

at the time of sale separate transfers provided always that where a marketable parcel is bought and no conditions are agreed upon at the time of sale it shall not be obligatory for the seller to deliver more than one transfer where the provisions for marking transfers in New Zealand are not effective.

(ii) Unless the contract otherwise provides if a seller delivers more than one transfer of shares in satisfaction of a sale of shares of a company, the seller shall pay to the buyer any cost (by way of stamp duty, registration fee, or otherwise) in excess of the cost which would have been payable by the buyer if one transfer only had been delivered in satisfaction.

(iii) Notwithstanding anything to the contrary hereinbefore contained a seller of Australian securities being other than Government or local body stocks shall, unless requested otherwise at the time of sale, make delivery in transfers each of the marketable parcel of such securities at the date of sale in accordance with the rules of the Australian exchange nearest the head office of the company concerned.

(iv) In no case is it incumbent on a seller to deliver scrip otherwise than in accordance with the terms of the contract.

122. *Seller Responsible for Validity of Documents*—The selling broker shall be responsible for a reasonable time 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. The official stamps of the exchange, embodying the words "Scrip forwarded to the Company's office this day", and "Scrip in support of this transfer for ..... shares, forwarded to the company's office this day", shall be kept in the custody of the secretary of such exchange, and at the request of any member he shall affix one or other of the said stamps to any transfer required, appending thereto his ordinary signature as secretary, and the date written in full or by date stamp. He must, however, first have received from the applicant the relative scrip or transfer which he shall forthwith forward by quickest registered mail to the secretary or proper officer of the company in question, with an intimation as to the number of transfers marked with the stamp and the number of shares embodied in each transfer. He must also keep a record of all such transactions in the register provided for the purpose. He shall keep the official marking stamps referred to above under lock and key, and should any misuse of them be made through his neglecting this or any other necessary precaution, he shall be liable for any loss occasioned thereby. In the absence of the secretary, the chairman or vice-chairman of an exchange may exercise the foregoing powers of the secretary. The exchange may make such charges as it thinks fit against its members for this service.

123. *Mining Shares*—It shall not be incumbent upon a member to accept a transfer of New Zealand mining shares more than 28 days old.

*Investment Shares*—It shall not be incumbent upon a member to accept a marked transfer of investment shares where there are less than 14 days in the case of transfers of shares on an overseas register and seven days in the case of transfers of shares on a New Zealand register before the expiry of the period for which scrip is being held in support.

124. *Overseas Company*—A seller of shares in an overseas company having a New Zealand register shall deliver scrip on the New Zealand register unless the contract otherwise provides.

A seller of shares in an overseas company not having a New Zealand register, shall deliver scrip on the register of the head office of the company unless the contract otherwise provides, provided however that in the case of the shares of companies registered in Australia the seller shall be entitled to deliver scrip on any other Australian register if the seller pays to the buyer at the time of settlement the amount (if any) by which the total stamp duty payable exceeds the amount of stamp duty which would have been payable had the shares been on the register of the head office of the company.

125. *Documents at Seller's Risk*—All bonds or documents are at the seller's risk until delivered to the buyer. Where bonds or documents are sent by post they shall not be deemed to have been delivered until actually received by the buyer.

126. *Buyer Liable to Expense of Holding Over Sellers Draft*—In the event of the seller being put to any expense through a draft being held over, the buyer shall be liable to make good to the seller all such expense, provided all documents are in order and the delivery is made in accordance with these rules. Should the draft be presented on a stock exchange holiday it shall be payable on the day the exchange reopens.

127. *Bonds Delivered in 100 Parcels*—Delivery of bonds shall be in single £100 bonds unless otherwise arranged at time of sale.

128. *Broker Not to Affix Stamp*—No member of an exchange shall be permitted to print or affix his name on any transfer or scrip delivered to another broker.

129. *Resale Where Seller's Client Incapable of Delivering*—In the event of a member's client dying or becoming otherwise incapable of receiving and paying for, or delivering or transferring stocks or shares which the client has ordered to be bought or sold and, after reasonable inquiry the member has no knowledge of anyone legally authorised to complete such purchases or sales on the client's behalf, the member may, through the chairman or with his authority, resell or repurchase as the case may be, and the client (or his estate) shall be liable for any deficiency and be entitled to any surplus which may result.

130. *Powers of Attorney*—Where a transfer of securities purports to be executed under a power of attorney or by an executor or administrator the following provisions shall apply:

(i) The transfer when tendered to a buying member shall bear an acknowledgment under the hand of an officer of the company, local body, or Government to whose securities the transfer relates or a certificate from the secretary of an exchange to the effect that the power of attorney, probate, or letters of administration has been exhibited to such company, local body, or Government.

(ii) A transfer purporting to have been executed under a power of attorney shall either be accompanied by a statutory declaration (or statement acceptable to the company, local body, or Government concerned) of non-revocation of such power of attorney or be endorsed by the secretary of an exchange to the effect that such statutory declaration (or statement as aforesaid) has been exhibited to him and forwarded to the company with the relative scrip or be endorsed by the company, local body, or Government concerned to the effect that such statutory declaration (or statement as aforesaid) is held by it.

131. *Rights of Parties Where Settlement Delayed Six Weeks*—Where the seller has not tendered the documents within six weeks of the date of sale or, in the case of a time bargain, within six weeks of the date for completion and the buyer has not named the seller in accordance with rule 120, the buyer may give notice to the seller that, unless the documents are tendered within 72 hours of the receipt of such notice, the buyer will not thereafter accept delivery and, if the seller fails to deliver within the said 72 hours, then he shall not be entitled thereafter to deliver. Nothing in this rule shall be deemed to prejudice the rights of the buyer against the seller in respect of non-delivery as aforesaid. Where the buyer has not for six weeks from the date of sale, or in the case of time bargains, for six weeks from the date for completion thereof requested the seller to deliver or taken any other steps upon the contract in accordance with these rules he shall not be entitled to require the seller to deliver unless and until he gives the seller 72 hours' notice that he requires the seller to deliver.

#### LISTING

132. *Right of Quotation*—The right of quotation on the official list shall be granted only by the committee and upon such terms and conditions as it may generally or in any particular case from time to time determine.

133. *Procedure*—(i) A company desiring to have its shares or any class or classes of its shares granted the right of quotation on the official list shall make application in that behalf to the exchange nearest its head office and pay the fee hereinafter provided and such exchange shall forward such application, together with its recommendations, to the Association.

On each application an examination fee of £10 10s. shall be paid by the company making the application to such exchange which shall in turn pay £4 4s. thereout to the Association, provided that, if at a subsequent date such company shall make application for the right of quotation on the official list of another class of its shares, then the examination fee in respect thereof shall be £7 7s. of which £3 3s. shall be paid to the Association. In the event of the grant of such right being refused such fee shall not be returnable.

(ii) The Association may without assigning any reason refuse to grant such shares or any class of such shares the right of quotation on the official list, and similarly may at any future time suspend or cancel such right of quotation. Such right shall also be cancelled when the Association is so requested by a resolution of the shareholders of the company.

(iii) The Association may grant by way of courtesy and either with or without payment of any fee the right of quotation on the official list of any class of shares of a company registered outside New Zealand in respect of which the right of quotation on its official list has been granted by a recognised stock exchange outside New Zealand.

134. *Unofficial List*—The chairman of an exchange may on the request of a member grant the right of quotation on the unofficial list of the shares of any public company subject to such conditions as the Association may from time to time prescribe and to such further conditions as the chairman may deem desirable in the particular case.

The unofficial list shall be clearly marked as such and shall state that transactions in the shares appearing thereon are subject to a special rate of brokerage.

#### ADVERTISING

135. *Communications to Other Than Clients*—No member shall send or deliver by post or otherwise or cause to be sent or delivered as aforesaid to any person other than a client any communication in relation to shares or stockbroking business or interview or cause to be interviewed by his servant or agent any person not his client, provided nevertheless the committee of an exchange may in the case of new flotations or of increases of capital authorise a member to solicit applications from persons not his clients upon terms and in such manner as such committee shall approve.

For the purposes of this rule a client means and includes a person, firm, association, or body corporate for whom a member has carried out share and/or stockbroking business,