

71. No rates other than those mentioned shall be charged. It shall not be allowable under any circumstances whatever to pay agents or other persons not members of an exchange affiliated to the Stock Exchange Association of New Zealand a remuneration of any kind for introducing business except in respect of applications for shares in new companies.

72. No member shall do business for or with any broker or other person in New Zealand (other than a member of an exchange affiliated to the Stock Exchange Association of New Zealand) at net prices or at less than the rates of commission fixed or authorized by the Stock Exchange Association of New Zealand.

OFFICIAL MEETINGS

73. The official meetings of the Exchange shall be the meetings of members, held at such place and times as the members shall appoint at which the business shall be to make prices, effect sales, and receive and record quotations of sales, also to do any general business in accordance with these rules. The quorum for an official meeting shall be not less than three members of the Exchange for the time being entitled to vote.

74. The official holidays to be observed by all members of the Exchange shall be fixed at the annual general meeting held in July of each year. Special holidays shall not be declared except by the vote of not less than two-thirds of the members present at any official meeting. Notice of intention to take such vote shall be given by the Chairman at a previous meeting. No meeting shall be held on public holidays unless otherwise ordered by the members, in the same manner as that provided for special holidays.

75. A member shall not leave an official meeting without the permission of the Chairman, under penalty of a fine to be fixed by the Chairman, which shall be paid within seven days.

76. Telegrams and other written communications may be received by members during business meetings, but no messages shall be sent out during such meetings.

QUOTATIONS

77. At the official meetings the prices made shall be binding on members making them to the extent of the minimum quotation. No sale shall be made while the record of business done is being called over, or during any time of suspense ordered by the Chairman.

78. The highest declared buyer shall have priority over all other members in purchasing the stock in question at the price named. But having made a purchase he must, to retain his priority, immediately declare himself as still a buyer.

79. The lowest declared seller shall have priority over all other members in supplying the stock in question at the price named. But having made a sale he must, to maintain his priority, immediately declare himself as still a seller.

80. No sales shall be quoted "change" except those which are made between members of this or any affiliated exchange, and a sale may be reported only on the day on which the sale is made.

81. If any quotation of sale be challenged, the Chairman of the day shall immediately accompany a member whose quotation is doubted to his office, and there satisfy himself by examination of the books or papers of such member as to the *bona fides* of the quotation; and shall report the result either to the Committee in the first instance, or direct to the members in official meeting assembled, as to him shall seem fit. Any member refusing to the Chairman an inspection of his books shall be treated by the Committee as guilty of making a false quotation. An offender shall be considered as guilty of conduct unworthy of a member, and be dealt with accordingly.

OFFICIAL LIST

82. The list of quotations of prices and of purchases and sales effected and reported at the meetings of the Exchange shall be the official list of the Exchange.

83. The Committee may, if it so thinks fit, issue a monthly list. No member shall issue a private list or general report.

84. Admission of companies to quotation on the official list shall be upon such terms and conditions as the members shall from time to time determine. The Exchange shall have power to suspend for any period, or withdraw altogether, the name of any company or association from the official list.

REGISTER OF SALES

85. All sales made at official meetings shall be recorded in a register kept for that purpose, which record shall be called over before the close of such meeting, and members shall be bound thereby. Stamped contract notes for all transactions in mining shares shall be passed between members; and in the event of a dispute, unless the contract note shall have been returned within a reasonable time, it shall be *prima facie* evidence of a sale having been effected and at the price stated therein.

INVIOABILITY OF CONTRACT

86. In contracts between members for the sale and purchase of shares and stocks they shall be held to be principals to each other unless a written agreement to the contrary be made between buying and selling broker at the time of the contract being made.

DELIVERY AND SETTLEMENT

87. When sales are effected the selling member must deliver the documents within ten days from 12 o'clock on the day of sale, except in the case of Tasmanian and Australian stocks, when twenty-one days shall be allowed, unless a special time for delivery is stated at the time of sale. If the documents are not delivered in accordance with this rule, the buying member shall (subject to his having given not less than twenty-four hours' notice to the Chairman of the Exchange, dating from noon of the day on which notice is given, of his intention so to do) have the right to purchase or buy the said shares through the Chairman on "change" on the following or any subsequent day within the period of six weeks from date of the original purchase and at the risk of the seller.

88. 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 Wednesdays and 1 o'clock on other days, otherwise it shall not be incumbent on purchasers to pay for same until the following day.

89. 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.

90. If delivery of documents has not been made within the time specified in Rule 87, 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.

91. When the 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 89, 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.

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

93. 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.

94. 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.

95. 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.

96. 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.

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

98. In all forward contracts for shares or stocks, except where there 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 stocks 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 stocks 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, or left as aforesaid. No such application shall be made or notice served on Wednesday 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 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