

89. Purchasers shall not be required to take delivery of and pay for documents until the day following the sale. All documents must be delivered before 11 o'clock on Saturdays and 1 o'clock on other days, otherwise it shall not be incumbent on purchasers to pay for same until the following day.

90. Sellers shall have the right to require the purchase-money to be paid in cash or by marked cheque at the time and place of delivery of documents. In case of failure of payment by the buyer, the vendor may, within one day of default of settlement, or on any future day, either cancel the transaction or sell at the buyer's risk, through the Chairman of the Exchange, the securities involved; and the defaulting member shall forthwith pay to the vendor any difference between the original purchase-money and the net proceeds of the securities resold.

91. If delivery of documents has not been made within the time specified in Rule 88, and the buyer has not cancelled the purchase or bought at the risk of the seller as therein provided, and the seller shall tender delivery of documents after the expiration of six weeks from the date of the sale, the buyer shall not be bound or compellable to accept delivery of such documents unless some special agreement in writing has been entered into between the buyer and the seller in respect of such delivery.

92. When a buyer shall claim delivery of documents after the expiration of six weeks from the date of purchase, and the seller shall not have cancelled the sale or sold at the buyer's risk as provided in Rule 90, it shall not be incumbent upon the seller to deliver unless some special agreement in writing has been previously made between the buyer and the seller in respect of such delivery.

93. The refusal of the Board of Directors of any company to register a transfer shall not invalidate a sale.

94. Sellers shall deliver separate transfers and scrip representing a sufficient number of shares sold in each sale if required to do so. Buyers requiring scrip must have transfers delivered with scrip attached, or a memorandum equivalent to such scrip certified to by the company. A seller of shares in London companies having a colonial register shall deliver scrip on the colonial register, unless otherwise arranged at time of sale. The selling broker shall be responsible for a period of seven clear days from date of delivery for the validity of all documents delivered, and for the shares being free from all liability due or payable at the time of sale.

95. Sellers shall have the right to demand from the buyer, prior to delivery, a name for insertion in the transfer of investment shares. Failing the buyer complying with such demand within three clear days from date of sale, the seller may insert the name of the buying broker.

96. A member shall not be bound to accept delivery of a transfer signed by a transferee and his signature cancelled, or filled in with a transferee's name and the name cancelled.

97. Buyers shall have the option of refusing all transfers or scrip signed under power of attorney or per procuracy, unless the signature thereto be certified as correct by the secretary of the company, or the documents be accompanied by a valid power of attorney.

98. No member shall print or affix his name stamp on any transfer or scrip delivered to another broker.

99. In all forward contracts for shares or stocks, except where it is otherwise specifically agreed in writing between the parties at the time of sale, there shall be implied the following conditions: The seller may at any time and from time to time whenever the market price of the shares or stock is less than the amount for the time being owing under the contract, and the buyer may at any time and from time to time whenever the market price of the shares or stock exceeds the amount for the time being owing under the contract, by application or notice to the other in writing, require that the contract be kept to the market price by payment to the Secretary of the Exchange of the difference between the contract price and the market price. Notification of such application or notice shall be forthwith lodged with the Secretary. Any written notice may be served or application made by delivering the same to the other party personally, or by leaving the same at his registered address, and shall be deemed to be duly served or made when so delivered or left as aforesaid. No such application shall be made or notice served on Saturdays or Exchange holidays, or after 1 o'clock in the afternoon of any week-day. Whenever any such application shall have been made, or any such notice shall have been duly served as aforesaid, the person to whom such application shall have been made, or upon whom such notice shall have been served, shall, before 2.30 p.m. on the same day, pay to the Secretary of the Exchange a sum equal to the difference between the market price of the shares or stock at the time of such application or service and the amount then owing under the contract; such payments to be made in cash or marked cheque if so demanded. The amount so paid in shall be held by the Secretary upon and subject to the following trusts and conditions, viz.:-

(1.) If the amount has been paid by the seller, and before the date fixed for completion of the contract the

market price of the shares or stock falls to the contract price, then such amount shall be repaid to the seller if demanded.

- (2.) If the amount has been paid by the buyer, and before the date fixed for completion the market price of the shares or stock rises to the contract price, then such amount shall be repaid to the buyer if demanded.
- (3.) The said amount shall in any case be repaid to the party paying the same, at the written request of the other party.
- (4.) The said amount shall be repaid to the party paying the same on the Secretary being satisfied that the contract has been completed.
- (5.) If the party who has paid such amount shall fail to complete the contract, then the said amount shall be applied, in the first place, in paying to the other party the amount which the defaulting party is liable to pay to him as hereinafter provided; and the balance (if any) shall be applied, firstly, in paying the brokerage payable to the Chairman as hereinafter mentioned, and, secondly, towards the payment of any fine or fines inflicted upon the defaulter.

Provided always that the seller may, in lieu of paying to the Secretary of the Exchange the difference between the market price and the amount owing under the contract, deposit the shares or stock in manner hereinafter mentioned. When any shares or stock are deposited under the provisions of this rule, such shares or stock shall be deposited with the Secretary of the Stock Exchange, or with such other person or persons as may be mutually agreed upon by the parties, to be held by the Secretary, or other person or persons, pending the due completion of the contract. On payment of the amount payable under the contract the shares or stock shall be delivered to the buyer, but if the buyer shall make default in such payment such shares or stock shall be returned to the seller.

In this rule, unless otherwise expressed, the "market price" shall mean the market price of the shares or stock at the time when application is made, or the notice is served as aforesaid, as the case may be. All disputes as to the market price shall be decided by reference to the Chairman of the Exchange, or, in his absence, to any member of the Committee who may be available, and mutually agreed upon, whose decision shall be final, conclusive, and binding on all parties.

If default shall be made by the buyer in complying in manner aforesaid with any such application or notice as aforesaid, or in completing the purchase at the time fixed by the contract, the seller may in either or any such case forthwith, at his option, either cancel the contract or sell out the shares or stock through the Chairman, and the purchaser shall forthwith pay to the seller the difference between the contract price and the net proceeds from the sale.

If default shall be made by the seller in complying with any such application or notice as aforesaid, or in completing the purchase at the time fixed by the contract, the buyer may in either or any such case forthwith, at his option, either cancel the contract or buy at the risk of the seller through the Chairman, and the seller shall forthwith pay to the buyer the difference between the contract price and the gross amount paid by the buyer. The Chairman shall charge the usual rates of brokerage on all such sales as aforesaid, the amount in each case to be paid by the defaulting party.

#### DIVIDENDS.

100. Transactions in shares shall be with dividend until the day the dividend is payable. When transfers are delivered subsequent to the declaration of a dividend, but prior to the closing of the books of the company, and in sufficient time for the registration of the shares, the seller shall not be responsible for the dividend, and the buyer's claim shall be only upon the registered holder; but when no reasonable time is afforded to the buyer to register the shares in his own name, then the seller shall be responsible for the dividend.

101. Dividends payable between the date of sale and the maturity of time bargains shall accrue to the buyer, and shall be accounted for at the time of settlement of the bargain.

102. Accrued interest on debentures up to and including the day of sale, in addition to the price, shall belong to the seller.

#### CALLS.

103. All calls made prior to time of sale shall be paid by the seller before delivery. Calls made between the date of sale and maturity of time bargains shall be paid by the buyer to the seller at the time of settlement of bargain.

#### TIME BARGAINS.

104. Unless otherwise agreed, neither party to a time bargain shall be entitled to call upon the other party to complete until the day fixed for completion.

105. Time bargains, the day for completion of which shall fall on a Sunday or Exchange holiday, shall not be completed until the business day next following.