

*The Sharebrokers Act, 1908.—Rules of the Stock Exchange Corporation of New Zealand, Limited.*

Head Office, Stamp Duties Department,  
Wellington, 21st December, 1931.

THE following rules of the Stock Exchange Corporation of New Zealand, Limited, have, as required by the provisions of section 11 of the Sharebrokers Act, 1908, been approved by the Governor-General in Council.

GEO. W. FORBES,  
Acting Minister of Stamp Duties.

THE STOCK EXCHANGE CORPORATION OF NEW ZEALAND, LIMITED.

STOCK EXCHANGE RULES.

(Pursuant to Article 147A of the Articles of Association of the company and section 9 of the Sharebrokers Act, 1908.)

1. THE Stock Exchange Corporation of New Zealand, Limited (hereinafter called "the Exchange"), shall consist of members engaged in the purchase and sale of shares, stocks, debentures, debenture stocks, bonds, obligations, securities, mortgages, and monetary transactions.

*Objects.*

2. The objects and purposes of the Exchange are to provide, regulate, and maintain a suitable building, room, or rooms in the City of Auckland, and such other place or places as the Committee shall determine, for the promotion and facilitation of dealings in stocks, shares, and monetary transactions; to establish just and equitable principles in the transaction of business, to adjust controversies between its members, and to maintain uniformity in its rules and usages.

*Members.*

3. Any person who shall hold a license under the Sharebrokers Act, 1908, and shall hold not less than five preference shares in the capital of the Stock Exchange Corporation of New Zealand, Limited, shall be entitled to be a member of the Exchange upon the terms and conditions hereinafter appearing.

*Management.*

4. (a) The management of the Exchange shall be vested in a Committee consisting of the chairman and directors for the time being of the Stock Exchange Corporation of New Zealand, Limited, and such Committee shall have (subject to these rules) the direction and control of the affairs of the Exchange.

(b) Meetings of the Committee shall be held at such place and at such times, and such notice thereof shall be given as the Committee shall from time to time determine. Unless the Committee otherwise determines, the Secretary shall give to the members of the Committee notice of each meeting not later than the day before the date on which such meeting is to be held.

(c) A member of the Committee shall not at any meeting take any part in any proceedings relating to any complaint concerning such member, or otherwise having reference to the conduct of such member, or relating to any other matter in which such member has a special interest, and such member shall not be entitled to vote at any subsequent meeting of members dealing with any such subject or matter.

(d) A member of the Committee shall not take part in any of its meetings pending the investigation of a charge affecting himself.

(e) The surviving or continuing members on the Committee, notwithstanding any vacancy in their number, may act until the vacancy be filled up.

(f) At meetings of the Committee all questions shall be decided by a majority of the members present.

(g) The quorum for meetings of the Committee shall be four (4).

(h) The Secretary and Treasurer of the Exchange shall be the Secretary for the time being of the Stock Exchange Corporation of New Zealand, Limited. The Secretary shall have the custody of all books and papers. He shall present at each annual general meeting a statement of the finances of the Exchange to the end of the previous year, duly audited by the Auditor for the Stock Exchange Corporation of New Zealand, Limited. All profits shall be the absolute property of the Stock Exchange Corporation of New Zealand, Limited, which shall bear any losses.

(i) In the absence of the Secretary from any meeting, or in case of his suspension, the Chairman shall carry out his duties, or may appoint another member to do so.

(j) The Chairman, who shall be the Chairman of Directors for the time being of the Stock Exchange Corporation of New Zealand, Limited, shall preside at all meetings of the

Exchange and of the Committee, but in the event of his absence the members present shall elect a Chairman for that occasion.

(k) The Chairman of any meeting shall have entire control thereof, and shall regulate the order and manner in which the business shall be conducted. The decision of the Chairman shall be final in all cases submitted to him.

(l) In all cases, at any meeting when on a division the votes are equal, the Chairman shall have a second or casting vote.

(m) In the event of any member or members obstructing the business of the meeting or being guilty of any breach of etiquette, of which the Chairman shall be the sole judge, the Chairman shall have power to inflict such fine, not exceeding £5, as he may deem advisable.

(n) The financial year of the Exchange shall close on the 31st day of March. A general meeting of members shall be held annually in the month of May, at which the business shall be to receive from the Treasurer a balance-sheet showing the financial position of the Exchange and also generally to conduct any business provided for in these rules.

(o) At any annual general meeting, after all business herein provided for shall have been disposed of, it shall be competent for any member to bring under the notice of the meeting any business or matter within the objects or purposes of the Exchange, and to give notice of any proposition to be considered at a future meeting.

(p) A special general meeting may be called by the Committee at any time.

(q) No other business shall be transacted at a special general meeting except that stated in the notice convening the meeting, and no resolution shall be passed, or other business transacted, which is not included within the objects and purposes for which the meeting is convened. No amendment shall be allowed upon any resolution contained in the notice convening any meeting not directly pertinent thereto.

(r) Any general meeting shall have power *inter se* to adjourn from time to time as may be found necessary. Whenever an adjournment to a future day has been decided on, notice thereof shall be given in such manner as may be determined by the Chairman of the meeting. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting so adjourned.

(s) Every member shall have one vote, and all questions shall be decided by a majority of the members present and voting, except in cases otherwise provided for in these rules. Voting by proxy shall not be permitted.

(t) The quorum for general and special meetings shall be not less than one-third of the total members of the Exchange for the time being entitled to vote.

*Funds.*

5. (a) The Committee shall have full control over the funds of the Exchange, and shall pay therefrom all current expenses and outgoings, and any other payments for which they have the authority of the members. All moneys received shall be paid into a bank account, and all accounts, salaries, &c., shall be paid by cheques drawn on such account.

(b) The Committee shall invest the funds as they may in their absolute discretion think advisable, and shall have power to sell and vary investments.

(c) Cheques drawn on or against any funds of the Exchange shall bear the signatures of the Secretary and of the Chairman.

*Entrance Fee.*

6. An entrance fee of such sum as the Exchange may from time to time determine shall be paid by candidates for membership at the time of application for admission. In the event of a candidate being rejected, his entrance fee shall be returned to him.

*Subscription.*

7. An annual subscription of such sum as the Exchange may from time to time determine shall be made payable at such time and in such manner as the Committee may consider necessary. New members shall pay on election the subscription which shall have been levied for the current year. Any member not paying his subscription within two calendar months after the same shall have been levied shall be charged an additional sum equal to the amount of the subscription levied, and if such additional sum together with the subscription is not paid within four calendar months from the time when such subscription was levied, he shall be deemed to be suspended from the privileges of his membership, and shall continue so suspended until such time as he has paid the subscription and the additional sum charged through non-payment of the subscription during the first two months. Failing payment within twelve months of the date on which the subscription first became payable of such subscription and