

On 4/05/2023, at 3:11 PM, Tansy Leung <Tansy.Leung@fma.govt.nz> wrote:

Dear [REDACTED]

We have decided to treat your request pursuant to the Official Information Act 1982. The information is released subject to the following conditions:

- Highlighting to all recipients that the FMA can't provide legal advice;
- The name and contact details of FMA staff are redacted.
- The information is copied below.

Please note you have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that the FMA cannot provide you with legal/ professional advice, we recommend that you speak to a qualified legal adviser about the specific circumstances.

Firstly, based on the information available, it appears that the lift passes were not offered by Ruapehu Alpine Lifts (**RAL**) as a regulated financial product, and therefore this matter falls outside of the remit of the FMA. We understand that the lift passes will be governed by contractual agreements between RAL and the lift pass holders.

Secondly, in response to your question about a non-dividend paying equity raise, we note the following:

1. There are examples in the market where a company's board has no intention to declare dividends as part of an equity offer (for example: Ordinary shares offer in Truscreen Group Ltd - OFR12990).
2. It is common for an equity offer to be made with a non-financial dividend, such as where cooperatives and irrigation companies offer shares in exchange for access to the pooled assets and/or facilities (for example: Shares offer by Amuri Irrigation company Ltd - OFR12762).

For both situations described above, the equity offers provide shareholders with voting rights on certain entitlements depending on the company's constitution, and the issuers are required to comply with the relevant financial markets legislation (including the requirement to provide retail investors with a Product Disclosure Statement).

Thanks
Tansy