

## Securities Act (Crawford Property Trust) Exemption Notice 2014

Pursuant to section 70B of the Securities Act 1978, the Financial Markets Authority, being satisfied of the matters set out in section 70B(2) of that Act, gives the following notice.

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### Notice

- Title**  
This notice is the Securities Act (Crawford Property Trust) Exemption Notice 2014.
- Commencement**  
This notice comes into force on 12 May 2014.
- Revocation of this notice**  
This notice is revoked on the close of 11 May 2015.
- Interpretation**  
(1) In this notice, unless the context otherwise requires,—  
**Act** means the Securities Act 1978  
**GIF Manager** means Mainland Capital Limited  
**GIF Trustee** means Perpetual Trust Limited  
**Group Investment Fund** means Crawford Property Fund, the group investment fund established under the Trust Deed  
**Manager** means Mainland Capital Investment Management Limited  
**Proposal** means the proposal which, if approved by an extraordinary resolution of unit holders, will redeem the units in the Group Investment Fund in exchange for the issue of units in the Unit Trust



**Regulations** mean the Securities Regulations 2009

**Trust Deed** means the trust deed of the Group Investment Fund dated 30 September 1999 between the GIF Manager and Perpetual Trust Limited as trustee, as amended.

**Trustee** means Corporate Trust Limited

**Unit Holders** means the unit holders in the Group Investment Fund

**Unit Trust** means the unit trust called the Crawford Property Trust to be established under the Unit Trust Deed

**Unit Trust Deed** means the master trust deed dated 24 September 2013 and the establishment deed to be dated on or around after the Proposal is approved by Unit Holders.

- (2) Any term or expression that is defined in the Act or the Regulations and used, but not defined, in this notice has the same meaning as in the Act or the Regulations.

## **5 Exemption from various sections of Act**

The GIF Manager, GIF Trustee, Manager and Trustee, and every person acting on behalf of any or all of them, are exempted from sections 37, 37A and 54 of the Act in respect of the offer of units in the Unit Trust as part of the Proposal.

## **6 Conditions of Exemption in clause 5**

- (1) The exemption in clause 5 is subject to the condition that an information memorandum containing the information set out in sub-clauses (2), (3) and (4) is sent with the notice of meeting to every person who is a Unit Holder at the time the notice of meeting is sent.
- (2) The notice of meeting to be sent to every person who is a Unit Holder to approve the Proposal must include the details of all resolutions required to be passed in order to effect the Proposal, and the majority required to pass those resolutions.
- (3) The information memorandum must include particulars of all matters that are material to the decision of Unit Holders on whether to approve the Proposal.
- (4) Without limiting (3) above, the information memorandum must include:
- (a) the terms of the Proposal;
  - (b) the purpose and effect of the Proposal;
  - (c) the steps necessary to bring the Proposal into effect;
  - (d) a statement from the GIF Manager why they consider the Proposal to be in the best interests of the Unit Holders;
  - (e) a description of the Unit Trust and a summary of the material differences between the trust deeds;

- (f) a summary of the material advantages, disadvantages and risks of the Proposal;
  - (g) a summary of the costs of the Proposal;
  - (h) a copy of most recent financial statements of the Group Investment Fund;
  - (i) the name and address of the Manager, and every director and officer of the Manager;
  - (j) the names of all other funds managed by the Manager;
  - (k) if the Manager, a director of the Manager, or an officer of the Manager has, during the 5 years preceding the date of the notice of the meeting, been adjudged bankrupt or insolvent, convicted of a crime involving dishonesty, prohibited from acting as a director of a company, or placed in statutory management, voluntary administration, liquidation, or receivership, a statement to that effect and the name and any alternative or former names of the Manager or the director or officer of the Manager concerned;
  - (l) the qualifications, employment history, management experience and expertise of each director and officer of the Manager;
  - (m) a description of any litigation or disputes known to the Manager before the date of the notice of the meeting which are material to the decision on:
    - (i) whether to approve the Proposal; or
    - (ii) any other matters to be discussed and voted on at the meeting to approve the Proposal;
  - (n) particulars of any remuneration or expense recovery from the Unit Trust to which the Manager will be entitled should the resettlement be effected;
  - (o) particulars of any direct or indirect material interest in the Unit Trust that the Manager, a director of the Manager, or an officer of the Manager has as at the date of the notice of the meeting to approve the Proposal; and
  - (p) the name and address of the Trustee, and every director of the Trustee.
- (5) It is a term of the offer that immediately following the implementation of the Proposal, the assets of the Unit Trust are the same as the assets of the Group Investment Fund immediately prior to the implementation of the Proposal.

Dated at Auckland this 9<sup>th</sup> day of May 2014.



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Sue Brown  
Head of Primary Regulatory Operations  
Financial Markets Authority

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### Statement of Reasons

This notice, which comes into force on 12 May 2014 and is revoked on the close of 11 May 2015, exempts Mainland Capital Limited, Perpetual Trust Limited, Mainland Capital Investment Management Limited, and Corporate Trust Limited, and every person acting on behalf of any or all of them, subject to conditions, from sections 37, 37A and 54 of the Securities Act 1978 in respect of an offer of securities in a unit trust to existing unit holders of the group investment fund in exchange for their units in the group investment fund (**Proposal**).

The Financial Markets Authority (**FMA**), after satisfying itself as to the matters set out in section 70B(2) of the Act, considers it appropriate to grant these exemptions because:

- the exemptions recognise that unit holders are likely to already be familiar with the units they hold in the group investment fund. In these circumstances, more limited disclosure is appropriate where the offer results from a change to the terms of the securities. The relevant information required is that about the variations proposed. The conditions of exemptions will ensure that unit holders are provided with information which will enable them to assess the effect of the change of manager and trustee, and other variations:
  - the exemptions relate to a specific transaction and the conditions require that an information memorandum is sent to unit holders which provides the information unit holders require to understand the Proposal. In these circumstances, FMA considers the exemptions are not broader than are reasonably necessary to address the matters that gave rise to them, and will not cause significant detriment to unit holders.
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