

anyone other than a member, but a consent given in this behalf shall be deemed to be an authority for all other members to so act. In considering an application for consent under this provision, the Executive shall have regard to the standing and repute of the non-member and the best interests of the Exchange and its members in furthering the objects of the Exchange.

14.04 Where a member has sought and been granted permission to act as an underwriter in connection with a non-member then such member shall be responsible for any action by the non-member which, if committed by the member so acting, would have been a breach of these Rules or any of the regulations made hereunder.

14.05 A member shall not permit his name to appear as a broker or underwriter in connection with the flotation of any company or any issues of shares or other securities where it is advertised that such issues are underwritten or co-underwritten or in any way organised by others than members unless such underwriters or co-underwriters or organisers have been approved by the Executive.

In an application for approval under this rule, the Executive shall have regard to the same criteria as are specified in Rule 14.03 in regard to an application for consent under that provision.

### 15.0 Quotations and Sales Reporting

15.01 To maintain a quotation at official trading periods, members offering to buy or sell shall be bound to deal in numbers prescribed by the regulations, which numbers shall be known as marketable parcels.

15.02 Sales shall be reported within such times and in such manner as shall from time to time be prescribed by the regulations.

### 16.0 Brokerage

16.01 Brokerage — Fixed Interest Securities —

16.011 On Government and local body securities, whether issued or domiciled in New Zealand or overseas, and on the securities of such New Zealand corporations as the Executive may from time to time define as semi-government corporations, rates of brokerage, calculated on nominal value, shall be—

On the first \$5,000—50 cents per \$100

On the next \$5,000—25 cents per \$100

On the next \$40,000—12 cents per \$100

Save that on a parcel of more than \$50,000 no fixed rates of brokerage apply.

16.012 On the bonds, debentures, and debenture stock, whether registered or not, of companies and all other corporations, not having been defined as semi-government under Rule 16.011, and on note issues not carrying the right of conversion into shares, the rate of brokerage calculated on nominal values shall be—

Listed—

On the first \$5,000—\$1 per \$100

On the next \$5,000—50 cents per \$100

On the next \$40,000—25 cents per \$100

Unlisted—the above rates plus 50 percent.

Save that on a parcel of more than \$50,000 no fixed rates of brokerage apply.

16.013 If the final or advised date of maturity is within 12 months of the date of sale, brokerage shall be at half the rates specified in Rules 16.011 and 16.012.

16.014 Where securities specified in Rules 16.011 and 16.012 are sold and within 24 hours of the time of sale the selling broker purchases other securities specified in those Rules for the same client, then brokerage at half the rate which would otherwise be chargeable may be charged on that part of the transaction (if not the whole) involving the sale of securities and the purchase of other securities of the same face value.

16.015 Where securities specified in Rules 16.011 and 16.012 are sold and within 24 hours of the time of sale the selling broker arranges a reinvestment for the same beneficial interest of any part of the proceeds of sale in other securities specified then brokerage (on so much of the securities in respect of which the net proceeds of sale are reinvested as aforesaid) may be charged at half the rate which would otherwise be chargeable, provided that a placement commission is allowed to the broker by the issuer.

16.016 The foregoing concessional rates as to quantity apply as to the total of securities specified in either Rule 16.011 or 16.012 (but not to an aggregation or substitution of securities between

those clauses) to the extent that a single instruction, given at the one time to buy or to sell on behalf of the one beneficial interest such securities (which may be of different issuers, interest rates, and/or maturities), is completed within one calendar month from the date of such instruction. The balance of the uncompleted order shall after one calendar month be deemed to be a new instruction from the date of commencement of the 2nd and subsequent months.

16.017 The rates of brokerage prescribed shall be charged to both buyer and seller.

16.018 Notwithstanding the provisions of the preceding Rules, it shall be competent for the Executive from time to time to increase, reduce, or waive payment of rates of brokerage therein prescribed in respect of any transactions in government or local body securities undertaken for and on behalf of the New Zealand Treasury or the Reserve Bank of New Zealand.

16.019 Subject to the provisions of the Rules and subject to the laws of the country wherein the register of securities dealt in is situated, stamp duty and transfer fees shall be paid by the purchaser. Where the transaction is for less than a marketable parcel as defined by the regulations the buyer and/or the seller shall pay such stamp duty and fees as may be prescribed from time to time by odd lot regulations of the Exchange.

16.02 Brokerage—Equity Capital.

16.021 Rates of brokerage on shares, capital stock, rights to new issues, share options or convertible loan securities in companies listed on an exchange recognised by the New Zealand Stock Exchange (except as hereinafter provided) shall be—

On each order given at the one time, buy or sell, on behalf of the one beneficial interest, securities in the one company of the same class and paid up value—

(i) On the first \$5,000 of consideration 2.5 percent

(ii) On the next \$45,000 of consideration 1.5 percent

(iii) On the next \$450,000 of consideration 1 percent

(iv) On that amount by which consideration exceeds \$500,000 0.5 percent

In the case of an order to purchase rights to a new issue consideration means the sum of the purchase price of the rights and the minimum application money payable.

PROVIDED THAT the concessional rates in sub-paragraphs (ii) and (iii) above shall apply only—

(a) on that part of the order completed within three calendar months from the date of the first transaction carried out against the order. The balance of the uncompleted order shall after three calendar months from the date of the first transaction be deemed to be a new order, and

(b) in the case of an order to buy comprising both shares and rights to a new issue if the money payable on application for the new issue would make the shares arising from the issue of the same paid up value as the quoted shares.

PROVIDED FURTHER THAT in the case of an order when the consideration is less than \$20 total brokerage shall be \$2.00.

AND PROVIDED FURTHER THAT in the case of an order when the consideration is more than \$20 but less than \$200 total brokerage shall be \$5.00.

16.022 When a client gives an order to resell or repurchase securities in the one company where the consideration exceeds \$5,000 and the order is completed within thirty days of the date on which the securities were purchased or sold the following rates shall apply to the resale or repurchase:

(i) on the first \$5,000 of consideration 1.25 percent

(ii) on the next \$45,000 of consideration 0.75 percent

(iii) on the amount by which the consideration exceeds \$50,000 0.5 percent

PROVIDED THAT for any balance of an order to re-sell uncompleted within one calendar month brokerage shall be charged at the rate set out in Rule 16.021 and such balance shall have the benefit of concessional rates provided in such