

FMA welcomes the introduction of the unsolicited offers regulations from 1 December 2012

The FMA welcomes the introduction of the Securities Markets (Unsolicited Offers) Regulations 2012 (Regulations), which come into force on 1 December 2012.

The Regulations introduce new processes and disclosure obligations for most unsolicited offers (also known as 'low ball' offers). A key change introduced by the new Regulations is a right for individuals to cancel an agreement to sell shares (or other securities) during a 10 working day 'cooling off' period, after accepting an offer.

The Regulations will not apply to unsolicited offers made prior to 1 December that remain open for acceptance on or after 1 December. They also do not prohibit unsolicited offers. These can still be made, but they must comply with the Regulations and other legal obligations.

FMA will have enhanced enforcement powers in relation to unsolicited offers that are subject to the Regulations. FMA will continue to actively monitor unsolicited offers and will take enforcement action in appropriate cases.

The Regulations can be viewed [here](#).

Consultation Paper: Issuer exemptions from licensed auditor requirement

FMA is consulting on a review of class Financial Reporting Act exemptions for issuers in light of the introduction of auditor licensing requirements under the Auditor Regulation Act 2011.

FMA's consultation paper proposes policy positions regarding when Financial Reporting Act exemptions will generally be given to relieve an issuer from using a licensed auditor, discusses specific amendments to existing exemptions, and consider whether any new class exemption notices may be required.

We seek submissions on the proposals in the paper to assist with this review process. Submissions should be sent by email to exemptions@fma.govt.nz. The deadline for submissions is 17 December 2012.

You can contact Natalie Muir, Manager Exemptions, with any questions.

The consultation paper can be viewed [here](#).

