



New Zealand Stock Exchange (Conduct Rules, Control Limit, and Restructuring Day) Order 2002

Silvia Cartwright, Governor-General

Order in Council

At Wellington this 18th day of November 2002

Present:

Her Excellency the Governor-General in Council

Pursuant to sections 4(1), 11(2), and 12(2) of the New Zealand Stock Exchange Restructuring Act 2002, Her Excellency the Governor-General, acting on the advice and with the consent of the Executive Council and, in the case of section 11(2), on the recommendation of the Minister of Commerce, makes the following order.

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Order

1 Title

This order is the New Zealand Stock Exchange (Conduct Rules, Control Limit, and Restructuring Day) Order 2002.

2 Commencement

This order comes into force on the 28th day after the date of its notification in the *Gazette*.

3 Approval of conduct rules

The conduct rules received by the Secretary on 23 October 2002 are approved.

4 Control limit on Company

The control limit is 10% of the voting rights in the Company.

5 Restructuring day

The restructuring day is 31 December 2002.

Marie Shroff,
Clerk of the Executive Council.

Explanatory note

This note is not part of the order, but is intended to indicate its general effect.

This order, which comes into force 28 days after the date of its notification in the *Gazette*, is made under the New Zealand Stock Exchange Restructuring Act 2002 (the **Act**). The Act enables the New Zealand Stock Exchange (**NZSE**) to restructure. A restructuring proposal was approved by members of the NZSE under the Act on 16 October 2002. Under that proposal, on the restructuring day,—

- the NZSE will convert into a company (the **Company**); and
- all of the NZSE's property, rights, and liabilities will vest into the Company.

The Act requires the conduct rules of the stock exchange to be operated by the Company to be approved before the restructuring day. The conduct rules are the listing rules and business rules of the stock exchange. This order approves the conduct rules received by the Secretary on 23 October 2002. On the date of this order, those rules are available on the NZSE's website from the webpage:

www.nzse.co.nz/exchange/conduct_rules (however, the changes on corporate governance on the website have not yet been submitted for approval). In addition, a copy of those rules must be available for public inspection, free of charge and during normal office hours, at the office of the Company. The approved conduct rules apply on and from the restructuring day.

The Act also requires a control limit for the Company to be fixed before the restructuring day. The control limit is the highest percentage of voting rights in the Company that may be held or controlled directly or indirectly by any person. This order sets the control limit at 10% of the voting rights in the Company. The control limit applies on and from the restructuring day.

The Act requires the restructuring day to be specified by Order in Council. This order states that the restructuring day is 31 December 2002. As well as requiring the conduct rules to be approved and control limit to be fixed, the Act requires the NZSE to fulfil 2 other requirements before the restructuring day. Both of these requirements have also been met as follows:

- on 7 November 2002, a notice was published in the *Gazette* under section 8(c) of the Act confirming that the NZSE members have approved the conversion of the NZSE into a company; and
- on 5 November 2002, the application for registration of the Company under the Companies Act 1993, its constitution, and the fee for registration were delivered to the Registrar of Companies.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 21 November 2001.
This order is administered in the Ministry of Economic Development.
