

## Securities Act (Millennium & Copthorne Hotels New Zealand Limited and First Sponsor Group Limited) Exemption Notice 2014

Pursuant to section 70B 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

- 1 Title**  
This notice is the Securities Act (Millennium & Copthorne Hotels New Zealand Limited and First Sponsor Group Limited) Exemption Notice 2014.
- 2 Commencement**  
This notice comes into force on 30 May 2014.
- 3 Revocation**  
This notice is revoked on the close of 30 November 2015.
- 4 Interpretation**
  - (1) In this notice, unless the context otherwise requires,—  
**Act** means the Securities Act 1978  
**Companies Act** means the Companies Act 1993  
**extraordinary shareholders' meeting** means the meeting of MCK shareholders at which MCK shareholders will be asked to vote on whether to approve the scheme  
**FSGL** means First Sponsor Group Limited, a company incorporated under the laws of the Cayman Islands

**lodged** means lodged under the laws of Singapore

**MCK** means Millennium & Copthorne Hotels New Zealand Limited,  
a company incorporated under the laws of New Zealand

**NZX** means NZX Limited

**NZX market** means any securities market operated by NZX

**quoted securities** means securities of FSGL of which FSGL is the  
original allotter—

- (a) that are quoted, or that have been approved for quotation,  
on the principal official list of the Singapore exchange; or
- (b) in respect of which application has been made to the  
Singapore exchange for listing and quotation on its main  
board and, at the time of the offer, FSGL has complied with  
all the requirements of the Singapore exchange relating to  
the application with which it is required to comply at that  
time

**registered** means registered under the laws of Singapore

**Regulations** means the Securities Regulations 2009

**scheme** means the proposed Court approved scheme of  
arrangement under Part 15 of the Companies Act pursuant to  
which MCK intends to distribute quoted securities to MCK's  
shareholders *in specie* on a pro rata basis

**scheme documents** means the documents, including the  
Singapore prospectus, approved by the Court pursuant to Part 15  
of the Companies Act to be distributed to MCK's shareholders in  
connection with the extraordinary shareholders' meeting to  
approve the scheme

**Singapore exchange** means the stock exchange or stock market  
operated by Singapore Exchange Securities Trading Limited

**Singapore prospectus** means the preliminary prospectus prepared  
under Singapore law relating to the initial public offering of the  
quoted securities first lodged with the Monetary Authority of  
Singapore under the laws of Singapore for public review, and that  
is approved by such persons that are required by Singapore law to  
approve that prospectus.

- (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

MCK and FSGL, and every person acting on behalf of either or both  
of them, are exempted from—

- (a) sections 37, 37A, 38A and 51 to 54 of the Act; and
- (b) regulations 25 to 28, 30, 35, 38 and 39 of the Regulations,

in respect of offers of quoted securities made to MCK shareholders in the scheme documents distributed in connection with the scheme.

**6 Conditions of exemptions in clause 5**

- (1) The exemptions in clause 5 are subject to the conditions that—
- (a) the scheme documents are distributed to MCK shareholders in the manner that is set out by the Court and that gives MCK shareholders not less than 10 working days' notice of the extraordinary shareholders' meeting; and
  - (b) the scheme documents referred to in (a) above include particulars of all matters that are material to a MCK shareholder making a decision on whether to approve the scheme; and
  - (c) without limiting (b) above, the scheme documents include the following:
    - (i) a summary of the trading requirements for a New Zealand investor in connection with holding shares in a company listed on the Singapore exchange; and
    - (ii) a summary of the New Zealand tax consequences of holding and trading shares on the Singapore exchange; and
    - (iii) a statement that investing in the securities of overseas issuers carries with it a currency exchange risk; and
    - (iv) a statement that the financial reporting requirements applying in New Zealand and those applying to FSGL may be different and the financial statements of FSGL may not be compatible in all respects with financial statements prepared in accordance with New Zealand law; and
    - (v) a statement that FSGL may not be subject in all respects to New Zealand law; and
    - (vi) a statement that, although a copy of the Singapore prospectus and other documents have been received by the Registrar, the Singapore prospectus has not been registered in New Zealand under New Zealand law and may not contain all the information that a New Zealand registered prospectus is required to contain; and
    - (vii) a statement that it is not a condition of this notice that FSGL be listed on an NZX market and that, if FSGL is not listed on an NZX market, New Zealand resident investors may not have access to information concerning FSGL in the same way as they would have in relation to an issuer listed on an NZX market; and

- (viii) a statement confirming that there are no charges or subscription monies payable by MCK shareholders in connection with the scheme; and
- (ix) a description of:
  - (A) the purpose and effect of the scheme; and
  - (B) the steps necessary to bring the scheme into effect.
- (d) a statement in the following form is included at the front of the explanatory notes to the notice of meeting:

**“Important information**

The information in this section is required under the Securities Act (Millennium & Copthorne Hotels New Zealand Limited and First Sponsor Group Limited) Exemption Notice 2014.

Investment decisions are very important. They often have long-term consequences. Read all documents carefully. Ask questions. Seek advice before committing yourself.

**The Financial Markets Authority regulates conduct in financial markets**

The Financial Markets Authority regulates conduct in New Zealand’s financial markets. The Financial Markets Authority’s main objective is to promote and facilitate the development of fair, efficient, and transparent financial markets. For more information about investing, go to <http://www.fma.govt.nz>.

**Financial advisers can help you make investment decisions**

Using a financial adviser cannot prevent you from losing money, but it should be able to help you make better investment decisions.

Financial advisers are regulated by the Financial Markets Authority to varying levels, depending on the type of adviser and the nature of the services they provide. Some financial advisers are only allowed to provide advice on a limited range of products. When seeking or receiving financial advice, you should check—

- the type of adviser you are dealing with:
- the services the adviser can provide you with:
- the products the adviser can advise you on.

A financial adviser who provides you with personalised financial adviser services may be required to give you a disclosure statement covering these and other matters. You





should ask your adviser about how he or she is paid and any conflicts of interest he or she may have.

Financial advisers must have a complaints process in place and they, or the financial services provider they work for, must belong to a dispute resolution scheme if they provide services to retail clients. So if there is a dispute over an investment, you can ask someone independent to resolve it.

Most financial advisers, or the financial services provider they work for, must also be registered on the financial service providers register. You can search for information about registered financial service providers at <http://www.fspr.govt.nz>.

You can also complain to the Financial Markets Authority if you have concerns about the behaviour of a financial adviser.”

## **7 Documents to be received by Registrar**

The exemptions granted by clause 5, except the exemptions from sections 51 to 54, are subject to the further condition that a copy of each of the following documents has been received by the Registrar prior to the scheme taking effect:

- (a) the Singapore prospectus relating to the quoted securities concerned (and any updates to the Singapore prospectus to address material matters arising as a result of a change in circumstances occurring after the date of the Singapore prospectus or to address comments arising from public review);
- (b) the certificate of incorporation of FSGL;
- (c) the memorandum and articles of association or other documents, statutes, or instruments constituting or defining the constitution of FSGL;
- (d) any certificate or other document evidencing lodgement or registration of the Singapore prospectus;
- (e) a copy of any material contract that has been lodged or registered with the Singapore prospectus or,—
  - (i) if any of those material contracts are not in writing, a copy of any memorandum that has been lodged or registered and that contains particulars of the contract; or
  - (ii) if an exemption, order, or declaration has been granted by a competent authority in respect of the quoted securities, a copy of that exemption, order, or declaration.



Dated at Auckland this 29<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 30 May 2014, exempts Millennium & Copthorne Hotels New Zealand Limited (**MCK**) and First Sponsor Group Limited (**FSGL**), and every person acting on behalf of either or both of them, subject to conditions, from sections 37, 37A, 38A and 51 to 54 of the Securities Act 1978 (the **Act**) and regulations 25 to 28, 30, 35, 38 and 39 of the Securities Regulations 2009 (the **Regulations**), in relation to an offer of securities of FSGL to MCK shareholders under a proposed scheme of arrangement pursuant to Part 15 of the Companies Act 1993. This scheme involves MCK distributing shares in FSGL which will be quoted on the Singapore exchange to MCK's shareholders *in specie* on a pro rata basis, subject to shareholder approval (the **Scheme**).

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—

- there will be a full prospectus prepared relating to the initial public offering of FSGL under Singapore law (the **Singapore Prospectus**). The Singapore Prospectus will be provided to MCK's shareholders in the place of a New Zealand compliant prospectus and investment statement, along with other materials prepared for the Scheme and approved by the Court (**Scheme Documents**). When read with the Scheme Documents, the Singapore Prospectus will contain sufficient information upon which MCK's shareholders may evaluate the merits of the Scheme and, in particular, of holding shares in FSGL:
- MCK shareholders already have economic exposure to FSGL (through MCK's indirect shareholding in FSGL) and the Scheme effectively involves shareholders exchanging an indirect shareholding in FSGL for a direct shareholding. The Scheme is limited to MCK's shareholders and therefore to persons who are already familiar with the assets and business of FSGL:
- MCK's shareholders will have a greater ability to control their economic exposure to FSGL after the Scheme, as they will be able to elect to sell their quoted securities or purchase additional quoted securities:

- as the Scheme is carried out by way of a Court approved scheme of arrangement, MCK's shareholders will be able to vote on the proposed Scheme. MCK's shareholders must be invited to a meeting to vote whether to approve the Scheme to allow it to proceed, and the Scheme Documents will contain specific information in relation to the Scheme and the implications for New Zealand shareholders of holding shares in a Singapore listed company:
- it would be unduly onerous to require FSGL to prepare a New Zealand law compliant prospectus and investment statement where there will be a Singapore Prospectus and other Scheme Documents, particularly where investors are effectively changing the nature of their economic interest in FSGL from an indirect interest (through MCK's indirect shareholding in FSGL) to a direct interest:
- the scheme process is overseen by the Court who will need to be satisfied that the Scheme Documents include sufficient information for a shareholder to make an informed decision as to how to vote on the matter.

Given the offer is limited to existing MCK shareholders who are already familiar with the assets and business of FSGL and the conditions requiring the provision of relevant information in an appropriate alternative manner, FMA is satisfied that the exemptions will not cause significant detriment to subscribers of the securities and the exemptions are not broader than reasonably necessary to address the matters that gave rise to the exemptions.