

the Exchange and a country member shall not be entitled to assign his membership or propose a candidate for membership in his stead.

#### *Employees Trading*

82. A member shall not buy or sell shares for anyone employed in another member's office.

#### *Disputes*

83. Where any dispute between members with reference to stockbroking transactions or other transactions to which these rules apply is brought under or referred to 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. In giving a decision on a dispute between members the committee may order that reasonable costs of the hearing of the dispute should be paid by any one or more of the members involved and may require the deposit of up to \$40 for hearing costs at the time a dispute is referred to the Committee.

84. It shall be a condition, precedent to the commencement of any action by a member against any other member upon any matter arising out of any transaction of stockbroking or out of any transaction to which these rules apply, that the dispute shall be first determined in the manner provided by these rules and thereafter action shall be commenced only for the enforcement of the decision given under these rules and then only after the member sued shall have after 14 days' notice in writing refused or neglected to carry out such decision. In any action as aforesaid no member shall dispute the correctness of such decision or award, or the fact that it was given in accordance with these rules.

#### *Complaints and Charges*

85. A complaint or charge may be made to the Committee in respect of any alleged breach of these rules, or alleged professional misconduct, or any act or matter alleged to be detrimental to the well-being or proper conduct of the Exchange or the Association, and may be made by any Exchange member or by a member of another Exchange or subject to rule 75 by a non-member.

86. 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. In the event of a complaint or charge being made which in their opinion justifies such procedure the Committee shall have full power to call upon any member to produce for the inspection of the Committee or an Inspector appointed by them or to make available at the member's office for such inspection all books, letters, telegrams, and office records or other documents or copies thereof as the member may have in his possession or control as the Committee may direct and the member shall forthwith produce such documents or make them available for inspection as the case may be.

87. The Committee shall take cognizance of all violations of these rules, and of the rules of the Stock Exchange Association of New Zealand whether in letter or spirit, and the Committee shall have the power to reprimand, to fine, to suspend from membership, and to recommend the expulsion of any member found by it to be guilty of such violation or of failure to comply with any of the decisions of or regulations made by the Committee or the Association, or of conduct which in the opinion of the Committee is unworthy of a member. Should the Committee decide to recommend a member's expulsion it shall report accordingly to the members at a Special General Meeting called for that purpose. It shall be competent for the Special General Meeting to confirm or vary the Committee's recommendation to expel the offender and the meeting may resolve to deal with the offending member by reprimand, fine, or suspension. Unless the meeting otherwise resolves, the decision shall be taken by secret ballot. The decision of the meeting shall be deemed to be immediately adopted and given by the Committee and shall thereupon apply forthwith to the offending member but without prejudice to his right of appeal to the Association.

88. The Committee shall give 10 days' notice in writing (or such lesser time as the Committee and member agree) to a member against whom a complaint or charge has been made specifying the nature of such complaint or charge and the date, place, and time of the meeting of the Committee called to consider the matter. At such meeting the member concerned shall be given a reasonable opportunity of being heard. A country member may submit his representations in writing. The Committee shall be entitled to regulate its own procedure for the hearing of any complaint or charge.

89. Any fine imposed under these rules shall not, except in cases where another is fixed, be less than \$50 or more than \$1,000 and in cases of a continuous offence shall be not less than \$10 or more than \$50 for each day during which such offence continues. In addition the member in default may be also directed to pay the reasonable costs of the hearing or investigation of any charge under the rules of which he is found to be guilty.

90. 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 87.

91. If a fine imposed on any member by the Committee or by a General Meeting of members is not paid within 7 days or within such extended time as the Committee may fix, the member in default may be declared by the Committee to be in default and he shall from the date of such declaration be deemed to have ceased to be a member.

92. 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.

93. The Committee for the time being may in their absolute discretion and in such manner as they may think fit notify or cause to be notified to the public that any member has been expelled or has been declared a defaulter or has been suspended or has ceased to be a member. No action or other proceedings shall under any circumstances be maintained 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.

94. 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.

#### *Holidays*

95. The official holidays to be observed by all members of the Exchange shall be those fixed by the Committee of the Association. Special holidays shall not be declared except by a special resolution of members. The Exchange shall not open on any public holiday unless a special resolution of members to so open has been passed.

#### *Alteration of Rules*

96. These rules or any of them may be altered by way of repeal, amendment, addition, or otherwise by a special resolution passed in the manner of a special resolution save that not less than 21 clear days' notice of the intention to propose the resolution shall have been duly given.

Notice of any resolution for alteration of these rules shall be given to the Secretary and a general meeting of members may thereupon be called to consider the proposed alteration. The notice convening a general meeting shall contain a copy of the resolution to be submitted to the meeting and such resolution may be passed in amended form only if in the opinion of the Chairman of the meeting the amendment does not substantially alter the character and purpose of the original resolution. The accidental omission to deliver or to post a notice to any member shall not invalidate any proceedings taken or resolution passed at the meeting. No proposed amendment or repeal of or addition to these rules if rejected shall be entertained again for 6 months.

#### *Association Rules*

97. These rules shall to the extent hereinafter mentioned be read with and subject to the rules and regulations of the Stock Exchange Association of New Zealand for the time being in force.

All rules and regulations of the aforesaid Association for the time being in force affecting or intended to affect govern or bind exchanges affiliated thereto shall be deemed to be rules of this Exchange and shall be binding upon all persons associations and bodies in the like manner and to the like extent as if the same were embodied in and set forth in these rules as rules of this Exchange.

If and when any rule or portion of any rule of the Exchange conflicts or is inconsistent with any rule or regulation for the time being of the Stock Exchange Association of New Zealand then such last-mentioned rule or regulation shall in so far as the rule of this Exchange is in conflict or inconsistent with