

Securities Act (Auckland Transport) Exemption Amendment Notice 2014

Pursuant to sections 70B and 70D of the Securities Act 1978, the Financial Markets Authority gives the following notice (to which is appended a statement of reasons of the Financial Markets Authority).

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Notice

- Title**
This notice is the Securities Act (Auckland Transport) Exemption Amendment Notice 2014.
- Commencement**
This notice comes into force 18 February 2014.
- Principal notice**
This notice amends the Securities Act (Auckland Transport) Exemption Notice 2011 (the **principal notice**).
- Clause 3 replaced (Expiry)**
Replace clause 3 with:
"3 Revocation
This notice is revoked on the close of 30 November 2016."
- Clause 4 amended (Interpretation)**
In clause 4(1), replace the definition of "Cards" with:
Cards means the Auckland integrated transport system cards issued by Auckland Transport, and includes any renewal or variation of those cards in accordance with the terms of use.



6 Clause 13 inserted (Exemption from certificate requirements for certain advertisements)

Insert clause 13 with:

"13 Exemption from certificate requirements for certain advertisements

Auckland Transport and every person acting on its behalf are, in respect of any advertisement distributed by Auckland Transport in relation to, or which refers to, the specified debt securities and/or the Cards, exempted from regulation 30 of the Regulations."

Dated at Wellington this 17th day of February 2014.



Simone Robbers
Head of Primary Market Operations
Financial Markets Authority

Statement of reasons

This notice comes into force on 18 February 2014, and is revoked on 30 November 2016. This notice amends the Securities Act (Auckland Transport) Exemption Notice 2011 by:

- exempting Auckland Transport from regulation 30 of the Securities Regulations 2009 in respect of advertisements distributed by Auckland Transport and every person acting on its behalf. Regulation 30 requires a certificate in relation to an advertisement;
- amending a definition due to a proposal to extend the use of the Cards; and
- extending the Securities Act (Auckland Transport) Exemption Notice 2011 until 30 November 2016 to align with the current notice.

Financial Markets Authority (**FMA**), after satisfying itself of the matters set out in section 70B of the Securities Act 1978, considers that it is appropriate to grant the exemptions for the following reasons—

- the nature and features of the debt securities stored on the Cards issued by Auckland Transport are such that they are not traditional investment products, rather they provide a means of paying for transport services:

- there is a very high volume of advertising required for the Cards to the extent that such a level of advertising is not typical of investment products. This high volume of advertising would result in a significant compliance obligation to complete and issue a regulation 30 certificate for each advertisement. Auckland Transport is still subject to the general advertising restrictions under the Securities Act 1978 and Securities Regulations 2009:
 - given the limited application of the exemption to the advertisements for the stored value cards issued by Auckland Transport, FMA considers that the exemptions will not cause significant detriment to subscribers, and that the exemption is not broader than reasonably necessary to address the matters that gave rise to the exemption.
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