

current rate of brokerage to the defaulter, and such brokerage shall be the property of the Chairman. Members shall, without delay, render full statements of account to the Committee.

Notice of default.

57. In case any member shall make default in payment of any amount payable to any other member, the last-mentioned member shall give notice in writing of such default to the Chairman or, in his absence, to the Vice-Chairman within twenty-four hours after such default.

Accounts of members with a member in default.

58. The Committee shall have power to investigate the accounts of members with a member in default, and to reject or require the correction of any items which they may deem unsatisfactory.

Surpluses.

59. Members, creditors of a member in default, shall have a preferential claim on all surpluses in the hands of other members resulting on the closing of transactions open at the time of default, and also on all moneys which may become payable to a member in default out of funds in the hands of the Committee from the estate of another member in default. All surpluses in the hands of members resulting on the closing of open transactions with a member in default shall be paid to the Committee.

How to deal with surpluses.

60. The Committee shall distribute as soon as possible amongst members, creditors of the member in default, the surpluses received from other members on his account, and all moneys due to him out of funds in the hands of the Committee from the estate of another member in default.

DISTRIBUTION OF ASSETS OF EX-MEMBERS.

Recent claims to have preference in distribution of assets of an ex-member.

61. The Committee in dividing amongst members, creditors of a late member, the proceeds received by them on a sale of membership, after deducting the transfer fee of the purchaser and all other liabilities due to the Exchange, or in dividing any surpluses received by them from members on account of a defaulting member's estate, or in dividing any moneys due to him out of the funds in the hands of the Committee from the estate of another member in default, shall not necessarily distribute the same *pro rata*, but may in their discretion give preference either wholly or in part to claims of recent date over claims of longer standing which were not divulged to the Committee at the time they arose.

Claims not arising from transactions under the rules.

62. Claims on the estate of a resigning, retiring, or deceased member that do not arise from transactions under the rules shall not be recognized by the Committee until all claims that have arisen from transactions under the rules shall have been satisfied.

CLERKS.

Members' clerks may be admitted to official meetings.

63. The Chairman or Vice-Chairman may grant a member permission for a clerk in his service to attend the official meetings for the purpose of making quotations and the purchase and sale of shares on behalf of his employer, but for no other purpose. Such authorized clerk shall be subject to the rules and usages of the Exchange, but shall not have a vote at any meeting nor any voice in the management of the Exchange. The Chairman or Vice-Chairman may withdraw the permission at any time.

Conditions of admission.

64. A clerk so admitted to official meetings shall be deemed to be the agent of his employer, and the member on whose application he is admitted shall be responsible for all the transactions of the said clerk.

Admission allowable only under certain circumstances.

65. The attendance of a clerk at an official meeting shall be permitted only in the case of a member's illness, absence from town, service on a jury, or other special emergency; the contingency for such attendance is to be shown at the time to the satisfaction of the Chairman.

Qualification of clerk.

66. A clerk shall not be eligible for admission unless he be at least twenty-one years of age.

Restrictions to dealing by a clerk.

67. A clerk shall not buy or sell time bargains, or deal except in cash transactions, unless he shall have written authority to do so from his employer, such authority to be lodged with the Chairman, and all his dealings shall be on account of his employer.

Members may withdraw authority given to a clerk.

68. A member may, by a letter addressed to the Secretary, withdraw the authority for his clerk to act, but his responsibility shall continue until such withdrawal shall have been notified to the members at an official meeting.

COMMISSION.

Brokerage chargeable.

69. The rates of brokerage shall be those fixed or adopted from time to time by the Stock Exchange Association of New Zealand.

No rates other than those mentioned shall be charged. It shall not be allowable under any circumstances whatever to pay agents or other persons not members of an Exchange affiliated to the Stock Exchange Association of New Zealand a remuneration of any kind for introducing business except in respect of applications for shares in new companies.

70. No member shall do business for or with any broker or other person in New Zealand (other than a member of an Exchange affiliated to the Stock Exchange Association of New Zealand) at net prices or at less than the rates of commission fixed or authorized by the Stock Exchange Association of New Zealand.

OFFICIAL MEETINGS.

Time, place, and purpose of official meetings.

71. The official meetings of the Exchange shall be the meetings of members held at such place and times as the members shall appoint, at which the business shall be to make prices, effect sales, and receive and record quotations of sales; also to do any general business in accordance with these rules. The quorum for an official meeting shall not be less than one-sixth of the total members of the Exchange for the time being entitled to vote.

Official and special holidays.

72. The official holidays to be observed by all members of the Exchange shall be fixed at the annual general meeting held in December of each year. Special holidays shall not be declared except by the vote of not less than two-thirds of the members present at any official meeting. Notice of intention to take such vote shall be given by the Chairman at a previous meeting. No meeting shall be held on public holidays, unless otherwise ordered by the members in the same manner as that provided for special holidays.

Members leaving during a meeting must get permission.

73. A member shall not leave an official meeting without the permission of the Chairman under penalty of a fine of £5, which shall be paid within seven days.

QUOTATIONS.

Procedure to be observed at official meetings.

74. At the official meeting the prices made shall be binding on members making them to the extent of the minimum quotation. No sale shall be made while the record of business done is being called over, or during any time of suspense ordered by the Chairman.

Minimum quotations.

75. In offering to buy or sell at the meetings of the Exchange the minimum number of shares in mining companies in each case shall be—

Up to 1s. in value .. .. .	300 shares.
Over 1s. to 2s. 6d. .. .. .	200 ..
Over 2s. 6d. to 5s. .. .. .	100 ..
Over 5s. .. .. .	50 ..
	or £50 worth.

The minimum number of shares in investment companies in each case shall be—

Up to 5s. in value .. .. .	100 shares.
Over 5s. .. .. .	50 ..
	or £50 worth.

To maintain a quotation under Rule 74, members must be prepared to buy or sell in numbers divisible by five.

Highest declared buyer to have priority.

76. The highest declared buyers shall have priority over all other members in purchasing the stock in question at the price named. But having made a purchase, he must, to retain his priority, immediately declare himself as still a buyer.

Lowest declared seller to have priority.

77. The lowest declared seller shall have priority over all other members in supplying the stock in question at the price named. But having made a sale, he must, to maintain his priority, immediately declare himself as still a seller.

78. After any stock has been called and passed, business in that particular stock can only be reopened at the buying or selling quotation.

Sales made at and between calls.

79. All sales of stocks and shares made at official meetings shall be quoted, except sales not amounting to a quotation. Sales made between the ordinary calls between two share-brokers, members of the Exchange, or between members of the Exchange and members of any other Exchange affiliated to the Stock Exchange Association of New Zealand, may be quoted at the call immediately following such sale, but no sales shall be quoted at the morning call other than those