

Time-bargains.

20. (a) 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.

(b) 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.

New Shares.

21. In the event of new shares being created and offered to the shareholders in any company during the currency of a time-bargain, or pending delivery of shares in time for the buyer to complete transfer to enable him to secure such new shares himself, the buyer, if desirous of receiving his proportion of such new shares, shall request the seller in writing accompanied by the necessary funds to secure them, and the seller, on receipt of such request, shall secure them, but the seller may elect to deliver such documents as will enable the buyer to secure the new shares.

When a transaction is in shares on a London Register, the responsibility of the seller shall cease if he shall have taken every practicable course to secure the new shares, and further, the seller shall be relieved of all responsibility if the circumstances place him in no better position than the buyer to secure the new shares, in which case the seller may, on receipt of a written request from the buyer to protect his rights, notify the buyer in writing of such circumstances, and the buyer, on receipt of such notification, shall protect his own interests.

Non-members—Failure to meet Engagements.

22. (a) Non-members shall pay for all stock or shares purchased on their account before two o'clock on the day following the purchase, unless an agreement be made in writing to the contrary.

(b) Should a purchaser, not a member, fail to pay the amount due on his purchase in accordance with the preceding rules either the seller or his broker, or the purchaser's broker, shall be at liberty, at any time thereafter, at his or their option either to sue such purchaser for breach of contract, or to resell the securities in any manner, and upon such terms and conditions as he or they may think proper, and to sue for the difference and all loss and expenses consequent upon such resale, whether the same shall be made immediately on such failure to pay as aforesaid, or at any time thereafter; and all damages which the seller or his broker or the purchaser's broker may sustain thereby, shall be recoverable by him, or them, from the purchasers as and for liquidated damages, and it shall not be necessary to give notice of any such resale.

(c) In the event of any person not a member failing to meet any engagement with a member of the Exchange, the member may apply to the Committee to have such person posted as a defaulter. The Committee shall inquire into the case, and if satisfied that such default has been made, shall post the said person and announce to the members that he is in default.

(d) A member shall not transact business for a non-member who has been announced to the members as a defaulter, unless such person shall have made an arrangement with his creditor or creditors satisfactory to the Committee.

Disputes.

23. (a) In disputes between members, with reference to stock and share transactions, brought under the consideration of the Committee, the decision of the Committee shall be final and binding and shall be carried out forthwith by the member or members concerned.

(b) Unless permission of the Committee has first been obtained, members shall not appeal to any Court of Law or Equity in any dispute that may arise between them in transactions under these Rules, and if such permission is not granted they shall accept the Committee as the sole and final tribunal and arbiter therein.

(c) It shall not be incumbent upon the Committee to entertain any complaint submitted to them by any one not a member of the Exchange against a member of it, unless such member shall have been employed by the complainant in the capacity of broker; and in that or any other case in which a non-member desires the intervention of the Committee, he shall previously to the case being heard, pay not less than five guineas, or such other sum as the Committee may determine, to the Secretary, and shall undertake in writing to abide by and forthwith to carry out the decision of the Committee in the same manner as if he were a member of the Exchange; the Committee to have the power to repay the whole or part of the five guineas or such other sum to the complainant.

Investigations.

24. (a) 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.

(b) The Committee shall have full and absolute power, in the event of a complaint being made, which in their opinion justified such procedure, to call upon any member to produce for their inspection all books, letters, telegrams, or copies thereof, and other documents in his possession relating thereto, and he shall, without delay, produce them for inspection accordingly.

Penalties.

25. (a) The Committee shall take cognizance of all violations of these rules, whether in letter or spirit. Any member found by them to be guilty of such violation, or who may fail to comply with any decision or ruling of the Exchange or of the Committee, or who, in the opinion of the Committee is or has been guilty of conduct unworthy of a member, shall be liable to be fined or suspended or fined and suspended from membership by resolution of the Committee; or should the matter be of such moment as in their opinion to demand expulsion, the Committee shall report accordingly to the members at a special general meeting called for that purpose. It shall be competent for the said special general meeting to confirm the Committee's recommendation and expel the offending member, or to deal with him by fine or suspension.

(b) The fines mentioned herein shall not, except in cases where another amount is fixed, be less than £25 or more than £100, and in case of a continuous offence shall be not less than £5 or more than £10, for each day during which such offence continues.

(c) Any member of the Exchange who shall fail to observe or be bound by the terms of any decision or ruling of the Committee or of the Exchange, or the spirit or intention thereof relative to the conduct by the members of the Exchange of their business as such members, or to their dealings with one another as such members, or relative to other matters arising out of the objects or purposes of the Exchange, shall be deemed guilty of conduct unworthy of a member, and be dealt with in manner provided by Rule No. 25 (a).

(d) If a fine imposed on any member at a special general meeting of members be unpaid at the end of one clear week, the member in default shall forfeit his membership, and the Committee shall announce to the members that he has retired from the Exchange, and his name shall be erased from the list of members.

(e) A member, or his partner or clerk being a member, shall not vote at any meeting at which a charge affecting such member is under consideration.

(f) The Committee for the time being may, in their absolute discretion, and in such manner as they think fit, notify, or cause to be notified, to the public that any member has been expelled, or has become a defaulter, or has been suspended, or has ceased to be a member.

No action or other proceeding shall, under any circumstances, be maintainable by the person referred to in such notification against any member or official publishing or circulating the same, and this rule shall operate as leave and authority to any member or official to publish or circulate such notification, and be pleadable accordingly.

(g) A member under suspension shall not attend any meeting of the Exchange unless by leave of the Chairman, and then only for the purpose of speaking on a motion that he be fined or expelled, and having spoken he must withdraw. Such member shall not be entitled to vote.

Alteration of Rules.

26. (a) These rules shall not be amended, repealed, or added to except by a vote of two-thirds of the members present at a special general meeting called for the purpose.

(b) Notice shall be given in writing, addressed to the Secretary, of any proposed amendment, or repeal of, or addition to the rules. A special general meeting may be called to consider any proposed alteration, and at least seven days' notice of such meeting shall be given to the members by circular, sent to the last known business address of each member. The circular shall contain a copy of the proposed alteration, but the accidental omission to give any such notice to any member shall not invalidate any proceedings taken, or any resolution passed at such meeting.

We hereby certify that we have compared the above type-written copy rules of the Stock Exchange called the Stock Exchange Corporation of New Zealand, Limited, with the original whereof this purports to be a copy, and have found them to be a true and correct copy in every particular.

Dated at Auckland, this 4th day of November, 1931.

P. MACLOUGHLIN, Clerk, Auckland.
M. E. LARRETT, Clerk, Auckland.

Approved in Council.

F. D. THOMSON,
Clerk of the Executive Council.