

On mining transactions both buyer and seller pay stamp duty.

21. A special charge in excess of the above rates may be made according to the circumstances of the case for the negotiation of new flotations and of issues of new or reserve shares (in which case the vendor or issuing company alone is to be charged) or of shares or securities not on the official list or of New Zealand Government land-purchase bonds.

22. No rates other than those fixed in these rules shall be charged, and it shall not be allowable under any circumstances whatever to pay agents or other persons not members of an affiliated exchange, a remuneration of any kind for introducing business except in respect of applications for new issues of shares, bonds, stocks, or debentures.

DELIVERY AND SETTLEMENT.

23. As between brokers, members of different exchanges, ten clear days shall be allowed for delivery of documents by the seller, and for Australian and Tasmanian deliveries twenty-one days shall be allowed, provided that such delivery is agreed upon at time bargain is made, and failing delivery thereof during that period the buyer may instruct the chairman of the seller's exchange to take such action as the buyer may direct under the rules of the seller's exchange. Any deficiency or surplus shall be adjusted between the parties by the chairman acting between them.

24. Sellers shall have the right to require the purchase-money to be paid at the time and place of delivery of documents. In case of failure of payment by the buyer the vendor may, on the expiration of one day after default of settlement or on any future day, either cancel the transaction or sell at the buyer's risk through the chairman of his own exchange, the securities involved, and the defaulting broker shall forthwith pay to the vendor any difference between the original purchase-money, plus any expenses occasioned by the default, and the net proceeds of the securities involved.

25. In the event of the seller being put to any expense through a draft being held over, the buyer shall be liable to make good to the seller all such expense. Should the draft be presented on a stock exchange holiday it shall be payable on the day the exchange re-opens.

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

26A. All bonds or documents are at the seller's risk until delivered to the buyer.

26B. All dealings in shares shall be "*ex div.*" on the day the dividend is payable.

TIME BARGAINS.

27. The terms of a time sale must, immediately upon agreement to sell and buy, be clearly set out in writing, and a copy of such terms signed by the buyer handed to the seller and *vice versa*.

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

28. When a broker sends a telegram marked "*urgent*," and no time limit is stated therein, the receiving broker must lodge an urgent reply within two (2) hours, calculated from the time of dispatch.

Orders sent by ordinary telegram shall hold good, unless otherwise specified, if replied to before twelve midnight of that day.

Mutilated Telegrams.—In cases where the mutilation of a telegram causes monetary loss, and a dispute arises over liability, each case shall be decided on its merits, but it is affirmed as a general principle that the sender is liable for the telegram as it is received.

When an offer is made by telegram to buy or sell shares, the receiving broker may, if the telegram does not contain instructions to the contrary, deal with any reasonable portion of the parcel. For the purposes of this rule a reasonable portion shall be deemed to consist of the following:—

In the case of shares—

Up to £5 per share—market value: 50 shares or a multiple thereof.

Over £5 and up to £10 per share—market value: 25 shares or a multiple thereof.

Over £10 and up to £25 per share—market value: 10 shares or a multiple thereof.

Over £25 per share—market value: 5 shares or a multiple thereof.

DISPUTES.

29. All disputes between members of the same exchange or between a member of an exchange and his client shall be subject to the jurisdiction of such exchange.

30. Disputes between any two exchanges or between any exchange and a member of any other exchange shall be referred direct to the committee of the association.

31. Disputes between members of any two exchanges shall be referred to the arbitration of the committee of another exchange affiliated to the association. The appointment of the exchange to act as arbitrator is to be agreed upon by the exchanges concerned in the dispute; failing such agreement, the arbitrating exchange shall be nominated by the president of the association.

32. Any disputant shall have the right of appeal against the decision of the committee of an exchange to the committee of the association, whose decision shall be final and binding. Notice of appeal must be given in writing to the secretary of association within seven days after the decision of a committee of an exchange being made.

33. Any person lodging an appeal or any exchange bringing a complaint before the committee of the association must, together with a letter reciting the subject matter of the appeal or complaint, enclose a cheque for £15 as a deposit towards costs. The whole cost of the appeal or complaint shall be borne by the person or exchange against whom the decision of the committee of the association shall be given.

34. Appeals to the jurisdiction of the association shall be made only through the committee of an exchange.

35. The committee shall have full and absolute power in the event of an appeal or complaint being made which, in its opinion, justifies such procedure, to call upon any member to produce for inspection all books, letters, telegrams, or certified copies thereof, and other documents in the possession of either party relating thereto, and they shall without delay produce them for inspection accordingly. Members and their clerks when required so to do by the committee shall attend any meeting of the committee, and then and there shall give such information as may be in their possession relative to any matter under investigation.

35A. If it be found on inquiry by the committee of an exchange that a member of such exchange is in difficulties and likely to default by reason of the fact that his cheques are not being met, or of any such like circumstance, the chairman of exchange shall at once notify by wire the chairmen of all other affiliated exchanges.

GENERAL.

36. Country Members.—Any licensed broker carrying on business at a distance of not less than twenty miles from an affiliated exchange may be elected a country member by the metropolitan exchange nearest his place of business by payment of a fee of £5 5s. per annum. Country members shall have the privilege of doing business with any member of an affiliated exchange, but shall not be eligible to attend any "calls" or meeting of such exchange as he is connected with except as a guest. A country member shall be deemed to be on the roll of such exchange as he is connected with, and shall sign the rules of that exchange. All country members must apply and be re-elected annually.

37. No member of an exchange shall do business for or with any broker or other person in New Zealand (other than a member of an affiliated exchange) at net prices or at less than the rates of commission specified in Rule 20.

38. No affiliated exchange shall be at liberty to withdraw from the association unless and until it shall have given not less than six clear months' written notice of such intention to resign, and shall have paid all subscriptions and levies which may be due by it.

39. Should any rule of an exchange clash with any rules of the association the latter shall prevail.

40. No exchange shall (after the date of the adoption of these rules) place any additional stocks, shares, or debentures on its official list until such stock, share, or debenture shall have appeared in the official list of the exchange nearest to the head office of the company, corporation, or other body issuing such stock, share, or debenture.

No company, however, shall be listed unless it supplies a balance-sheet, list of shareholders, and such other information as the exchange shall reasonably require.

A uniform listing fee of £5 5s. shall be charged by all affiliated exchanges for the listing of any investment company.

41. The association may by resolution notify the exchanges forbidding business on any terms by all members with a particular person or firm, or in some particular share, stock, or debentures, should they deem such action to be for the general good, or may, on the request of any affiliated exchange, impose a higher rate of brokerage than prescribed in Rule 20 on any such shares, stock, or debentures, and such rate shall be binding upon members of all affiliated exchanges in the same manner as if it formed part of Rule 20.

42. Broker's Name or Stamp on Documents.—No member of an exchange shall be permitted to print or affix his name-stamp on any transfer or scrip delivered to another broker.

43. Reporting Sales.—No sales shall be quoted on 'change except those which are made between members of any affiliated exchange, and any sale must be quoted not later than