

ENTITY NAME: Black Robin Equity Limited and Westwood Terraces BRE Limited

(together, the **Offerors**)

DATE: 20 October 2022

REASON FOR WARNING:

1. Following the FMA's review of the use of the wholesale investor exclusion, particularly relating to property-related offers, the FMA has issued a formal warning to the Offerors.
2. Information provided by the Offerors raised concerns that they may have failed to give disclosures to investors as required by Part 3 of the Financial Markets Conduct Act 2013 (**FMC Act**), because they relied on the wholesale investor exclusion in circumstances where they were not entitled to.
3. This is because some eligible investor certificates were incomplete (and therefore defective) as they did not meet the requirement under clause 41(1)(b) of Schedule 1 of the FMC Act, for the following reasons:
 - a. No grounds for the certification were stated in the eligible investor certificate
 - b. The only grounds stated did not refer to previous experience in acquiring or disposing of financial products and so are not capable of supporting the certification and should be disregarded.
4. The FMA has concluded that the Offerors should receive a formal warning concerning this conduct, and that it is in the interest of fair and transparent financial markets that this warning should be published.