

regional exchange" and replace with "Managing Director" on lines 5 and 6.

7.05 Delete.

7.064 Add a new section 7.064:

"he has fully met all obligations arising from his previous activities as a principal of a sharebroking firm."

7.08 Delete reference to "Executive Director" and replace with reference to "Managing Director".

7.09 Delete and replace with:

"A member shall be entitled to participate either in person or through an authorised clerk in the official trading meetings on any trading floor of the Exchange so long as that member has paid such fees and levies as the Board shall reasonably determine."

7.10 Delete the words:

"contract notes may be issued from any one of the member's sharebroking offices in New Zealand but" on lines 2 and 3;

"regional exchange" and replace with "office of the Exchange" on lines 4 and 5.

7.112 Delete the words "as if that office were in the territory of the member's regional exchange" on lines 2, 3 and 4.

8.04 Delete reference to "Executive Director" and replace with reference to "Managing Director".

8.05 Delete reference to "Executive Director" and replace with reference to "Managing Director".

8.20 Delete reference to "Executive Director" and replace with reference to "Managing Director".

8.241 Delete the word "the" on line 10 and the words "and every regional exchange" on line 11.

8.31 Delete and replace with:

"The secretariat of the Exchange shall be the responsibility of the Managing Director who shall be appointed by, and be accountable to, the Board. In any temporary absence of the Managing Director, the Board may appoint any other person to that position for the period of absence of the Managing Director."

8.34 Delete.

9.0 Delete and replace with "9.0 Local Activities".

"9.01 The Board may at its discretion appoint a member or members to represent the interests of the Exchange and its members in a particular region or location.

"9.02 Any member so appointed shall hold the title of Vice Chairman of the Exchange or such other title as the Board may from time to time determine and shall have such functions as these rules may provide or as the Board at its complete discretion may from time to time determine.

"9.03 The Board may at its discretion or upon the application of any group of members resolve that a trading floor or trading floors shall be established or maintained in a particular location or locations and may also, by resolution, establish the terms under which such a trading floor shall operate and the basis on which it is to be funded.

In considering whether a trading floor shall be established or maintained in any location, the Board shall have regard to the needs of members and investors in that location, the effect which the establishment or maintaining of such a trading floor might have on the market generally and any other factor which the Board may reasonably take into account in making its decision.

"9.04 Without in any way limiting the powers in rule 8.24 relating to the making of regulations the Board shall make regulations for the conduct of trading on any trading floor established or maintained in terms of rule 9.03. Such regulations shall include provision for the terms under which

any person, whether a member or an employee of a member, may have access to the trading floor, or trade any of the securities listed on the Exchange."

10.01 Delete and replace with:

"The financial year of the Exchange shall end on a date to be determined from time to time by the Board. An annual general meeting of members shall be held after the end of each financial year, not later than 15 months following the preceding annual general meeting and in any event not later than 6 months after the end of the financial year.

"Such annual general meeting shall be held at a time and place to be determined by the Board. Members shall be advised of the place and date of each annual general meeting no later than 4 months prior to the date on which such annual general meeting is to be held."

10.02 Delete the words "regional exchanges" on line 4.

Delete reference to "Executive Director" and replace with reference to "Managing Director".

10.05 Delete reference to "Executive Director" and replace with reference to "Managing Director".

10.08 Add the words "eligible to vote" after "members" on line 2.

10.12 Delete and replace with:

"A proxy may be communicated to the Managing Director by facsimile transmission to meet the deadline required provided that the original of the facsimile shall be in the hands of the Managing Director before the time scheduled for the commencement of the general meeting."

10.14 Add new rule 10.14:

"No member who is in default or suspended shall be eligible to vote at a general meeting of members. Where there is any dispute about a member's eligibility to vote, a ruling shall be given by the Chairman, whose decision shall be final."

12.011 Delete reference to "Executive Director" and replace with reference to "Managing Director".

12.021 Add the following proviso:

"Provided such right shall also be cancelled when the Exchange is so requested by the company provided that the Board is satisfied that the rights of minority shareholders would not be unduly prejudiced by such cancellation."

13.0 Delete and replace with:

"13.01 Subject to rule 13.02 all members shall be deemed to have authority to act as brokers to or to be associated with any flotation where a prospectus or other document soliciting applications for shares or other securities or capable of promoting inquiries for shares or other securities is issued to members of the public as contemplated in the definition of "offers to the public" in the Securities Act 1978.

"13.02 In the case of any flotation or further issue of shares or other securities for which listing is being or will be sought, no member shall have authority to act unless the issuer or its organising broker has sought and received assurance from the Exchange that authority to act has not been withdrawn. In considering an application for assurance of authority to act, the Exchange shall have regard to whether the requirements of the general law and the rules, regulations and listing requirements of the Exchange have been or are likely to be complied with, the standing and repute of the issuer and such other matters as the Exchange may consider to be relevant in the interests of the investing public and the standing of members.

"13.03 Application for assurance of authority to act shall be made by the member acting as organising broker to the Board