

Securities Act (EROAD Limited) 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

- 1 Title**
This notice is the Securities Act (EROAD Limited) Exemption Notice 2014.
- 2 Commencement**
This notice comes into force on 17 July 2014.
- 3 Revocation of this notice**
This notice is revoked on the close of 31 October 2014.
- 4 Interpretation**
 - (1) In this notice unless the context otherwise requires:
Act means the Securities Act 1978
EROAD means EROAD Limited
investment statement means the investment statement relating to the offer
offer means the offer to the public of shares in EROAD
offeror means EROAD Offeror Limited
prospectus means the registered prospectus relating to the offer
Regulations means the Securities Regulations 2009
shares means fully paid ordinary shares in EROAD.

- (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 Exemptions from regulations 19(1) and 21(1) of the Regulations in respect of the form and content requirements of the investment statement

EROAD, the offeror, and every person acting on behalf of either or both of them are exempted from:

- (a) regulation 19(1) of the Regulations to the extent that it requires the investment statement to contain the following information, statements and other matters specified in the following clauses of Schedule 13 of the Regulations:
- (i) clauses 3(7), 7, 8, 14, 18(1)(c), 19, and 20:
 - (ii) clauses 16 and 17:
 - (iii) clause 1(1) to the extent that that subclause requires the investment statement to include:
 - A the heading "Choosing an investment":
 - B the words "When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages noted below:"
 - C the index of questions in italics (including page references):
 - (iv) clause 4(b) to the extent that that subclause requires the investment statement to include an indication of how long EROAD has been carrying on its activities:
 - (v) clause 15(1) to the extent that that subclause requires the investment statement to include a statement as to whether, in EROAD's opinion, there is an established market for the sale of the shares;
- (b) regulation 21(1) of the Regulations.

6 Conditions of exemptions in clause 5

- (1) The exemption in clause 5(a)(ii) is subject to the condition that the investment statement contains a reference to relevant persons whom potential investors in New Zealand can contact with questions about the offer;
- (2) The exemption in clause 5(a)(iii) is subject to the condition that the investment statement contains a prominent table of contents prior to the first substantive section of the investment statement;
- (3) The exemptions in clause 5 are subject to the further conditions that —

- (a) the investment statement is a document that is separate from the prospectus;
- (b) the investment statement includes a prominent statement prior to the first substantive section of the investment statement, to the following effect:

"IMPORTANT NOTICE

This document is an investment statement. The purpose of an investment statement is to:

- *provide certain key information that is likely to assist a prudent but non-expert person to decide whether or not to subscribe for securities; and*
- *bring to the attention of such a person the fact that other important information about the securities is available to that person in other documents.*

For more information to assist you in deciding whether or not to purchase the Shares offered to you, you are recommended to read the Prospectus which has been prepared in respect of this Offer."

- (c) the investment statement includes a description, prior to the first substantive section of the investment statement, on how a copy of the prospectus, which includes or refers to the most recent financial statements of EROAD, can be obtained, free of charge; and
 - (d) the Internet site maintained by or on behalf of EROAD containing information about the offer includes on its homepage in a prominent place a hyperlink to the prospectus.
- (4) Nothing in this clause 6 limits the information, statements, questions or other matters that may be contained in an investment statement.

Dated at Wellington this 16 day of July 2014.



Simone Robbers
Head of Primary Markets and Investor Resources
Financial Markets Authority

Statement of reasons

This notice comes into force on 17 July 2014 and is revoked on

31 October 2014. This notice exempts EROAD Limited (**EROAD**) and EROAD Offeror Limited (the **offeror**) in respect of certain specific content and form requirements of the Securities Regulations 2009 (**Regulations**) in relation to the investment statement. FMA, after satisfying itself as to the matters set out in section 70B(2) of the Securities Act, considers it appropriate to grant these exemptions because —

- the purpose of an investment statement is to provide prescribed key information that is likely to assist a prudent but non-expert person to decide whether or not to subscribe for the securities, and to bring to the attention of such a person the fact that other important information about securities is available to them in other documents:
- the Regulations contemplate that certain matters may not be applicable to a particular offer of securities and therefore the investment statement is not required to refer to such matters. However, for an initial public offering, there are a number of prescribed matters that, while applicable, will not provide useful or relevant information to investors in order for them to make an informed investment decision:
- the exemptions will enable EROAD and the offeror to prepare an investment statement that provides investors with clear, concise, and effective information in an appropriate form for the particular offer. There is therefore no significant detriment to investors:

In these circumstances, FMA considers that the exemptions are not broader than reasonably necessary to address the matters that gave rise to the exemptions.
