

**ENTITY NAME:** Jasper NZ Investments Limited

(the **Offeror**)

**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 Offeror.
2. Information provided by the Offeror raised concerns that it may have failed to give disclosures to investors as required by Part 3 of the Financial Markets Conduct Act 2013 (**FMC Act**), because it relied on the wholesale investor exclusion in circumstances where it was 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 grounds stated did not refer to any previous experience in acquiring or disposing of financial products and so are not capable of supporting the certification and should be disregarded.
4. In some instances, an investor was subsequently confirmed to have been a “wholesale investor” under clause 3(2) of the Schedule 1 of the FMC Act at the time of the offer. While this means that the Offeror is unlikely to have breached Part 3 of the FMC Act in relation to that investor, the Offeror still accepted an incomplete eligible investor certificate as evidence of the investor’s wholesale status at the time of making the offer.
5. The FMA has concluded that the Offeror 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.