



Securities Markets (NZAX Conduct Rules Approval) Order 2003

Silvia Cartwright, Governor-General

Order in Council

At Wellington this 20th day of October 2003

Present:

Her Excellency the Governor-General in Council

Pursuant to section 360 of the Securities Markets Act 1988, Her Excellency the Governor-General, acting on the advice and with the consent of the Executive Council and on the recommendation of the Minister of Commerce (made after seeking the advice of the Securities Commission), makes the following order.

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Order

- 1 Title**
This order is the Securities Markets (NZAX Conduct Rules Approval) Order 2003.
- 2 Commencement**
This order comes into effect on the day after the date of its notification in the *Gazette*.

3 Approval of proposed conduct rules

The proposed conduct rules for the NZAX Market provided to the Minister of Commerce on 10 September 2003 are approved.

Diane Morcom,
Clerk of the Executive Council.

Explanatory note

This note is not part of the order, but is intended to indicate its general effect.

This order, which comes into force on the day after its notification in the *Gazette*, approves the proposed conduct rules for the NZAX Market under section 36O of the Securities Markets Act 1988.

New Zealand Exchange Limited (**NZX**) has designed a new securities market called the NZAX Market, which is targeted at small and medium sized enterprises and non-standard entities.

On 10 September 2003, NZX provided the Minister of Commerce with the proposed conduct rules for the NZAX Market in accordance with section 36J of the Securities Markets Act 1988. On the date of this order, the conduct rules of the NZAX Market are available on NZX's website from the webpage: http://www.nzx.com/nzxmarket/NZAX/nzax_listing_rules.

Conduct rules include both the listing rules and the business rules of a securities exchange. Business rules are rules made by a securities exchange that govern the conduct of business on securities markets operated by the securities exchange and of persons authorised to undertake trading activities on those securities markets. Listing rules are the rules made by a securities exchange that relate to the governance of the persons who are parties to listing agreements with the securities exchange and to the entry into, and revocation of, those listing agreements.

After seeking the advice of the Securities Commission, the Minister of Commerce recommended, in accordance with section 36O of the

Securities Markets Act 1988, that the proposed conduct rules of the NZAX Market be approved. This order approves those rules.

Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 23 October 2003.

This order is administered in the Ministry of Economic Development.
