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1.0 Interpretation

In these Rules and any Regulations made hereunder—

- 1.01 "Board" means the Board of Directors of the Exchange as constituted by Rule 8.01.
- 1.02 "bylaws" in relation to any regional exchange means its bylaws made under Rule 9.04 and for the time being in force.
- 1.03 "Chairman" means the Chairman of the Board.
- 1.04 "company" has the same meaning as in the Companies Act 1955.
- 1.05 "company member" means a member of the Exchange that is a company.
- 1.06 "Exchange" or "N.Z. Stock Exchange" means the New Zealand Stock Exchange (which body is referred to in section 3 of the Sharebrokers Amendment Act 1981 as the successor of the Stock Exchange Association of New Zealand, the Auckland Stock Exchange, the Wellington Stock Exchange, the Christchurch Invercargill Stock Exchange Limited and the Dunedin Stock Exchange).
- 1.07 "Executive Director" means the executive director of the Exchange or the person for the time being carrying out the duties of the executive director.
- 1.08 "committee" means the committee of a regional exchange as provided for by Rule 9.03.
- 1.09 "individual member" means a member of the Exchange who is a natural person and includes those members formerly classified as country members.
- 1.10 "member" means a member of the Exchange and includes both individual members and company members, except where a contrary intention appears.
- 1.11 "Membership Committee" means the Committee established by the Board in terms of Rule 5.01.
- 1.12 "Membership Appeal Committee" means the Committee established by the Board in terms of Rule 5.06.
- 1.13 "personal place of business" means:
 - (a) In relation to an individual member, the sharebroking office where the member ordinarily works; and
 - (b) In relation to a company member, the registered office of that member.
- 1.14 "regional exchange" means a regional exchange constituted by Rule 9.01.

- 1.15 "regulations" means the regulations made by the Board under Rule 8.24 and for the time being in force.
- 1.16 "share" or "shares" shall include stock and vice versa.
- 1.17 "sharebroker" shall include stockbroker and vice versa.
- 1.18 "sharebroking" shall include stockbroking and vice versa.
- 1.19 "sharebroking firm" means a company member, or a partnership of individual members, or a member in practice as a sole trader.
- 1.20 "sharebroking office" means:
 - (a) any place from which a sharebroking business is conducted; and
 - (b) where used in relation to a member, any such place under the control of the member or of a partner, employee, or employer of the member.
- 1.21 Any marginal notes or headings shall not affect the construction of these Rules.
- 1.22 References to a member's regional exchange shall mean the regional exchange to which the member belongs pursuant to Rule 9.02.
- 1.23 "The Act" means the Sharebrokers Amendment Act 1981 or any statutory modification thereof.
- 1.24 Words importing persons include firms and corporations unless the context otherwise requires.
- 1.25 Words importing one gender shall include the other genders.
- 1.26 Words importing the singular number include the plural number also, and vice versa.

2.0 Objects

- 2.01 As prescribed by Section 4(1) of the Act, the functions of the Exchange are:
 - 2.011 To operate a national stock exchange, which may be wholly or in part operated through the establishment of regional stock exchanges;
 - 2.012 To promote and specify the conditions and terms for the listing and trading of securities on its exchange;
 - 2.013 To regulate and promote uniformity in the conduct of its members and of business by its members;
 - 2.014 To promote the interests of its members and members of the public in relation to the listing, trading, underwriting, and marketing of securities.
- 2.02 As prescribed by Section 4(2) of the Act, the Exchange shall have all such powers as are reasonably necessary or expedient to carry out its functions.

3.0 Membership

- 3.01 Members shall consist of all persons who have become members pursuant to any rule for the time being in force and all persons admitted to membership as hereinafter provided.
- 3.02 Membership of the Exchange shall comprise the following classes:
 - 3.021 individual members; and
 - 3.022 company members.
- 3.03 The Membership Committee shall admit as an individual member of the Exchange a natural person who has applied for membership of the Exchange in accordance with Rule 4 if:
 - 3.031 The person supplies evidence satisfactory to the Membership Committee to the effect that:
 - 3.0311 He holds a sharebroker's licence; and
 - 3.0312 His assets exceed his liabilities by such sum (not being less than \$100,000) as may from time to time be determined by the Board for the purposes of this rule, and the Board may accept a guarantee as part of a person's assets; and
 - 3.0313 He has been employed full time for a total of not