



*SUBMISSIONS ON THE APPLICATION OF THE BILL TO MANAGED INVESTMENT SCHEMES*

6 September 2011

Ministry of Economic Development  
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Competition, Trade and Investment Branch  
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**About ANZ National Bank Limited - New Zealand**

1. ANZ National Bank Limited (**ANZ New Zealand**) is the largest financial institution in New Zealand. The ANZ New Zealand group comprises brands such as ANZ, The National Bank, UDC Finance, OnePath New Zealand, EFTPOS, Direct Broking and Bonus Bonds.
2. ANZ New Zealand offers a full range of financial products and services including a significant range of financial advisory services, personal banking, institutional banking and wealth management services.
3. ANZ New Zealand's fund management arm is operated out of wholly - owned subsidiary OnePath (NZ) Limited. OnePath manages unit trusts, Kiwisaver and superannuation schemes. UDC Finance and Direct Broking Limited each also offer a managed investment scheme to the retail market. ANZ New Zealand subsidiary, ANZ Investment Services (New Zealand) Limited, is the manager of Bonus Bonds.

**Support for Bill**

4. ANZ New Zealand appreciates the work that has gone into the preparation of the Financial Markets Conduct Bill by MED. In general, the Bill reflects the policy decisions stated in the February and April 2011 Cabinet Papers and our discussions with MED officials since the release of these Papers.
5. However, we have a number of comments and alternate drafting suggestions to clear up some elements of the Bill that are currently unclear or inconsistent and some policy queries about other provisions. These are addressed in the following attached submission.

**Contact for submission**

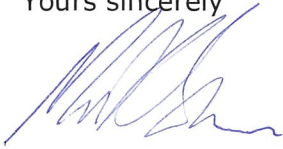
6. Contact details for ANZ New Zealand to discuss this submission, if required, are:

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7. Once again, we thank MED for the opportunity to have input into the exposure draft stage of this wide-reaching legislation.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mark Shaw', written over a light blue horizontal line.

Mark Shaw  
Head of Compliance

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Clause Number	Clause heading	Submission
<b>Part 1</b>	<b>Preliminary provisions</b>	
Section 6(1)	Interpretation	<ul style="list-style-type: none"> <li>• The definition of “give” is the same as the current definition of “receive” in the Securities Act 1978. Case law (see for example <i>Henderson Global Funds v Securities Commission [2009] NZCCLR 18 (HC)</i>) which has interpreted this provision to mean that documents cannot be sent by hyperlink or by reference to the issuer’s website. ANZ New Zealand submits that, in the current electronic age, it is more economic and beneficial for investors (particularly those who elect reception by this method), for issuers to be able to comply with the requirement to ‘give’ a PDS if the definition of ‘give’ includes delivery by hyperlink to a known email address of the investor. Additionally, the definition is problematic in the context of a person who downloads a copy of a PDS from a website as this is not a positive action which the definition of “give” currently implies is required. The ability to rely on downloading should be made express in the defined term. See section 119L of the KiwiSaver Act as an example. Both these circumstances are particularly relevant for continuously issued securities or PDSs that replace an existing or expired PDS.</li> <li>• “Give” is also out of alphabetical order.</li> </ul>
Section 9(2)(d)	Definition of managed investment scheme and of financial benefit	<ul style="list-style-type: none"> <li>• ANZ New Zealand submits that the insurance contracts exclusion from the definition of “managed investment scheme” should grandfather existing insurance contracts by excluding them from the definition of managed investment products, in the same way as the Financial Advisers Act 2008 does.</li> <li>• The drafting of the insurance contracts exemption, including the word “only”, is potentially too narrow and could be inapplicable if other financial benefits which are not financial products are provided under it. The introduction would read more clearly if it read:   <i>“a scheme which is a managed investment scheme solely because it involves a pure risk contract of insurance or a life insurance policy (within the meaning of section 2(1) of the Securities Act 1978) issued before 1 January 2013”.</i>                       The definition of pure risk contract of insurance could be cross referenced to, or taken from the Financial Advisers (Definitions, Voluntary Authorisations, Prescribed Entities, and Exemptions) Regulations 2011.</li> <li>• The contracts of insurance reference in this definition should be aligned to the new definition in the Financial Advisers (Definitions, Voluntary Authorisations, Prescribed Entities, and Exemptions)</li> </ul>

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Clause Number	Clause heading	Submission
		Regulations 2011. Currently it adopts an old definition.
Section 10	Definitions of issued and issuer	<ul style="list-style-type: none"> <li>The definition of 'issued' is clarified in the context of ongoing contributions to KiwiSaver and superannuation schemes but not other types of managed investment scheme. The reference at subsection 2(c) clarifies that further contributions to a superannuation or KiwiSaver scheme are not "issued" financial products (effectively confirming the 'one security' position for superannuation and KiwiSaver schemes). This is helpful when changes occur to offering documents. ANZ New Zealand seeks similar clarity for contributions to another type of managed investment scheme.</li> </ul>
<b>Part 3</b>	<b>Disclosure offers of financial products</b>	
Section 35	Certain situations in which section 34 does not need to be complied with	<ul style="list-style-type: none"> <li>ANZ New Zealand submits that it would be desirable if a materiality threshold was included in section 35(1)(a), and that this section or the transition provisions should state that a person does not need to receive a PDS if they have received an investment statement that contains substantially all of the information that a PDS is required to contain.</li> </ul>
Section 36	PDS treated as having been given if application form that is used was included in, or accompanied by, PDS	<ul style="list-style-type: none"> <li>Given the significant fine for non-compliance with clause 34 (Tier 3), there should be some guidance given on when an application form 'accompanies' the PDS, especially where the person has applied for financial products online and it is not practicable to include the application form in the PDS.</li> </ul>
Section 38(3)(a)	Right to withdraw and have money returned	<ul style="list-style-type: none"> <li>ANZ New Zealand submits that it should be made clear that the issuer can be reimbursed out of the scheme in the event the offeror has to repay subscriptions under this clause in respect of managed investment schemes (including debt securities issued by managed investment schemes).</li> </ul>
Section 39(1)(a)	Disclosure of material information and content of PDS and register entry	<ul style="list-style-type: none"> <li>ANZ New Zealand submits that it could be made express in the drafting that a PDS and register entry (taken together) can be deemed to have included all material information if the PDS cross-references the register (which contains all the rest of the material information). This can be achieved if section 12(2)(c) is amended to include after the word "documents" when first used, the words "(including the register entry)" and section 12(3) authorises the register entry being incorporated by reference into</li> </ul>

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		the PDS.
Section 39(1)(b)(iv)	Disclosure of material information and content of PDS and register entry	<ul style="list-style-type: none"> <li>The date of a PDS is the date it is lodged. Ideally the section should allow for lodgements later than the date of the PDS to allow for delays, as the Securities Act currently allows for now.</li> </ul>
Section 41	Consent of person to whom statements attributed	<ul style="list-style-type: none"> <li>ANZ New Zealand submits that this clause is problematic. Scheme offering documents often need to draw statements from other sources eg Government KiwiSaver policy statements, tax policy announcements, quotes from the IRD KiwiSaver website, Morningstar and FundSource performance figures, published international market commentary, index figures, or material that explains underlying investments. Many of these sources have no incentive to provide consent to being quoted, and many, particularly those overseas, will be reluctant to give consent even before they understand that potential liability may arise. Section 41 should be limited to endorsements instead.</li> </ul>
Section 52(2)(1)	Supplementary document	<ul style="list-style-type: none"> <li>ANZ New Zealand submits the meaning of this section is clearer if the following bolded words are inserted as follows: "the supplementary document <b>relating to that PDS</b> is taken to be...".</li> </ul>
Section 55	Consents needed for lodgement	<ul style="list-style-type: none"> <li>Directors of issuers of managed investment schemes and derivatives (particularly those offered by registered banks) should not need to consent to lodging of a PDS for these products (or be liable for the PDS). A separate regime should be established. In the case of derivatives and managed investment schemes, the financial products being offered are not capital raisings for the issuer. They are likely to be merely one of many financial products being offered by the issuer as part of the manager's business, which the issuer manages. The content of the offers is not therefore a matter on which the directors should have any special knowledge ahead of the business. A director's role is to oversee the business; not to conduct the business. Accordingly, the rationale for director liability and consent can be distinguished from equity and debt offers where they should know and have access to financial information relevant to the investment being offered. Separate due diligence processes should be prescribed as an alternative, and directors made liable for offers of managed investment schemes or derivatives only if they have not taken reasonable steps to ensure the issuer has conducted a suitable due diligence process which is reasonably designed to ensure that the PDS and register entry are not</li> </ul>

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Clause Number	Clause heading	Submission
		<p>misleading.</p> <ul style="list-style-type: none"> <li>Without limiting the above, in the case of large international groups, particularly international banks it is necessary that the signing of the consent be able to be delegated.</li> </ul>
Section 63	Misleading or deceptive statements, omissions, and new matters requiring disclosure	<ul style="list-style-type: none"> <li>ANZ New Zealand submits that immaterial misleading statements in a PDS or on a registry entry should not lead to a requirement to cease an offer of financial products.</li> </ul>
Section 66	How offeror must deal with applications on expiry	<ul style="list-style-type: none"> <li>Clause 66 appears inconsistent with clause 35 (ie, clause 66 says an issuer must give a new PDS to a customer if they have an expired PDS, whereas clause 35 says an issuer doesn't need to give a new PDS to someone if they already have a PDS).</li> </ul>
Section 69	Prohibition of offers in the course of unsolicited meetings or communications in certain circumstances	<ul style="list-style-type: none"> <li>ANZ New Zealand submits that the proposed section 69 is too restrictive, especially in the context of continuously issued financial products. Arguably it will prevent call centres calling to discuss or arrange meetings to discuss KiwiSaver or other products which are necessary to improve New Zealand's savings rates.</li> </ul>
<b>Part 4 and schedule 3</b>	<b>Governance of financial products</b>	
Section 110 – 116	Registration generally	<ul style="list-style-type: none"> <li>It is unclear if there will be some relief for Australian responsible entities that offer managed investment products in New Zealand. ANZ New Zealand submits this should be recognised under the mutual recognition provisions contained in sections 522 to 530.</li> </ul>
Section 112(1)(b)	Additional initial and ongoing registration requirements for Kiwisaver schemes	<ul style="list-style-type: none"> <li>Most KiwiSaver schemes will have their purpose as <b>principally</b> providing for retirement benefits, since this is the purpose of the Superannuation Schemes Act, and given that there are other aspects of KiwiSaver that are not considered as retirement benefits (eg financial hardship, mortgage diversion, first home withdrawals).</li> </ul>
Section 113	Additional initial and ongoing registration requirements for superannuation schemes	<ul style="list-style-type: none"> <li>ANZ New Zealand submits that the membership criteria for superannuation schemes that require participation to be restricted to New Zealand citizens or permanent residents who are currently living, or normally living, in New Zealand is overly restrictive. It is particularly difficult and unfair to persons in New Zealand who are living here on a temporary working visa and wish to contribute to a</li> </ul>

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		<p>superannuation scheme and for New Zealanders who live overseas but will want to transfer superannuation savings home when they return.</p> <ul style="list-style-type: none"> <li>• It would also be desirable for New Zealand superannuation schemes to be capable of being offered overseas, consistent with the Prime Minister's financial hub objectives.</li> </ul>
Section 117	Contents of governing document for registered scheme	<ul style="list-style-type: none"> <li>• ANZ New Zealand submits that the requirements for trust deeds to provide for fees should allow that a manager's fees be no more than a specified amount, and that fees payable to investment managers and administration managers be those agreed by the manager so as to allow for negotiated terms with third party providers who may change.</li> </ul>
Section 121	Changes to governing document	<ul style="list-style-type: none"> <li>• ANZ New Zealand submits that the restrictive criteria for trust deed amendments may not be practical in all circumstances. It should be unobjectionable to allow for managed investment schemes which permit withdrawals to amend trust deeds if unitholders have been advised (with say 3 months notice) of the change and not more than 5% object within that timeframe. This proposal is rationalised on the basis that if unitholders don't like the change, they can exit the fund within the 3 months' notice period. This type of approach is not uncommon in existing unit trust Trust Deeds and would save unitholders the costs of a unitholder meeting if a change could not be made based on the existing proposed criteria.</li> <li>• ANZ New Zealand submits that the supervisor should be able to submit to changes necessary to be consistent with the law even if the change has a material adverse effect on scheme participants, e.g. tax changes, or because of changes to accountancy rules.</li> </ul>
Section 125	General duties applying in exercise of manager's functions	<ul style="list-style-type: none"> <li>• ANZ New Zealand submits that limb (1)(c) that requires fund managers to exercise their powers as manager in the best interests of participants and to treat scheme participants equitably should be deleted. This provision is inconsistent with the role of the manager and will, in practice, be difficult to apply to routine transactions and situations that arise for the manager to address. The trustee should, appropriately, be charged with the role of acting in the best interests of participants as part of their function overseeing the manager's activities. The trustee is charged with representing the participants and their interests. This is the point of the separation in functions of the trustee and manager. In addition, the trustee has powers to veto the manager's activities to ensure that the best interests of the scheme participants are met. Arguably, the requirement to treat participants</li> </ul>

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		<p>equitably extends the manager's duties beyond that of the trustee (there is no equivalent function at section 98(1)(b)) which is inappropriate given the trustee is appointed to represent the participants' interests, not the manager. ANZ New Zealand submits that the interpretation of this section could be enhanced through introducing the consideration in relation to classes (of participants), rather than participants generally (as it may not always be the case that classes should be treated equitably) or introducing 'material/manifest' thresholds.</p> <p>Alternately, appropriate exemptions from these requirements should be included, such as where scheme participants consent to the issuer making a profit (eg charging fees).</p> <ul style="list-style-type: none"> <li>• (1)(d) It is difficult to interpret 'improper advantage'. Does this refer to a financial benefit or more intangible situations - such as gaining more customers? How far is this provision supposed to extend? It would be helpful if this drafting was made more specific (eg "improper financial advantage") or the situations that it intends to capture are set out explicitly so that the mischief is understood.</li> <li>• As above, an express exemption should be provided for situations where scheme participants consent to the issuer using information for authorised purposes (eg cross-marketing where the participant has expressly consented).</li> </ul>
Section 127	Contracting out of management functions	<ul style="list-style-type: none"> <li>• Under section 124, the manager is responsible for managing the scheme investments and administering the scheme. Where the manager appoints an investment manager in New Zealand or overseas or a registrar to administer the Scheme register, section 127 preserves the manager's liability for misfeasance or non feasant, even when the appointments are reasonable and the manager has monitored the performance. ANZ New Zealand submits that if the manager has acted reasonably, it should not be liable and that the service provider should instead be liable under contract to the extent that can be reasonably negotiated.</li> </ul>
Section 128(1)(b)	Functions of supervisor	<ul style="list-style-type: none"> <li>• The trustee's function to supervise the financial position of the manager and the scheme to ensure it is adequate is a new concept, and guidance should be provided, especially given that the trustee can hire an expert to advise on whether it is adequate, and the cost of the expert is at the manager's expense.</li> </ul>
Section 132(3)(b)	Duty of manager to provide requested information and reports	<ul style="list-style-type: none"> <li>• This provision should include the words "or authorised agents" after directors. It is impractical, and unnecessary, to restrict signing of such reports</li> </ul>

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Clause Number	Clause heading	Submission
	to supervisor	to directors only.
Section 134	Power of supervisor to engage expert	<ul style="list-style-type: none"> <li>ANZ New Zealand submits that the power contained in this provision should be limited to specific situations (such as that referred to in section 133 or in the case of a suspected, or actual, breach of manager duties or scheme obligations) to prevent supervisors having an unfettered power to review the manager or the scheme and on-charge those costs. For example, it would be disruptive to everyday activity/business of the manager and the scheme if the supervisor determines reviews are required. We submit that "reasonable grounds" is not restrictive enough.</li> <li>It is unclear if the manager pays the expert's fees or whether it can be reimbursed by the scheme (ie the participants). This should be cleared up in the drafting and immediately in clause 3C of Schedule 15 to the Securities Regulations 1983. ANZ New Zealand submits that such fees should be reimbursable as many of the instances where such fees may be incurred will not involve fault of the manager.</li> </ul>
Section 135(5)	Requirement to have supervisor or other independent person as custodian	<ul style="list-style-type: none"> <li>If the supervisor contracts a custodian to hold the Scheme investments, section 135(5) preserves the manager's liability for breach of the custodian's obligations, even when the appointments are reasonable and the supervisor has monitored the custodian's performance. ANZ New Zealand submits that if the supervisor has acted reasonably, it should not be liable and that the custodian should instead be liable under contract to the extent that can be reasonably negotiated.</li> </ul>
Section 138	Duty of supervisor to refuse to act to act on wrongful directions	<ul style="list-style-type: none"> <li>ANZ New Zealand submits that the words "statement of investment policy and objectives" should be deleted from (1)(a). Section 12(1)(c) in the current Unit Trusts Act 1960 does not say that the trustee can refuse to act if the sale or acquisition of an asset would be inconsistent with the statement of investment policy and objectives, or with law. Requiring the supervisor to assess each transaction against the SIPO would be excessive and unnecessarily expensive (in terms of supervisor time), particularly when market fluctuations can push compliant investments over the limits at any time without any additional investment by the manager. The threshold should continue to be a high one of "manifestly not in the best interests of scheme participants".</li> </ul>
Section 141	Manager and associated persons cannot vote if interested in resolution	<ul style="list-style-type: none"> <li>The restriction on the ability of the manager and associated persons to vote may be problematic.</li> <li>The proposals could cause takeover battles for control of managed investment schemes where the</li> </ul>

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		<p>predator has an unfair advantage. If an aspiring manager can vote its interests but a defending manager can't, the vote would be skewed in favour of the aspirant (with other investors, who are likely to have invested on the faith of the existing manager's abilities, having their preferences diluted). Accordingly, the relief for voting on the manager's removal should apply to unlisted managed investment schemes also. The rationale underlying the listed entity relief applies equally to unlisted products.</p> <ul style="list-style-type: none"> <li>• Managers should also be able to vote undirected proxies. A participant should be able to choose how to cast its vote and, if it elects to give the vote to the manager on an undirected basis, its intention should be honoured. The manager's interests will usually be obvious and the manager will be required to act in the best interests when exercising a voting power as manager, and so there are already suitable protections in place to avoid the need for participants being disenfranchised if they choose to give their vote to the manager.</li> <li>• In the fund-of-fund context, this provision will prevent the interests of the investing fund's participants being represented where both funds are managed by the same person and the manager has an interest as manager of the underlying fund. ANZ New Zealand submits that in this context also the manager should be able to vote in the best interests of the investing fund's members.</li> </ul>
Section 144	Lodging of statement of investment policy and objectives and changes to statement	<ul style="list-style-type: none"> <li>• ANZ New Zealand submits that SIPOs are made available to scheme participants on their request, rather than 'publicly'. This is current practice and the method for developing investment strategy may be confidential and of interest to competitors.</li> </ul>
Section 145	Action that must be taken on limit breaks	<ul style="list-style-type: none"> <li>• There are likely to be non-material limit breaks of the proportion of types of assets that may be invested in (eg a higher proportion of cash than would be expected). Immaterial limit breaks should not need to be reported. Market fluctuations can push compliant investments over the limits at any time without any additional investment by the manager.</li> </ul>
Section 150	Definition of related party benefits	<ul style="list-style-type: none"> <li>• ANZ New Zealand submits that a 'related party benefit' should expressly exclude fees payable to a manager in accordance with the Bill or governing documents.</li> </ul> <p>ANZ New Zealand submits that a materiality threshold for such related party transactions is</p>

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		necessary.
Section 152	Certain related party benefits permitted without supervisor consent	<ul style="list-style-type: none"> <li>• In some cases a feeder fund will invest into another fund run by the same manager (often a wholesale fund) on the basis that the manager's fees from the other fund would be rebated to the feeder fund (to avoid duplication of fees). From the other fund's perspective, the feeder fund is getting a preference over other participants. Please provide an exemption for this situation.</li> <li>• The relief in section 152(1)(b) needs to allow for overseas regulated funds such as Australian registered managed investment schemes also.</li> </ul>
Section 154	Application of scheme participant transfer rules	<ul style="list-style-type: none"> <li>• ANZ New Zealand submits that suitable transfer provisions should be included in the Bill to assist with bulk transfers of interests in other managed investment schemes.</li> </ul>
Section 155(4)	Methods of transfer of scheme participants to another scheme or another section of scheme	<ul style="list-style-type: none"> <li>• Part 9, Subpart 7 repeal sections of the KiwiSaver Act. We submit that clause 14 of Schedule 1 of the Kiwisaver Act (allowing for New Zealanders who emigrate permanently to transfer their Kiwisaver funds to an overseas recognised superannuation scheme) will not be repealed. That is, that consent based transfers will remain permissible under that provision.</li> </ul>
Section 158	Transfers from Kiwisaver scheme	<ul style="list-style-type: none"> <li>• ANZ New Zealand submits that subsection (2)(d)(ii) should be deleted from the requirements of transfer information from old scheme providers. It is unclear why this information is required to be provided as providers do not have a relationship with the employer (this information is held between the employee, employer and Inland Revenue) so have no way of testing whether the contributions are being supplied at the member's chosen rate.</li> <li>• Additionally, ANZ New Zealand submits that there are additional important requirements that should be prescribed in regulations under Section 158(2)(f) (to the extent that they are not prescribed in the primary legislation). For example, the following further information requirements are necessary as this is information that is required by the new manager about a transferring member: <ul style="list-style-type: none"> <li>○ add the words "and the date on which A first contributed to the KiwiSaver scheme (if different)" to the end of section 158(2)(c). This date is relevant to testing the first home deposit subsidy withdrawal requirements; and</li> </ul> </li> </ul>

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		<ul style="list-style-type: none"> <li>○ a requirement to provide "a breakdown of A's contributions to the KiwiSaver scheme, the government's contributions to A's KiwiSaver scheme and A's employer's contributions to A's Kiwisaver scheme (if any)". This information is relevant to reporting requirements and is impossible for the new manager to distinguish if it is not provided.</li> <li>• ANZ New Zealand welcomes the opportunity to participate in the regulation making process when applicable.</li> </ul>
Section 166(1)	Statutory novation of rights, obligations, and liabilities of former manager	<ul style="list-style-type: none"> <li>• The assumption of the liabilities of the former manager by a new manager should apply only in relation to liabilities that arise after the date of transfer.</li> </ul>
Section 168	Change of supervisor	<ul style="list-style-type: none"> <li>• ANZ New Zealand submits that the change of supervisor provisions need transition provisions like those for a change of manager.</li> </ul>
Section 173(2)(a)	Duty of investment manager, administration manager and custodian to report serious problems	<ul style="list-style-type: none"> <li>• ANZ New Zealand submits that this section should apply only when an issuer has breached an issuer obligation in a material respect. While the heading of the section refers to serious problems, the text does not include a materiality threshold.</li> </ul>
Section 193(1)	Public inspection of register	<ul style="list-style-type: none"> <li>• ANZ New Zealand submits that the exclusion in subsection (2) should apply to all managed investment schemes on the basis that the privacy of investors' financial affairs outweighs the need of investors to communicate to other investors. Exemptions already exist on this ground for cash and term PIE products, externally managed group investment products and other group investment funds.</li> </ul>
Section 197	Issuer to send confirmation of financial products	<ul style="list-style-type: none"> <li>• ANZ New Zealand submits that section 197 needs to allow for 6 monthly statements to be issued for managed investment products. As these products are continuously issued securities, there is no benefit to be gained by investors (against the cost of preparing the confirmation documents) by, for example, sending out a new confirmation document every time they make a transaction on the account or are issued further managed investment products as a result of a regular direct debit ongoing contribution. Six monthly reporting to investors has been recognised as sufficient for the purposes of current Securities Exemption Notices, and of course those investors can request a</li> </ul>

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		real time statement (to the extent they cannot access it themselves via the internet) at any time.
<b>Part 6</b>	<b>Licensing and other regulation of market services</b>	
Section 413	Changes to client agreement	<ul style="list-style-type: none"> <li>ANZ New Zealand submits that client agreements for DIMS services should be able to allow for methods by which they can be changed without the consent of the client. For example by notice, with the ability for the client to withdraw from the arrangements without fee during the notice period, or changes which do not materially adversely affect the client.</li> </ul>
Section 421(2)	Action that must be taken on limit breaks	<ul style="list-style-type: none"> <li>See comments above on section 138 on SIPO limit in respect of managed investment schemes.</li> </ul>
Section 422 to 423	Related Party Transactions	<ul style="list-style-type: none"> <li>See comments on sections 150 and 152 about Related Party Transactions in respect of managed investment schemes.</li> </ul>
Section 426	Requirements for custodian	<ul style="list-style-type: none"> <li>See comments on section 135(5) on the requirements for custodians in respect of managed investment schemes.</li> </ul>
<b>Part 9 and schedule 4</b>	<b>Miscellaneous provisions</b>	
Section 570	Amendments to Trustee Companies Act 1967 and Public Trust Act 2001	<ul style="list-style-type: none"> <li>Section 570 of the Bill indicates that GIFs are to be limited to internal management of estates and assets and won't be able to be used for regulated offers in the future. ANZ New Zealand submits that GIFs be deemed to be MIS under the proposed Act and not subject to the Trustees Companies Act, and that trustees be authorised to amend trust deeds to make the necessary changes.</li> </ul>
General		<ul style="list-style-type: none"> <li>ANZ New Zealand submits that the miscellaneous provisions should include a clause which allows for issuers who continuously issue securities under an Investment Statement under the current Securities Act 1978 to be entitled to treat a PDS issued in compliance with the Bill when it comes into force to be treated immediately as a continuous issue PDS. Currently, the definition of "<b>continuous issue PDS</b>" contains a requirement that "it is not the first PDS to be lodged" which means that there is no transitional ability to move from the current Investment Statement regime to the new PDS</li> </ul>

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<b>Clause Number</b>	<b>Clause heading</b>	<b>Submission</b>
		regime for current continuously issued products.