

Financial Markets Conduct (Masthead Joint Venture) Exemption Notice 2019

Pursuant to section 556 of the Financial Markets Conduct Act 2013, the Financial Markets Authority being satisfied of the matters set out in section 557 of that Act, gives the following notice.

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Notice

1 Title

This notice is the Financial Markets Conduct (Masthead Joint Venture) Exemption Notice 2019.

2 Commencement

This notice comes into force on 22 October 2019.

3 Revocation

This notice is revoked on the close of 21 October 2024.

4 Interpretation

(1) In this notice, unless the context otherwise requires,—

Act means the Financial Markets Conduct Act 2013

excluded provisions means the following provisions of the joint venture agreement:

- (a) the dollar amounts in clause 3.4:
- (b) the dollar amounts in clause 3.5:
- (c) clause 4.3:
- (d) the percentage figures in clause 4.4(a) and (b)

exempt person means each person who is from time to time a trustee of a trust or of any trust that is a successor of a trust

joint venture agreement means the joint venture agreement constituting the Masthead Joint Venture between the Huntly Trust, the Ellen Trust, the Sir Robertson Stewart Family Trust and Masthead Limited dated 31 March 2003, as amended from time to time

Regulations means the Financial Markets Conduct Regulations 2014

trust means each of—

- (a) the Ellen Trust established under a trust deed signed by Sir Robertson Huntly Stewart, Dame Adrienne Stewart and dated 17 March 2003, as amended from time to time;
 - (b) the Mark James Stewart No. 2 Trust established under a trust deed signed by Dame Adrienne Stewart and Mark James Stewart and dated 17 March 2003, as amended from time to time;
 - (c) the Sir Robertson Stewart Family Trust established under a trust deed signed by Sir Robertson Huntly Stewart and Dame Adrienne Stewart and dated 22 January 1981, as amended from time to time;
 - (d) the Todd Huntly Stewart No. 2 Trust established under a trust deed signed by Todd Huntly Stewart, Dame Adrienne Stewart, and Mark James Stewart and dated 17 March 2003, as amended from time to time.
- (2) Any term or expression that is defined in the Act and used, but not defined, in this notice has the same meaning as in the Act.

5 Exemption from regulation 139 of Regulations

Every exempt person is exempted from regulation 139 of the Regulations, in respect of any relevant interest in quoted voting products of a listed issuer that arises from the joint venture agreement, to the extent that that regulation requires an event disclosure made by any exempt person to have attached a copy of the joint venture agreement.

6 Conditions of exemption

- (1) The exemption in clause 5 is subject to the condition that every event disclosure that would, but for this exemption be required to have attached a copy of the joint venture agreement—
- (a) has attached a copy of the joint venture agreement (without the excluded provisions); and
 - (b) describes the nature of the joint venture agreement; and
 - (c) states that the excluded provisions have not been reproduced in the copy of the joint venture agreement that is attached to the event disclosure; and
 - (d) describes the general nature of each of the excluded provisions; and
 - (e) in relation to clause 4.3 of the joint venture agreement includes, as a minimum, a statement to the effect that clause 4.3 of the joint venture agreement provides for succession planning that is personal to the parties; and
 - (f) states why the excluded provisions have been excluded; and
 - (g) includes a prominent statement to the effect that the exempt persons giving the notice warrant that the event disclosure (including the description of the excluded provisions and reasons for the exclusions in the event disclosure), when read together with the joint venture agreement (without the excluded provisions), is not false or misleading in any material particular in its disclosure of the relevant interest, including by any omission or failure to contain or refer to material information; and

- (h) states that the exempt persons have been granted the exemption.
- (2) The exemption in clause 5 is subject to the further condition that, if at any time, the warranty referred to in subclause (1)(g) becomes false or misleading in any material particular relating to the relevant interest, the exempt persons who gave the notice must file a new event disclosure that contains all the additional information as is required to disclose adequately the relevant interest.

7 Existing notice revoked

The Financial Markets Conduct Act (Masthead Joint Venture) Exemption Notice 2014 is revoked on the close of 21 October 2019.

Dated at Wellington this 14th day of October 2019.



Liam Mason
Director of Regulation
Financial Markets Authority

Statement of reasons

This notice, which comes into force on 22 October 2019 and is revoked on the close of 21 October 2024, exempts certain trustees of trusts that together either control, or have a potential future interest in, the Masthead Joint Venture from regulation 139 of the Financial Markets Conduct Regulations 2014 to the extent that the regulation requires event disclosures given by those trustees to have attached a full copy of the joint venture agreement that constitutes the Masthead Joint Venture.

This notice is granted on substantially the same basis as the Financial Markets Conduct Act (Masthead Joint Venture) Exemption Notice 2014 (which is revoked by this notice).

The Financial Markets Authority (FMA), after satisfying itself as to the matters set out in section 557 of the Financial Markets Conduct Act 2013 (Act), considers it appropriate to grant the exemption because—

- in the absence of an exemption, certain commercially sensitive or highly personal information contained in the joint venture agreement would need to be disclosed along with the event disclosures to be filed by the applicants. Disclosure of these provisions would be detrimental to the trustees. The FMA considers the excluded provisions are not material to adequate disclosure of a relevant interest held by the trustees:
- the conditions of exemption require each event disclosure to which a copy of the joint venture agreement is attached to contain statements about the nature of the excluded provisions, the reasons for the exclusions, and a warranty that the exclusions do not make the event disclosure false or misleading:
- accordingly, the FMA is satisfied that the granting of the exemption is necessary or desirable to promote the purposes of the Act. Specifically, to promote the confident and informed participation of businesses, investors and issuers in the financial markets and to promote and facilitate the development of a fair, efficient and transparent financial market:

- the exemption only applies to limited extracts of information in the joint venture agreement in respect of which disclosure would be detrimental to the trustees. Explanatory information must be provided about the nature of this excluded information. Accordingly the FMA considers that the extent of the exemption granted is not broader than is reasonably necessary to address the matters that gave rise to the exemption.