

30 November 2015

June Zhang  
Director  
KVB Kunlun New Zealand Limited  
Level 10, Tower 1  
205 Queen Street  
Auckland

Delivered by: Email: june.z@kvbkunlun.com

Dear Ms Zhang

### **Notice under section 68 of the Financial Markets Conduct Act 2013 PDS consideration unnecessary**

1. We refer to the product disclosure statement (**PDS**) for the regulated offer of leveraged contracts for difference by KVB Kunlun New Zealand Limited (**KVB**) to be lodged on or about 1 December 2015.
2. Pursuant to the Authorised Futures Dealers (KVB Kunlun New Zealand Limited) Notice 2013 (**Authorisation**), KVB was authorised to carry on the business of dealing in futures contracts under section 38 of the Securities Markets Act 1988 and is subsequently treated as holding a derivatives issuer licence (**Transitional Derivatives Issuer Licence**) in accordance with clause 45 of schedule 4 to the Financial Markets Conduct Act 2013 (**FMC Act**). The Authorisation and consequently the Transitional Derivatives Issuer Licence, were subject to the condition that a disclosure document (**Disclosure Document**) containing all the applicable information set out in the Authorisation on the relevant product, be provided to investors.
3. The PDS relates to leveraged contracts for difference that have been offered to the public by KVB in accordance with the Authorisation or the Transitional Derivatives Issuer Licence. Accordingly, KVB has been continuously providing disclosure to investors with respect to the offers of leveraged contracts for difference and as a result, investors who have previously been provided with a Disclosure Document will already be familiar with the type of information provided in the PDS for that product when the PDS is lodged.
4. The FMA has also completed a pre-lodgment review of the PDS in accordance with parameters set out in the 'Pre-registration reviews' section of the FMA's website.
5. This letter gives notice that section 65 of the FMC Act does not apply in respect of the PDS as the FMA is satisfied that consideration as referred to in section 64 of the FMC Act is, in the circumstances mentioned above, unnecessary.

6. The FMA has notified the Registrar of this notice. The FMA has advised the Registrar that we intend to publish this notice on FMA's website.
7. Please contact me if you wish to discuss this decision further.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'S. Robbers', is written over a horizontal line.

Simone Robbers

Director of Primary Markets and Investor Resources

Financial Markets Authority

Direct Dial: 04 495 1679