

clause if applicable.

- PROVIDED FURTHER THAT the concessional rates in Rule 16.022 above shall apply only when the client, in the case of a resale unless otherwise arranged, has within five business days of the date of the original transaction, made payment in full of the purchase price and other charges for the securities or in the case of a re-purchase makes delivery within 10 days of the date of the original transaction.
- 16.023 On securities of the types set out in Rule 16.021 which are not listed or rights of which quotation has not been authorised, the rates of brokerage shall be as prescribed in Rule 16.021 plus 50 percent.
- 16.024 The rates of brokerage prescribed in the preceding Rules shall be charged to both buyer and seller.
- 16.025 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.
- 16.03 Notwithstanding the provisions of the foregoing Rules, special brokerage rates may be charged in the following circumstances—
- 16.031 Charges in excess of those prescribed by Rules 16.01 and 16.02 may be made according to the circumstances of the case for the negotiation of flotations (other than offers of securities made to existing holders) of securities not on the official list provided that in the case of any placement of existing securities the amount of any such excess shall with the prior consent of the committee of the member's regional exchange be paid by the vendor or issuing company concerned.
- 16.032 On flotation of all securities excepting bonds, debentures, or debenture stock (other than placement of existing securities), brokerage (based on the issue price or nominal value whichever is the greater) shall be payable to members lodging applications in respect of so much of such applications as is accepted at the rates prescribed by Rule 16.021 provided that the foregoing rates may be reduced with the prior consent of the Executive.
- 16.033 On flotation of bonds, debentures, or debenture stock and term deposits, brokerage shall be payable to members lodging applications in respect of so much of such application as is accepted at a minimum of one percent. Provided that in respect of such securities of a maturity of two years and under, the foregoing rate may be reduced with the prior consent of the Executive.
- 16.034 In the case of any placement of any unlisted, issued and allotted shares in any company, brokerage may be charged as follows:
— to the vendor such rate as may be approved by the Executive in any instance.
— to the buyer the rates as prescribed in Rule 16.021 in which case the member may charge the selling fee and buying brokerage and stamp duty against the vendor or company whose shares are being sold.
- PROVIDED THAT in either of the above cases the undermentioned precedent conditions have been satisfied, namely:
— that consent to act under Rule 13.01 has been obtained and a prospectus is issued.
— that the object of the placement is to enable a spread of shareholders to be obtained to facilitate the listing of such shares.
— that all the listing requirements of the Exchange have been complied with at the date of issue of such prospectus.
— that a signed application for listing of the shares in question shall have been duly made in accordance with the provisions of Rule 12.02.
- 16.035 In circumstances not covered by these Rules, the member involved may charge a fee as mutually arranged between the member and his client.
- 16.036 Of the foregoing provisions of the Rules, nothing herein contained is intended to apply to the services of underwriting, organising, or advising and the fees to be charged therefor shall be a mutual arrangement to be determined between broker and client in each instance.
- 16.037 Notwithstanding the provisions of this or any other Rule, the brokerage rate or handling fee payable to members in respect of acceptances of an offer of conversion made to existing holders of interest bearing securities, or by the original offeree, of securities in a rights issue, shall be such rate or fee as may be negotiated in any particular instance by the member associated with the offer.
- 16.04 The Council may by resolution notify regional exchanges forbidding business on any terms by all members with a particular person, firm, or company, or in some particular share, stock, or debentures, should they deem such an action to be in the interests of the investing public, the interests or standing of the Exchange or its members, or for such other reasons as they may consider to be relevant.
- 16.05 Dividing Commission—No member shall divide any commission earned as a broker except with a member or with a member of a stock exchange out of New Zealand recognised by the Exchange. Nothing in this Rule shall be construed to permit a member to reduce his commission to the person from whom he earns that commission, nor to prevent a member acting as an underwriter from dividing any commission received as an underwriter or sub-underwriter with any sub-underwriter whether a member or not.
- 16.06 No member shall do business for or with any broker or other person (other than a member of the Exchange or a stock exchange out of New Zealand recognised by the Exchange) at net prices or at less than the rates of commission specified in these Rules.
- 16.07 No member shall do business for or with any member of a stock exchange outside New Zealand who either alone or in partnership with any other person or through an agent or employee has or acquires a place of business in New Zealand or who in any way carries on business in New Zealand.
- 16.08 No rates other than those fixed in these Rules shall be charged and it shall not be allowable under any circumstances whatever to pay an agent not a member of any stock exchange a remuneration of any kind for introducing business.
- 16.09 A member may not act as a principal nor adopt any other procedure for the purpose of evading these Rules.
- 16.10 Accrued interest shall not be taken into account on the sale of government or local body securities or bonds, debenture stock, but shall be included in the sale price.
- 16.11 The following scale of fees shall be adopted by all members for valuation of all listed securities provided that the chairman of a regional exchange may authorise a member of such exchange to negotiate with his client for a greater or lesser charge should circumstances in the chairman's opinion warrant such actions:
0.2 percent on first \$25,000 of the total valuation
0.1 percent on the balance of the total valuation in excess of \$25,000
- 16.111 The minimum charge per line shall be \$2 and the minimum overall fee shall be \$10.
- 16.12 The examination of a portfolio is a service not falling within this Rule and may be subject to a reasonable fee.
- 17.0 Contracts**
- 17.01 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 arrangement to the contrary is made between buying and selling brokers at the time the contract is made.
- 17.02 Contract notes for all transactions shall be passed between members and shall be prima facie evidence that the transaction has taken place and the terms thereof.
- 17.03 Refusal of the Board of Directors of any company to register a transfer shall not invalidate a sale.
- 18.0 Delivery and Settlement**
- 18.01 Delivery shall not be made earlier than the business day following the contract.
- 18.02 Save where the contract otherwise provides, the seller shall be deemed to have contracted to deliver not later than 1 p.m. on the tenth business day after the day of sale. In each case such day is referred to in these Rules as the due date.
- 18.021 Prompt or immediate delivery shall mean delivery within 24 hours from time of sale.
- 18.03 The seller shall be entitled to require settlement for cash or marked cheque or bank cheque or through a bank, upon delivery of documents on a business day, save that a seller is not so entitled unless he delivers in accordance with these Rules and before the time specified by these Rules or any regulations made hereunder.