that the Manager of the New Zealand Unit Trust is required by New Zealand Law to lodge with the Registrar in connection with the issue of the New Zealand Prospectus; and
- (h) any other document or information that the Registrar of Companies in Fiji or the Authority reasonably requires the Manager of the New Zealand Unit Trust to deposit or register in connection with the offering in Fiji of the New Zealand Securities.

### **3. STATEMENTS TO ACCOMPANY NEW ZEALAND PROSPECTUS AND NEW ZEALAND INVESTMENT STATEMENT**

That any New Zealand Prospectus or New Zealand Investment Statement relating to the New Zealand Securities distributed to a Fiji investor contain, or are accompanied by a document that contains, prominent statements:

- (a) that allotments of the New Zealand Securities will be made in the manner specified in the New Zealand Prospectus and governed by New Zealand law; and
- (b) of the name and address of the Manager, the administration manager (if any) and the trustee of the New Zealand Unit Trust; and
- (c) that the Manager, administration manager (if any) and trustee may not be subject in all respects to Fiji law; and
- (d) that the contract in respect of the New Zealand Securities may not be enforceable in Fiji courts; and
- (e) that investors should satisfy themselves as to the tax implications of investing in the New Zealand Securities; and
- (f) that investing in the New Zealand Securities may carry with it a currency exchange risk; and
- (g) that sections of the New Zealand Prospectus and the New Zealand Investment Statement may not apply to Fiji investors, identifying where relevant these sections; and

- (h) of the general nature and effect of any exemption, order or declaration that may have been granted by the New Zealand Securities Commission in respect of the offer of the New Zealand Securities; and
- (i) that the financial reporting requirements applying in Fiji and those applying in respect of the New Zealand Unit Trust may be different and the financial statements of the New Zealand Unit Trust may not be compatible in all respects with financial statements prepared in accordance with Fiji Law; and
- (j) that, although a copy of the New Zealand Prospectus, the trust deed and other documents have been deposited or registered with the Registrar of Companies in Fiji, they may not need to be registered in Fiji under Fiji Law and may not contain all the information that a Fiji registered prospectus is required to contain; and
- (k) that a copy of the New Zealand Prospectus, the New Zealand Investment Statement, the trust deed and any material contracts can be inspected at the Registrar of Companies in Fiji during normal business hours; and
- (l) that additional fees may apply, stating where relevant what those fees are;
- (m) that exchange control approval of the Reserve Bank may be required, stating where relevant what those exchange control approvals are;
- (n) that pricing information on the units may be available in Fiji, stating where relevant where that pricing information can be obtained;
- (o) that complaints handling procedures are available for Fiji investors stating where relevant where such complaints can be made and
- (p) of the following wording

## **DISCLAIMER – CAPITAL MARKETS DEVELOPMENT AUTHORITY**

### **The Capital Markets Development Authority:**

- **has permitted the New Zealand Prospectus and New Zealand Investment Statement to be used to offer units in the [name] Unit Trust to the public in Fiji in accordance with its Policy Statement dated (date), from (effective date);**
- **disclaims any liability or responsibility for any loss, damage or injury to any person that may arise as a result of investing in units offered in the [Name] Unit Trust under the New Zealand Prospectus and New Zealand Investment Statement;**

- **does not vouch for the accuracy, and assumes no liability or responsibility whatsoever, for the contents of the New Zealand Prospectus and New Zealand Investment Statement or any other document that it has permitted to be circulated in Fiji in respect of the [Name] Unit Trust; and**
- **does not make any assessment as to viability of the [Name] Unit Trust by examining any proposal, New Zealand Prospectus or New Zealand Investment Statement, notwithstanding Section 48(3) of the Capital Markets Development Authority Act.**

#### **4. OFFERS TO BE MADE IN NEW ZEALAND AT SAME TIME—**

That, at the same time offers of the New Zealand Securities are made or are open for acceptance in Fiji, offers of the New Zealand Securities are also made or are open for acceptance in New Zealand in accordance with New Zealand Law.

#### **5. ANNUAL REPORT TO AUTHORITY—**

That, where the Manager has offered New Zealand Securities to the public in Fiji during the preceding calendar year, the Manager has furnished to the Authority a written report in respect of that preceding calendar year that—

- (a) specifies each New Zealand Unit Trust in respect of which the Manager offered New Zealand Securities during that preceding calendar year; and
- (b) specifies in respect of each such New Zealand Unit Trust—
  - (i) the total amount of Fiji raised funds under management by the Manager by the offer of New Zealand Securities; and
  - (ii) the total amount of Fiji raised funds under management by the Manager as at the last day of that preceding calendar year; and
- (c) states in respect of each such New Zealand Unit Trust whether the Manager intends to continue to offer New Zealand Securities to the public in Fiji subject to the conditions specified in this policy statement.

#### **6. DEFINITIONS**

In these conditions, the following terms have the following meanings:

**Authority** means the Capital Markets Development Authority.

**Manager** means a company validly appointed as a manager of a New Zealand Unit Trust in accordance with the New Zealand Unit Trusts Act 1960

**New Zealand Investment Statement** means an investment statement complying with New Zealand Law that is current in New Zealand at the time New Zealand Securities are offered or made available for acceptance in Fiji.

**New Zealand Law** means any statutes, regulations or other laws in force in New Zealand at the time the relevant New Zealand Securities are offered or made available for acceptance in Fiji that regulate or relate to the establishment and operation of a New Zealand Unit Trust or the offering of New Zealand Securities.

**New Zealand Prospectus** means a prospectus complying with New Zealand Law registered by the Registrar in accordance with New Zealand Law that is current in New Zealand at the time New Zealand Securities are offered or made available for acceptance in Fiji.

**New Zealand Securities** means units in a New Zealand Unit Trust.

**New Zealand Unit Trust** means a unit trust established under the laws of New Zealand.

**Registrar** means the New Zealand Registrar of Companies.

Please contact Mr Suren Kumar at the Authority's Offices, should any further clarification be required.

**Capital Markets Development Authority**

**14 March 2000**