

TIME BARGAINS

106. *Terms to be in Writing*—The terms of a time bargain 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.

The selling broker, if at a distance, shall draw for the shares on the buying broker not later than 24 hours after the date for completion of the time bargain. The lodgment of the draft to be deemed to constitute delivery.

Failure to deliver on the date for completion shall not annul the contract which may be dealt with under rule 120.

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

107. *Protection of Seller in Time Bargains*—In all time bargains a deposit at the rate of not less than 20 per cent of the purchase price may be required to be paid to the seller, and in the event of the shares falling to the extent of 20 per cent of the said price, the vendor may, by giving 24 hours' notice to the purchaser, demand a further payment by way of cover to the extent of 10 per cent of the said price, and in the event of this further payment being not made, it shall be competent for the vendor to sell the shares at the purchaser's risk.

108. *Completion*—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.

NEW SHARES

109. *Seller to Take Up New Shares for Buyer*—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 the delivery of shares sold for cash, the buyer if desirous of accepting his proportion of such new shares or part thereof shall request the seller in writing to take them up and the seller upon receipt of such request, shall take all proper steps to secure the same. The new shares shall be settled for on delivery. Provided that nothing in this rule shall prevent the seller taking up such shares or part thereof and himself retaining all or so many of such shares as are not desired by the buyer and covered by notice as aforesaid. Where it is necessary for the seller to pay money in order to take up new shares as aforesaid the buyer shall provide the necessary money and in no case shall it be encumbered upon the seller to find money to take up new shares.

110. *Overseas Registers*—When a transaction is in shares on an overseas register the responsibility of the seller shall cease if he shall have made all reasonable endeavours 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.

QUOTATIONS: REPORTING SALES: PUBLICATION

111. (i) To maintain a quotation at official call meetings members offering to buy or sell shall be bound to deal, unless the number is specially stated, in the following numbers, which shall be known as marketable parcels:

- (a) All Government securities—£200 face value.
- (b) All local body securities—£100 face value.
- (c) The bonds, debentures, and inscribed stock of companies and corporations (not being local bodies) including "notes" not carrying the right of conversion into shares—£100 face value.
- (d) Other securities, including mining shares, except as specifically mentioned in (e) hereunder—
 - 100 shares if the price be up to £2 per share.
 - 50 shares if the price be over £2 and up to £5 per share.
 - 25 shares if the price be over £5 and up to £10 per share.
 - 10 shares if the price be over £10 and up to £25 per share.
 - 5 shares if the price be over £25 and up to £50 per share.
 - 2 shares if the price be over £50.
- (e) Mining shares (New Zealand companies)—
 - 300 New Zealand mining shares if the price does not exceed 1s. per share.
 - 200 New Zealand mining shares if the price exceeds 1s. but does not exceed 2s. 6d. per share.
 (For the purpose of this subparagraph (e) only a mining company which has either its registered office or a branch register of members in New Zealand shall be deemed to be a New Zealand mining company.)

(f) Rights to new issues—

The number of rights issued in respect of a marketable parcel of shares as provided under subparagraphs (d) and (e) above at the time the books close.

The committee shall have power to vary the number of shares or other securities in any one or more companies to form a marketable parcel if owing to the smallness of the issue or market conditions or other circumstances it is in their opinion desirable to do so.

(ii) Failing any ruling by the committee to the contrary, no quotation of stock or shares shall be accepted at an official call meeting:

- (a) Until the issue of allotment letters or other evidence of entitlement in cases where shares are allotted pursuant to an application therefor in response to an invitation by the company to apply for same without any guarantee by the company of such allotment; or
- (b) Until the day following the last day fixed for the acceptance in cases where the company has offered a specific number of shares to a shareholder or his nominee.

The date of any sale made pursuant to such quotation shall for the purpose of delivery under rule 119 be deemed to be the day on which advice is received by the Association that the stock or share register is prepared sufficiently for the marking of transfers. A transaction under this rule shall not be deemed to be a time bargain or forward sale.

(iii) Quotations naming a number or amount shall be binding on members making them to the extent of that number or amount, and members shall be bound to deal in numbers or amounts, not less than a marketable parcel, to the extent of the number or amount first named, including any balance which may be less than a marketable parcel.

(iv) Should a member be prepared to deal only in a particular number or amount such condition shall be declared by naming the number or amount as a special number or amount. Special parcels shall not be accepted for the purpose of making up the closing quotations at an official call meeting.

(v) Offers to buy or sell without conditions shall have priority over offers naming special numbers or special amounts or other conditions; provided that a buyer or seller with conditions declaring before a buyer or seller at the same price without conditions shall take precedence in respect of a transaction or transactions on such conditions over a subsequent buyer or seller at the same price without conditions.

(vi) Any parcel which does not amount to a marketable parcel but which is not less than £100 in value, may be quoted as a special parcel.

(vii) The date of maturity of the security including the optional date (if any) must accompany a quotation of bonds, debentures, or inscribed stock.

(viii) Quotations of time bargains shall not be made at an official call meeting.

(ix) All quotations accepted at any official call meeting shall be available for newspaper publication.

112A. An exchange shall make available for newspaper publication sales as follows:

- (i) Sales of not less than a marketable parcel and of a special parcel as defined by rule 111 (vi) hereof made at an official call meeting.
- (ii) Sales between members which, if made at any official call meeting, would have been so available provided that such sales have not been reported to the exchange by a member not later than the next succeeding official call meeting after which the sale was made.
- (iii) Sales so reported on the business day following the making of the sale shall be classified as "late sale (yesterday) (Friday)," as the case may be.

112B. (i) Sales shall be made available to newspapers for publication only by an exchange and not by a member.

(ii) Sales made in other than New Zealand currency shall not be available for publication.

(iii) Sales of time bargains shall not be available for publication.

113A. Transactions in all shares shall be "ex dividend" on the business day next after the closing of the transfer books for the payment of the dividend or on such other date as the executive may in special circumstances determine. Transactions in all stocks, bonds, and debentures carrying a fixed rate of interest shall be "ex interest" on the date on which such interest is payable. When transfer books are closed covering inclusive days the books shall be deemed to be closed at 5 p.m. on the day before the first inclusive date. When the transfer books do not close, shares shall be "ex dividend" on the day the dividend is payable at the company's head office.

113B. Quotations for the shares of a company which has announced a new issue with an entitlement to existing shareholders shall be quoted on an ex entitlement basis:

- (i) Where the company calls a special general meeting to validate the issue and does not advise a subsequent closing of transfer books to determine entitlement—on the day following validation at such special general meeting.
- (ii) In all other cases—on a day determined in accordance with the provisions of rule 113A as for dividends.

Notwithstanding the above provisions the executive may fix a date for ex dividend, interest, or entitlement quotations in any particular case if, in its opinion, adherence to such provisions may in that case result in hardship or confusion.

113C. Quotations for contributing shares shall include the amount of capital paid up determined on the following basis:

- (i) Where the balance of capital owing in respect of a share is payable by one or more stated instalments on fixed or determinable dates, then each such