

1 Decision Date

19 December 2016

2 Duration of the Exemption

This exemption comes into force on the Decision Date and expires at the close of 19 December 2021, unless varied under regulation 37(3) of the Regulations, or revoked earlier.

3 Interpretation

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

Act means the Overseas Investment Act 2005

exemptions means the exemptions in paragraph 4 subject to the conditions in paragraph 5

Complectus means Complectus Limited (5054980)

Complectus Group means:

- (a) Complectus; and
- (b) any person in which Complectus has, directly or indirectly, an ownership or control interest, other than in a trustee capacity.

OIO means the Overseas Investment Office

Regulations means the Overseas Investment Regulations 2005

ownership or control interest means:

- (a) a beneficial entitlement to, or a beneficial interest in, a person's securities; or
- (b) the power to control the composition of any part of the governing body of a person; or
- (c) the right to exercise or control the exercise voting power at a meeting of a person

parent of Complectus means any person that has, directly or indirectly, a 25% or more ownership or control interest in Complectus

Trust means any arrangement in which any member of the Complectus Group is acting in a trustee capacity

trustee capacity means a capacity in which a company is acting in the ordinary course of business as:

- (a) a trustee or supervisor of a unit trust, managed investment scheme, group investment fund, charitable trust or a trust (including a security trust) for specified or discretionary beneficiaries; or
- (b) a custodian trustee; or
- (c) a trustee, agent, attorney, or nominee for any person, estate of a deceased person, or purpose; or

- (d) a trustee or statutory supervisor (each as defined in the Securities Trustees and Statutory Supervisors Act 2011) or any other supervisory trustee capacity; or
 - (e) an executor or administrator of an estate of a deceased person; or
 - (f) A supervisor or custodian, as defined in the Financial markets Conduct Act 2013.
- (2) Any term or expression that is defined in the Act or the Regulations and used, but not defined, in this Exemption has the same meaning as in the Act or the Regulations (as the case may be).
- (3) Examples used in this notice have the following status:
- (a) an example is only illustrative of an exemption and does not limit the exemption; and
 - (b) if an example and the exemption provision to which it relates are inconsistent, the exemption provision prevails.

4 Exemptions

- (1) Each member of Complectus Group and each parent of Complectus is exempt from the definition of *overseas person* for the purposes of determining whether:
- (a) any member of Complectus Group requires consent under the Act when acting in a trustee capacity; and
 - (b) any other person (A) is or becomes an overseas person as a result of a member of Complectus Group holding or acquiring securities in any person in a trustee capacity; and
 - (c) any trust (T) of which a member of Complectus Group is a trustee is an overseas person.
- (2) Each member of Complectus Group is exempt from the definition of *associate* to the extent that it is an associate of another member of Complectus Group or a parent of Complectus.
- (3) Each member of Complectus Group is exempt from the requirement for consent to acquire rights or interests in any person (B), provided that:
- (a) B or 100% subsidiaries of B act as trustees in the ordinary course of its business;
 - (b) the sensitive land, significant business assets and fishing quota held by B and its 100% subsidiaries are all held in a trustee capacity; and
 - (c) the acquisition would not amount to an overseas investment which requires consent under the Act or the Fisheries Act 1996 for any reason other than B, in a trustee capacity, holding assets, the acquisition of which would require consent.
- (4) The exemption in paragraphs 4(1) and 4(2) will not apply if a member of Complectus Group or a person which directly or indirectly has a 25% or more ownership or control interest in Complectus is a beneficiary of the relevant Trust.
- (5) The exemptions in paragraphs 4(1) and 4(3) will not apply if the relevant member of Complectus Group is an overseas person for a reason other than the fact that Complectus and / or any parent of Complectus is an overseas person.

- (6) The exemptions in paragraphs 4(1) and 4(3) will not apply if a parent of Complectus has a 25% or more ownership or control interest in the relevant member of Complectus Group other than indirectly through its ownership or control interest in Complectus.
- (7) The exemptions in paragraph 4(1)(b) and (c) will not apply if A or T would still be an overseas person if neither Complectus nor any parent of Complectus was an overseas person.

Example 1

Complectus owns a trustee company (T). A New Zealander (N) wishes to acquire Company A through a trust, with T as trustee. A owns sensitive land.

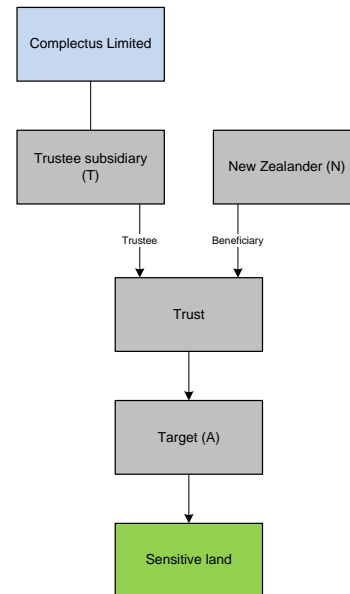
Result:

The purchase of A by the trust will not require consent.

T will not require consent for the trust's acquisition of A, as paragraph 4(1)(a) exempts T from the definition of overseas person when acting in a trustee capacity. Paragraph 4(2) exempts T from the definition of associate in relation to Complectus and its 25% or more parents.

N is neither an overseas person nor an associate of an overseas person and will not require consent to acquire a beneficial interest in A.

A will not become an overseas person as paragraph 4(1)(b) exempts Complectus from the definition of overseas person when determining whether A is an overseas person.



Example 2

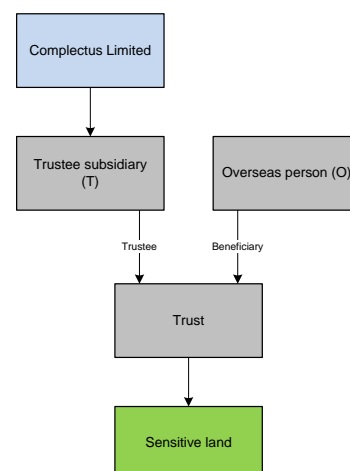
Complectus owns a trustee company (T). An overseas person (O) wishes to acquire sensitive land through a trust, with T as trustee.

Result:

The purchase of sensitive land by the trust will require consent.

T will require consent as it is an associate of an overseas person (O) and the relationship is not overcome by any of the exemptions in paragraph 4.

The trust will require consent as it is an overseas person as O has a beneficial entitlement to more than 25% of the trust property. The exemption in paragraph



4(1)(c) is insufficient, as the trust would be an overseas person even if Complectus was not an overseas person.

Example 3

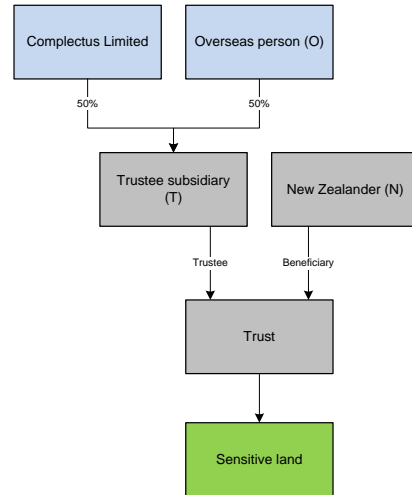
Complectus owns 50% of a trustee company (T). The other 50% is owned by an overseas person (O). A New Zealander (N) wishes to acquire sensitive land through a trust, with T as trustee.

Result:

The purchase of sensitive land by the trust will require consent.

T will require consent to acquire a legal interest in the land. T is an overseas person as O has a 25% or more of its shares. The exemption in paragraph 4(1)(a) is insufficient as T would be an overseas person even if Complectus was not an overseas person.

The trust will require consent to acquire the land. The trust is an overseas person as its trustee, T, is an overseas person. The exemption in paragraph 4(1)(c) is insufficient, as the trust would be an overseas person even if Complectus was not an overseas person.



Example 4

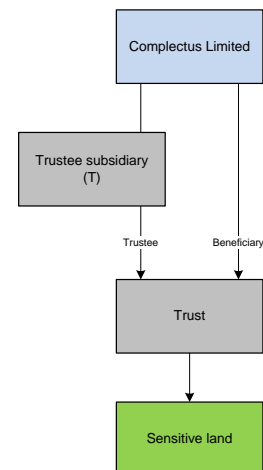
Complectus wishes to acquire sensitive land. Complectus structures the acquisition through a trust, with a member of Complectus Group as trustee, and Complectus as a beneficiary.

Result:

The purchase of the sensitive land will require consent.

T will require consent to acquire a legal interest in the land. T is an overseas person as Complectus has a 25% or more of its shares. The exemption in paragraph 4(1)(a) does not apply as Complectus is a beneficiary of the trust, see paragraph 4(4).

The trust will require consent to acquire the land. The trust is an overseas person as its trustee, T, is an overseas person. The exemption in paragraph 4(1)(c) does not apply as Complectus is a beneficiary of the trust, see paragraph 4(4).



Example 5

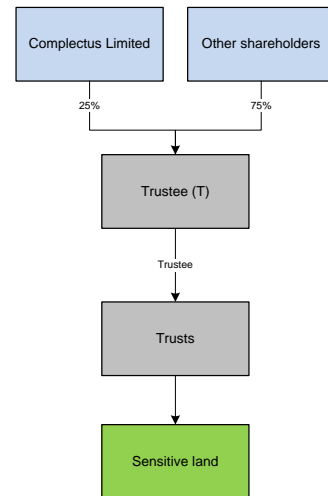
Complectus wishes to acquire a 25% interest in the shares of a trustee company (T). T holds interests in a number of parcels of sensitive land in a trustee capacity.

Result:

Complectus' acquisition of T will not require consent.

Paragraph 4(3) exempts Complectus from the requirement for consent to acquire shares in a trustee company. The exemption would not apply if the T held sensitive land other than in a trustee capacity (see paragraph 4(3)(b)), or if consent was required for some reason other than T holding assets in a trustee capacity (see paragraph 4(3)(c)). For example, the exemption would not apply if T was leasing office space which was sensitive land, or if Complectus was paying more than \$100m for its 25% shareholding in T.

Following the transaction, T will come within the definition of 'Complectus Group' and so *may* have the benefit of the exemptions in paragraph 4. If the other shareholders were overseas persons, then paragraph 4(5) would apply, and the exemptions in paragraphs 4(1) and 4(3) would not apply.



5 Conditions of the exemptions

- (1) If requested in writing by the OIO, Complectus must within 20 working days (or such other timeframe as specified by the OIO) provide a list of Trusts in respect of which any member of the Complectus Group has been appointed to act in a trustee capacity which, but for the exemptions, would have required consent under the Act.
- (2) If requested in writing by the OIO, Complectus must provide a written report within 20 working days (or such other timeframe as specified) on any matter relating to its compliance with:
 - (a) the representations made or submitted in support of the application for the exemptions; or
 - (b) the conditions of the exemptions.

6 Amendment or revocation of the exemptions

The exemptions and conditions of the exemptions may at any time be amended or revoked by the Overseas Investment Office.

7 Sanctions

The Act provides for civil and criminal sanctions for breaching the Act, failing to comply with conditions of exemption and failing to provide information required by the Overseas Investment Office. The Overseas Investment Office has an obligation to investigate and act upon alleged and suspected breaches of the Act.

8 Explanatory note

The purpose of the exemptions is to allow members of the Complectus Group to hold sensitive New Zealand assets in a trustee capacity on behalf of non-overseas persons without first obtaining consent under the Act.

Investments in sensitive New Zealand assets made by a member of the Complectus Group in a trustee capacity will only require consent if the relevant Trust is an overseas person for another reason.

In addition, if a member of Complectus Group holds securities in any person in a trustee capacity, that person will not become an overseas person unless it would be an overseas person for another reason.

The exemption is consistent with the purpose of the Act because it only applies where property or securities are held in a trustee capacity. The involvement of the Complectus Group in a trustee capacity protects the interests of New Zealand beneficial owners in sensitive New Zealand assets. Complectus Group will obtain no beneficial interest in or entitlement to the relevant property or securities. Beneficial ownership and control will remain with New Zealanders. The exemption will not apply if the beneficial owners are overseas persons.

Acquisitions of securities or property by any member of the Complectus Group in a capacity other than a trustee capacity will remain subject to any applicable requirement for consent under the Act, other than acquisitions of trustee companies that hold sensitive assets in a trustee capacity only. Any acquisition of rights or interests in any member of the Complectus Group by an overseas person will also remain subject to any applicable requirement for consent under the Act.